

FOR SALE
HOTEL + LEISURE

GRAHAM
SIBBALD



Royal George Hotel **Tay Street, Perth, PH1 5LD**

Offers over £2,500,000 (Freehold)

- Fabulous Historic 46-Bedroom City Hotel overlooking the River Tay
- Excellent city centre location; close to all major attractions & concert venue
- Full range of bar, restaurant, function, meeting room facilities
- Perth Gin Distillery located in the Hotel with adjacent "Gin Garden"
- Located within 2-minute walk of forthcoming Perth Museum, home to The Stone of Destiny
- Established Business with T/O on target to exceed £1.55m (net); Excellent Profits

SITUATION

The Royal George Hotel was constructed in the mid-19th Century although its origins as a licensed hostelry dates back some 245 years. The hotel has a spectacular position adjacent to the River Tay and located within the heart of Perth, one of Scotland's more affluent cities. Perth is a vibrant and affluent city which benefits from its position as the crossroads to the Highlands and has an excellent catchment area. The Tay City deal was signed in December 2020 bringing £700m of investment to the area. Since then Perth has gone from strength to strength using the Fund to expand Perth by the Invest in Perth Board. This has included a commitment to spend money on infrastructure and further establish Perth as an excellent place to live and work. One of the major projects was a £15million spend on the redevelopment of Perth's bus and railway stations, £24m on restoring and reposition the Town Hall and a recent £31million investment by Lalique into the Glen Turret Distillery. The Town Hall development will bring the Stone of Destiny

back to Perth, after the coronation of King Charles, which is expected to bring an additional 280,000 visitors to the city by the end of 2024.

Perth is also home to the award-winning Perth Racecourse, offering one of Scotland's best days out. The venue is unique and can be used for weddings, parties, events and conferences. Perth Races host over 120 events each year, which provides custom to the Royal George Hotel, and in 2023 there are 12 race meetings. We understand that the hotel benefits from 100% occupancy at every race meeting. The racecourse is located within the historic Scone Palace estate, with the latter a significant visitor attraction on the which the hotel can draw trade.

The attraction for tourists, visitors, or locals looking for a day out is easily achieved with so much to offer such as the nearby cinema, theatre, art galleries, museum and amazing entertainment venues that draw world-

class performers, in the Perth Concert Hall, which is on the hotel's "doorstep". In addition, the area is also world famous for golf, water sports, horse riding, fishing and the general aesthetic beauty of Perthshire.

The area is benefitting from a significant level of investment in housing including an average of around 340 new dwellings per annum being developed within Perth until 2041. This will bring the total number of dwellings to some 28,318; Perth has an estimated population of 46,660 (2020); with excellent communications being seated on the confluence of the A9, M90, A90, A94 and A85. There is also a mainline train station and a private airport.

Regional and national flights take place from nearby Dundee Airport which is less than 20 miles away and Edinburgh International Airport is some 42 miles away.



THE PROPERTY

The property is of a traditional stone construction with accommodation over 3 principal floors, plus basement/garden level and an attic conversion with dormer windows, all under a multi-pitched slate covered roof. The Royal George Hotel is located within a conservation area and is a Category B Listed Building by Historic Scotland. The hotel benefits from dual frontage with access both off George Street and Tay Street (overlooking the Tay River). In addition, there is a small private car park at the rear.

The property benefits from a garden area overlooking the River Tay. Within this garden area the new Gin Garden is situated which has proved to be a very valuable outdoor space for the hotel since it was launched in 2021.

