

Offers Over £955,000 (Freehold) **Ben Loyal Hotel & Self-Catering Complex** Tongue, Sutherland, IV27 4XE





Historic Highland 3-Star (VisitScotland) hotel in a stunning elevated setting on the ever-popular North Coast 500 tourist route in beautiful Sutherland Prominent main building within an idyllic and popular trading location with views towards the Kyle of Tongue plus Ben Loyal and Ben Hope Hotel accommodation extends to 11 comfortable en-suite bedrooms with stunning public rooms plus excellent service areas

Self-catering facilities include 6 spacious and modern glamping pods plus two 3bedroom houses which can be used as self-catering or hotel annex accommodation

Includes 5-bedroom owners' / staff accommodation within the main hotel plus spacious grounds and ample parking, within a tranguil setting Operating on a mainly seasonal basis (April to October), with strong underlying turnover and sound adjusted net profitability

### DESCRIPTION

The Ben Loyal Hotel is a most attractive and multi-faceted business set in a breath-taking location nestling high above the Kyle of Tongue, set centrally to the now highly popular North Coast 500 tourist route. Other vistas include Ben Loyal, Ben Hope and the ruin of Castle Varrich. The original subjects were a disparate number of properties built in the 1800s which combined to make the existing trading entity in 1961. The current owners developed this excellent 11-bedroom hotel to include 2 self-catering houses (both 3-bedroom) and in 2020, 6 exceptional glamping pods were added which offer superlative views. The subjects are in generally excellent condition with spacious and well-appointed public and service areas. The hotel offers a tremendous platform for new owners / operators wishing to trade the business to the next level, as it is situated in a popular destination location for many visitors during the main season (April to October). The business boasts a number of exceptional features and should be considered as a 'must view property'.

# TRADE

The Ben Loyal Hotel is a well-established and successful trading entity in a very prominent location on a busy tourist route. A traditionally high-performing business, the recent addition of 6 glamping pods will add to the already solid level of turnover and adjusted net profit. The business trades 11 quality en-suite letting bedrooms in the main hotel which are ably supported by the public bar catering for circa 60 guests, the guest lounge to seat around 20 customers and the dining room that can accommodate up to 60 for functions. In addition, income is generated through the 2 (3-bedroom) self-catering houses adjacent to the hotel. One of these units is currently used as annex hotel accommodation providing 3 further en-suite rooms. The newly constructed glamping pods now add another dimension to this business which draws in fresh and diverse custom to the main trading elements.

The hotel trades on a restricted basis through choice of the current owners opening April to October with self-catering facilities and glamping pods being available year-round. The glamping pods have only contributed to the trading aspects since the summer of 2020. Income streams are generated between the accommodation and wet / food sales. Food service is restricted to evening meals and the hotel has enjoyed a good level of repeat business, thus ensuring consistent occupancy levels. The business has a sound reputation locally and is supported by the local and extended community. There are a number of major projects on-going in the area which generates business-to-business activity. One such event is the high profile and innovative Space Hub Sutherland Project that is expected to introduce many social and economic benefits to the region plus significant employment options.

Tourism is a key driver of trade and the North Coast 500 contributes to a regular and on-going level of trade. The situation of the business is such that it is easy-to-locate for those who booked via the internet and the casual passer-by seeking accommodation / refreshment. The owners take great pride in ensuring their guests receive a particularly warm and friendly welcome, maintaining the trading elements to a very high standard. The business is well-signposted and is supported by a modern website (www.benloyal.co.uk). The hotel is marketed through a number of portal websites, with a solid presence on the internet and through social media platforms.



#### **STAFF**

The hotel operates with the owners being supported by a team of seasonal staff.

## **REASON FOR SALE**

The owners have operated the hotel since 2010 but are now seeking to retire from the hotel sector and focus on other business interests. It is this change of direction that presents this excellent business proposition to the market.

