



On the instructions of Ian Wright and Scott Milne, Quantama Advisory Limited — Joint Administrators of Dalkeith Apartments Ltd

Dalkeith Hotel
152 High Street, Dalkeith
Midlothian, EH22 1AY

Offers Over £2,250,000
Freehold

- A very well presented town centre ApartHotel
- 33 bedrooms, with café and restaurant
- Recently refurbished to a high standard
- Development opportunity of 8 additional bedrooms
- Currently under contract for Ukrainian Refugees
- Expected high profits due to guaranteed income and low running costs
- Restaurant leased providing additional income

INTRODUCTION

Dalkeith is a charming town located in Midlothian, Scotland. With a population of approximately 15,000 residents, it offers a perfect blend of historical significance and modern amenities. Dalkeith's strategic location, just 6 miles southeast of Edinburgh, makes it easily accessible and well-connected to the surrounding areas, including the Royal Infirmary, and Esk Valley College. Musselburgh and Gorebridge are both within 5 miles.

In terms of communications, Dalkeith benefits from excellent transport links. The A68 and A720 roads pass nearby, providing easy access to the region's Edinburgh and other major cities. Additionally, the town is served by regular bus services, ensuring easy commuting for residents and visitors alike.

Dalkeith offers a rich tapestry of historical landmarks. Dalkeith Palace, a grand 18th-century mansion, stands proudly within Dalkeith Country Park, giving visitors a glimpse into the area's past. The park itself offers beautiful walking trails, picturesque woodlands, and stunning gardens, making it an ideal spot for outdoor enthusiasts.

The hotel was fully refurbished in 2019 by the current owners. The owning company has now fallen into Administration. The property is currently being managed by Effective Hospitality Management which has a contract from CTM Agency, the Scottish Government's supplier. The current contract offers the hotel 100% occupancy until 31st March 2024.

THE PROPERTY

The Hotel comprise a substantially extended hotel which is in excess of 150 years of age. The main building is of traditional solid stone construction with accommodation over three principal floors under a multi-pitched slate-covered roof. Over the years, the property has been extended to the rear. The property lies within the Conservation Area known as Dalkeith House & Park.

ACCOMMODATION SUMMARY

From the main street there is a small entrance vestibule leading to:-

Public Areas

- Coffee Lounge (20)
- Breakfast/Dining Room (50) (the former bar)
- Function Room (not in use)
- Ladies & Gents WCs & Disabled

Slumdog Restaurant (Currently Leased)

- 60 covers
- Ladies and Gents WCs
- Commercial Kitchen
- Stores



Letting Accommodation

33 Letting Rooms to sleep 67

- 13 x Doubles
- 11 x King Sized
- 7 x Twin
- 1 x Family
- 1 x Single

All rooms are equipped with fridge, microwave, TV, tea/coffee, hairdryer and have ensuite facilities — 19 x bath with shower; 14 x shower only

Service Areas

- Commercial Kitchen
- Prep Kitchen
- Store Rooms
- Laundry Room
- Cellar

DEVELOPMENT

- 2 x apartment bedrooms (double), with shower room ensuite, to be created at second and third floor.
- There are plans prepared to convert the function room to 6/7 additional apartment bedrooms.

LEASE TERMS

The Restaurant (Slumdog) is leased on a FRI lease until 22nd December 2040. The passing rent is £20,000 per annum. The Tenant is SLM 2 Limited. A copy of the Lease will be provided on request.

TRADE

The Government contract is based upon £78.00 (gross of VAT) per room/per night with 100% occupancy until 31st March 2024. After allowing for commissions and management fees a 12-month turnover, including rent from restaurant, is potentially in excess of £660,000 (net of VAT). There is expected to be a significant profit margin on this turnover.

There is a separate catering contract who provide breakfast and dinner as well as 24hr tea/coffee service.

Further information for the business may be shown to seriously interested parties following a formal viewing.

LICENCE

Premises Licence will be transferred if successfully reinstated.



SERVICES

Mains drainage, gas, electricity, and water are all connected to the property. There is a zonal fire alarm system.

ENERGY PERFORMANCE CERTIFICATE

Dalkeith Hotel — EPC Rating — G
The EPC is available on request.

RATEABLE VALUE

Dalkeith Hotel - Rateable Value £61,200 (1st April 2023)

Slumdog - Rateable Value £40,600 (1st April 2023)

TENURE

Heritable (Freehold) / Outright Ownership Interest of the Hotel with the Restaurant Heritable Interest subject to the existing Lease.

PRICE

Offers over £2,250,000 are invited for the heritable (freehold) interest in the property, the trade fixtures, fittings, furnishings and equipment, together with the goodwill of the business, which is being sold complete as a going concern. Stock in trade will be sold at valuation on the date of entry.

EXCLUSIONS

The Equipment in the Catering Kitchen and Breakfast room of the Hotel is excluded from the Sale. The inventory/FF&E of the Slumdog Restaurant belongs to the Tenant.