ACCOMMODATION SUMMARY

The hotel has two entrances; from George Street and the main entrance from Tay Street, via the hotel's garden and the reception lounge areas. The accommodation comprises briefly as follows:-

Public Areas

- Reception lounge area, central in hotel, with reception counter and office behind
 - Sun Lounge at main entrance — overlooking River Tay
 - Conservatory Restaurant — overlooking River Tay
 - Lounge Bar, adjacent to Lounge, with access leading to
 - McGregor Lounge (40)
 - Main Hotel Restaurant (120) — off conservatory, with River Tay outlook
 - The Ballroom (150) — off hallway; vaulted ceiling; bar servery; dance floor
 - 3 Meeting/Private Dining Rooms — Morning Room (30); Board Room (20); DY Cameron Studio (8)
- At Lower Ground / Garden Level
- The Old Library (20)
 - Resident's Gym and Games Room
 - Gin Distillery & Tasting Room (Leased to Perth Distillery Co)

Letting Bedrooms

46 Letting Bedrooms to sleep 84

- 1 x Suite
- 6 x Mini Suites
- 10 x Double
- 21 x Twin (Zip & Link)
- 8 x Single

All ensuite — 30 bath with shower over; 12 shower only; 4 bath with separate shower. Bedrooms are located at garden, 1st & 2nd floor levels.

Service Areas

- Commercial Kitchen
- Chef's Office
- Walk-In Refrigeration
- Ancillary Service Storage Areas at basement level





Outside

- Attractive garden area to front with views of River Tay
- "Perth Gin Garden", located in garden, with access to Perth Gin Distillery
- Private car parking (appx 15) accessed off George Street

Development Potential

There is a disused staff wing of the hotel which offers significant potential for additional accommodation or development, especially as this has River views. The sellers have plans drawn for the area and we understand they are looking to demolish the building ready for development in the near future.

THE GIN DISTILLERY

The basement area is leased to Perth Distillery Co. on a 10 year full repairing and insuring lease for £7,200 per annum, commenced 2021.

TRADE

The business is that of a City Centre hotel offering accommodation, conference, restaurant and bar facilities to an excellent cross-section of local, corporate and leisure business.

The hotel has an excellent reputation locally driving trade as well as many direct bookings for conferences and events in the locality. In particular the hotel benefits from Perth Races, nearby Gleneagles, weddings and other conference facilities. Based on advanced booking the turnover for y/e 30th September is confidently expected to exceed £1.55 million (net). This is an increase on the previous year when turnover was appx. £1.39 million (net) to September 2022. Healthily appx. 48% of the turnover is accommodation sales. An excellent EBITDA profitability of c.23% of turnover is achievable. The hotel is a well rounded business with a good

strong, diverse income stream and is a well-used meeting point for locals as well as national and international firms.

Accounts will be provided to genuinely interested parties, preferably after viewing.

STAFF

TUPE regulations will be applicable to all staff.

LICENCE

Premises Licence under the Licensing (Scotland) Act 2005.

WEBSITE / RATINGS

www.theroyalgeorgehotel.co.uk
Visit Scotland / Scottish Tourist Board — 3 Star Hotel

SERVICES

Mains water, electricity, gas and drainage are all connected to the property. The plant room includes 2 CHP units producing up to 26kw of electricity as well as 4 wall mounted gas boilers producing domestic hot water for the hotel. We understand the vendors carried out a full IT upgrade in February 2021 which included tills, computers, handheld devices and guest line res links cloud based software PMS.

ENERGY PERFORMANCE CERTIFICATE

Royal George Hotel — EPC Rating G
The Energy Performance Certificate is available on request.

RATEABLE VALUE

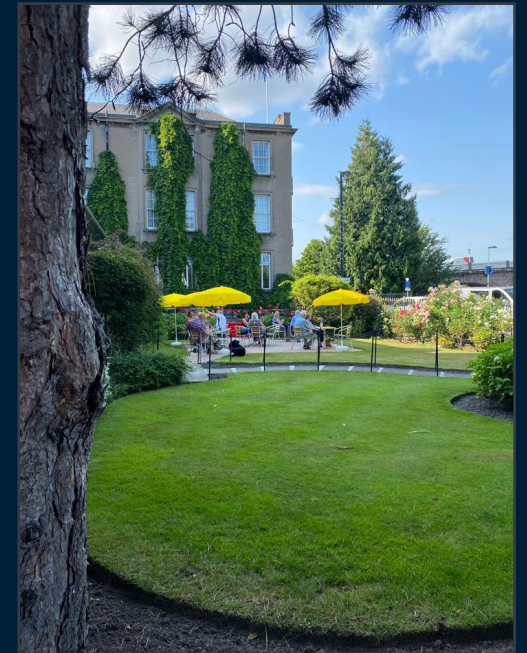
Royal George Hotel — Current Rateable Value is £121,250 (1st April 2017); Draft Rateable Value £108,750 (1st April 2023)