# LOCATION

The Ben Loyal Hotel and Self-Catering Complex is situated within the village of Tongue, on the junction of the A836 and A838, in a truly dramatic elevated location offering uninterrupted and fantastic far-reaching views along the Kyle of Tongue. Other stunning views from the hotel include the mountains Ben Loyal and Ben Hope plus the ruin of Castle Varrich. The shores along the Sutherland coast offer some beautiful white sandy beaches which are popular with water sports enthusiasts and those enjoying the majestic landscapes. To the south of the village is a mix of rugged mountains and extensive moorlands. Set to the popular North Coast 500 tourist route, at its approximate mid-point, the hotel draws in many walkers, climbers, field sports enthusiast, in addition to the general

tourists who take in the natural surroundings and the many places of interest in the local region. Not only does the area host an impressive range of top salmon rivers, it is a prime Scottish destination for wild brown trout angling with sea fishing offering an alternative to game angling. Sutherland is an area rich in wildlife, home to herds of wild red deer, the otter and the Atlantic salmon amongst other species. Ornithologists are frequent visitors to the county, attracted by the golden eagle, hen harrier, peregrine falcon, short eared owl, and numerous other birds of prey. The nearby town of Thurso offers a wide range of shops, restaurants and facilities. Tongue has a Primary School with senior schooling in Thurso High School. The village and locality have a range of small shops / post office.





#### **THE PROPERTY**

The subjects being sold comprise of the Ben Loyal Hotel which is a 2-storey detached property; stone built under a tiled roof with the original subjects dating from the 1800s with more modern extensions. The hotel was initially reconfigured to its current operation in 1961 and has been continually modernised by successive operators. The sale includes 2 self-catering houses, both offering 3 bedrooms, set to 2 floors and of modern construction being built in c2000. Located within the grounds are 6 modern and excellent quality glamping pods with en-suite facilities which were constructed in 2020. The property has been trading as a hotel since the 1960s and a most attractive feature of this sale is the stunning location with its expansive views.

#### **BEN LOYAL HOTEL**

The hotel is of mainly stone construction under a tiled roof with trading accommodation being set to 2 floors. There is a single storey extension under a flat roof.

### **Public Areas**

Entry to the hotel is via a side access leading from the carpark directly into the spacious reception where there is a counter and office to its rear; the reception is set to soft furnishings. Alternatively, access can be gained into the main bar set to the front aspects of the property. The initial impression of the hotel is one of a well-maintained business presented to a high standard with good quality fixtures and fittings plus attractive décor.

Steps from the reception hallway lead down to the spacious resident's lounge which can seat around 20 utilising a range of soft furnishings and occasional tables. In peak trading periods, the lounge can be used as a supplementary restaurant facility and benefits from gorgeous westerly views. From the lounge double glazed doors offer access to the main dining room which can seat up to 60 persons for functions utilising flexible free-standing tables and chairs. The dining room is also where breakfast is served to resident guests. This bright and appealing dining area provides inspiring coastal and mountain views. There are ladies and gents' washrooms off the reception.

Also accessed from within the hotel, the main bar is set to 3 areas. The main bar area can comfortably seat up to 35 with a mix of free-standing and booth style seating. This attractive and comfortable area has a feature bar servery. The snug area with its wood-burning stove can comfortably seat 6 plus up a few steps is the pool and games area for a further 15 customers. There are ladies and gents' W.C.s available from the bar area. Stairs lead to the first floor and all letting bedrooms.









### **Letting Bedrooms**

The hotel's 11 guest rooms are furnished to a high standard and all benefit from en-suite facilities. Rooms 1 to 6 are orientated so that they benefit from the outstanding views previously mentioned. In room facilities comprise of television, Wi-Fi, hairdryer and tea/coffee making facilities. There is ample hanging space / storage within each room. Accommodation is configured as follows:

Room 1 - King-size en-suite with shower over bath.

- Room 2 Twin en-suite with shower over bath.
- Room 3 Single en-suite with shower over bath.
- Room 4 King-size en-suite with shower over bath.
- Room 5 Double en-suite with shower over bath.
- Room 6 Double en-suite with shower over bath.
- Room 7 Single en-suite with shower room.
- Room 9 Twin en-suite with shower room.
- Room 10 Triple (double and single) en-suite with shower over bath.
- Room 11 Double en-suite with shower over bath.
- Room 12 Double en-suite with shower over bath.











## **SERVICE AREAS**

With a fully provisioned commercial kitchen and supporting storage facilities, the food production aspects of the business are of an excellent standard with a still room off the main kitchen. There is a separate pot-wash area and supplementary food preparation spaces. Ample kitchen storage with refrigerated and freezer storage, including a walk-in freezer, plus dry-goods stores are included. Additionally, there is a laundry and sufficient house-keeping storage throughout. An office to the rear of the reception enables day to day control of the business and a cellar provides ease of access for deliveries from the internal courtyard.