FINANCE/ BUSINESS MORTGAGES

Graham + Sibbald are in regular contact with the specialists involved in the financing of business and property purchases in Scotland and we would be happy to assist with introductions if required.

VIEWING

Strictly by appointment only to be made through Graham + Sibbald. No approach to be made to the property or members of staff.

OFFERS

All offers should be submitted in Scottish Legal Terms to the sole selling agents at the address below:

Graham + Sibbald LLP
40 Torphichen Street
Edinburgh
EH3 8JP







Slumdog Restaurant



Slumdog Restaurant





GROUND FLOOR PLAN- GROSS FLOOR AREA- 631 sq.m



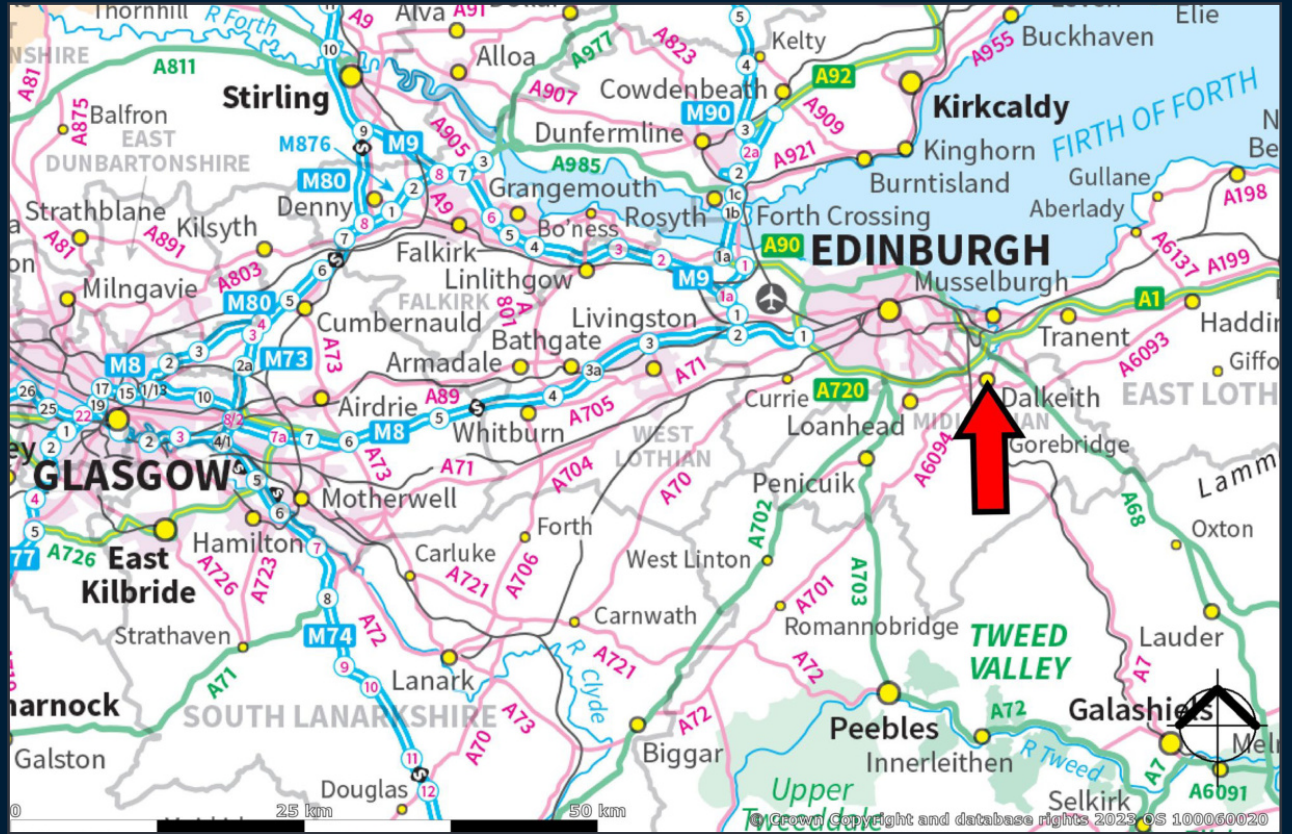
FIRST FLOOR PLAN- GROSS FLOOR AREA- 624 sq.m



SECOND FLOOR PLAN- GROSS FLOOR AREA- 405 sq.m



THIRD FLOOR PLAN- GROSS FLOOR AREA- 360 sq.m



ANTI-MONEY LAUNDERING (AML) PROCESS

Under HMRC and RICS regulations and The Criminal Finances Act 2017, as property agents facilitating transactions, we are obliged to undertake AML due diligence for both the purchasers and vendors (our client) involved in a transaction. As such, personal and/or detailed financial and corporate information will be required before any transaction can conclude.

For any queries or to arrange a viewing, please contact —



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