TENURE

Heritable (Freehold) / Outright Ownership







PRICE

Offers over £2,500,000 are invited for the heritable (freehold) interest in the property, the trade fixtures, fittings and equipment, together with the goodwill of the business, which is to be sold complete as a going concern. Stock in trade to be purchased at an additional price at valuation on the date of entry.

EXCLUSIONS

Personal effects of the vendors. Standard industry items held under lease or lease purchase arrangements.

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.

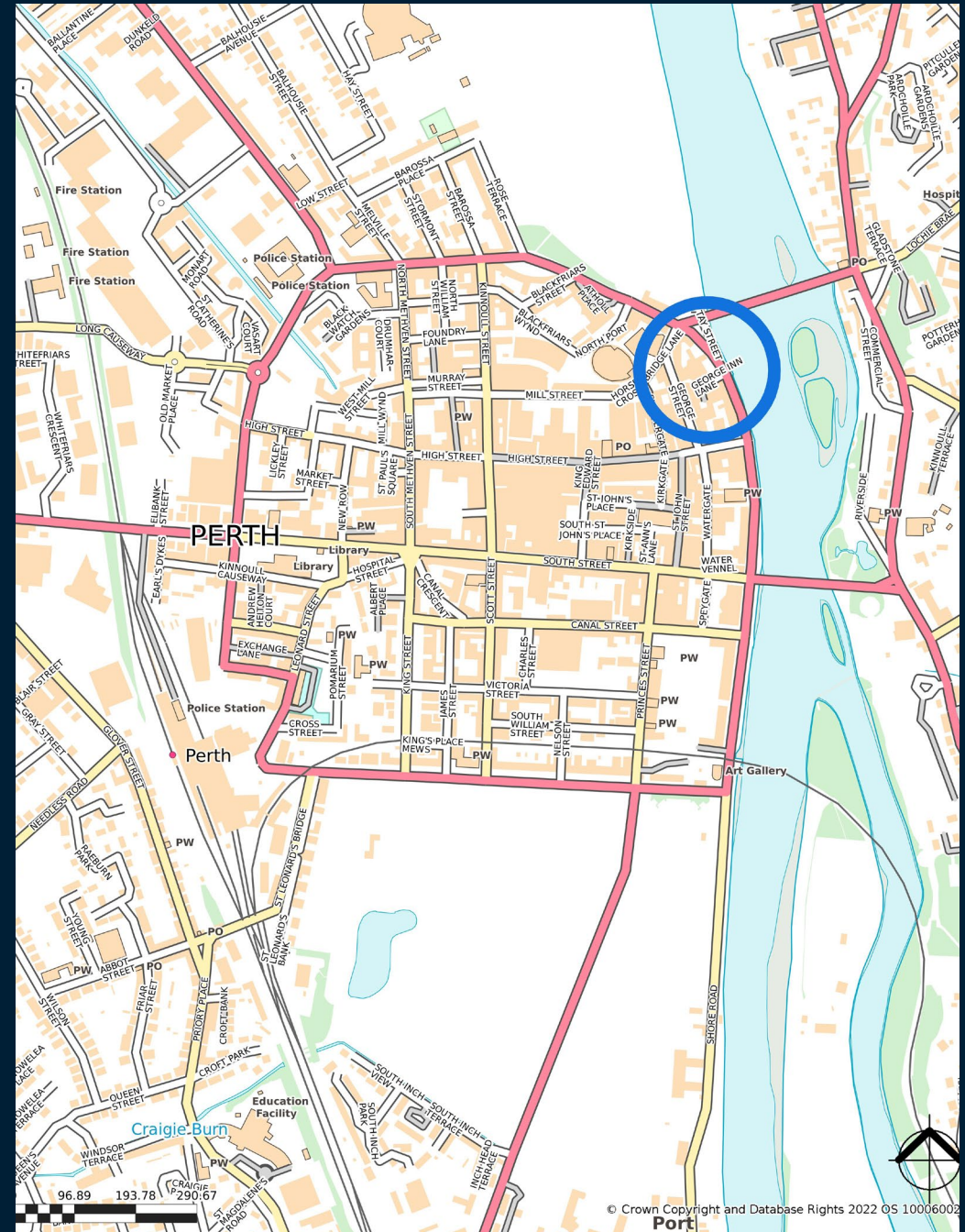
VIEWING

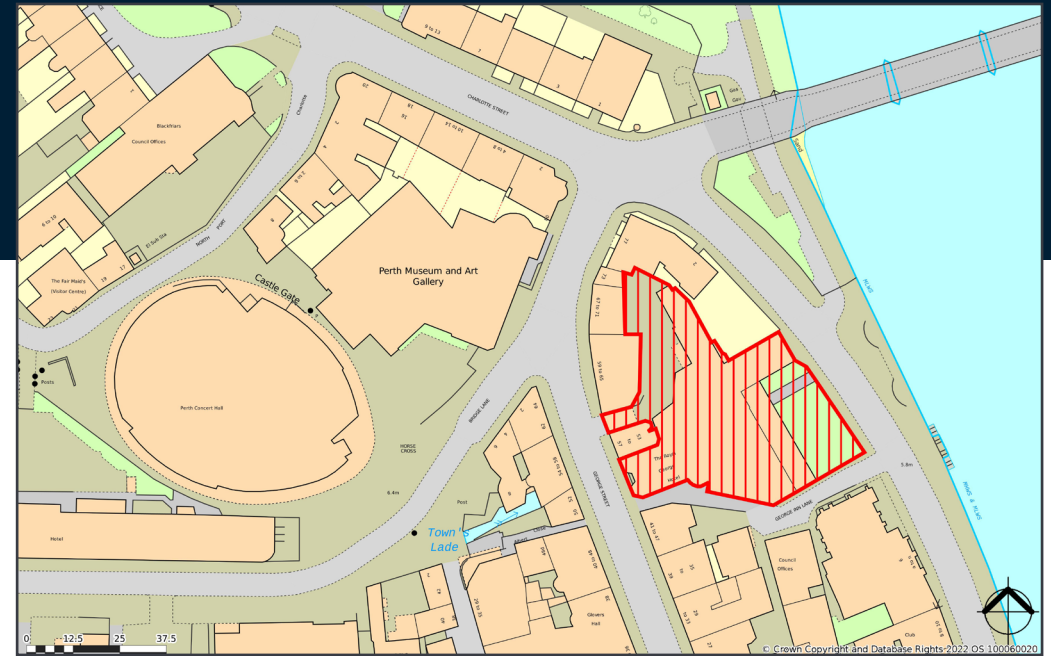
Strictly by appointment only to be made through Graham + Sibbald. No approach to be made to the property or members of staff.

OFFERS

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

Graham + Sibbald
40 Torphichen Street, Edinburgh, EH3 8JB
Email — LT@g-s.co.uk







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

 **GRAHAM
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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

IMPORTANT NOTICE

1. These particulars are intended as guide only. Their accuracy is not warranted or guaranteed. Intending Purchasers/Tenants should not rely on these particulars but satisfy themselves by inspection of the property. Photographs only show parts of the property which may have changed since they were taken.
2. Graham + Sibbald have no authority to give any representation other than these particulars in relation to this property. Intending Purchasers/Tenants take the property as they find it.

3. Graham + Sibbald are not authorised to enter into contracts relating to this property. These particulars are not intended to nor shall they form part of any legally enforceable contract and any contract shall only be entered into by way of an exchange of correspondence between our client's Solicitors and Solicitors acting for the Purchaser/Tenants.
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5. A list of Partners can be obtained from any of our offices.
6. Date of Publication March 2022