## **OWNER'S ACCOMMODATION**

Included with the Ben Loyal Hotel is a 5-bedroom cottage that can be used for staff or owners' private accommodation. The first-floor accommodation comprises of a double and a single bedroom; there is also a family bathroom on this floor. On the ground floor are a further 2 double bedrooms and to a mezzanine floor is a further double room. The cottage can be accessed either from the front aspects of the building from the main road or via a rear access off the courtyard. The owner's accommodation would suit an extended family occupation once upgraded to suit individual needs.







#### **SELF-CATERING HOUSES**

An attractive feature of this sale is the 2 semi-detached, 2-storey, houses that offer a range of flexible uses. These high-quality buildings could be used as owners' accommodation, if required. Entry to both properties is via a ramped access. Each property has been designed so that a ground floor en-suite bedroom can be accessed from the ramp directly making it ideal for less able guests. Though similar in size and general layout, Ben Lodge is used as a mix of hotel and staff accommodation and The Lodge is used as a self-catering unit.

#### **Ben Lodge**

Ben Lodge is currently utilised as a mix of hotel accommodation comprising 3 en-suite rooms and 2 staff accommodation bedrooms. Situated to the left-hand side of the property, this unit is orientated offering some exceptional views from 2 ground floor rooms and the master bedroom on the first floor. Entry leads into a

hallway with stairs to the front leading to the first-floor. To the left is a corridor providing access to Bedroom 14 which is configured to a double plus ensuite shower room. Further along are 2 staff bedrooms which have access to the staff kitchen, an adjoining shower room and separate WC. A door provides staff private access via the rear aspects. Set to the first-floor are 2 large bedrooms. Room 15 is set to twin beds and room 16 is a triple, 3 singles; both bedrooms have modern en-suite facilities.

#### **The Lodge**

This unit is set to the right-hand side of the property and presently used as a self-catering holiday let. Access into a hallway and a corridor to the right leads to an open-plan kitchen / diner / lounge. There is a utility room and a W.C. off the kitchen. This is an attractive space, ideal for family use and is beautifully appointed. A double bedroom is located to the ground-floor and 2 further rooms on the first-floor (1 twin and a double).









# **GLAMPING PODS**

A new addition to this trading entity is the 6 modern and stunning glamping pods, built in 2020. These spacious units are beautifully appointed and benefit from integral en-suite shower rooms. Three units can accommodate up to 4 persons (1 double and bunk beds) and the other 3 are configured to double occupancy. Each unit has a small kitchenette (sink and work top, microwave, toaster, kettle and fridge), a dining table and chairs, TV, electric heater and soft furnishings. Every pod has its own decking area plus a patio and picnic table; all benefit from stunning views.





# GROUNDS

The Ben Loyal Hotel is set to an area of flat ground with the car park to the rear being laid to tarmac. There are 2 areas of lawn which combined can seat up to 60 guests who enjoy the views on offer. The glamping pod area is accessed down a path and the units sit below the site line of the hotel.

The hotel boasts a good level of guest parking with over 20 parking slots plus there is additional public parking adjacent to the main road opposite the hotel. Externally there are a number of general-purpose storage units.

#### **SERVICES**

The subjects benefit from mains electricity, water and drainage. The hotel is partially heated by an oil-fired system with supplementary electric heating. The bars are heated by wood-burning stoves and have back-boilers feeding radiators. The hotel utilises underground LPG gas tanks for cooking. The self-catering units benefit from oil-fired central heating throughout and are double glazed. Heating in the glamping pods is by way of electric heaters. Wi-Fi is available throughout. The property is fire compliant and meets Environmental Health standards. The hotel has a CCTV system.

## ACCOUNTS

This business generates a solid level of turnover from a mainly seasonal and restricted trading model due to the preferences of the current owners. There is undoubted scope to develop the business further under new stewardship with either hands-on operators or a multi-site operator trading under management. Full accounting information will be made available to seriously interested parties subsequent to formal viewing.

#### WEBSITE

The Ben Loyal Hotel benefits from having a modern and functional website (www.benloyal.co.uk) and has a strong presence on various on-line marketing platforms.







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### PRICE

Offers Over £955,000 are invited for the heritable property complete with goodwill and trade contents (according to inventory), excluding personal items. Stock at valuation.

# **EPC RATING**

The properties have an EPC rating as follows: Ben Loyal Hotel – E62 Ben Loyal Cottage - C71 The Lodge Cottage - C69

# **PROPERTY TITLES**

There are 3 separate titles that cover the sale, as follows: Ben Loyal Hotel - STH2684 Ben Lodge - STH3336 The Lodge - STH3440

## **PLANS**

A copy of the title and building layout plans are available from the selling agents.

# **BUSINESS RATES / COUNCIL TAX**

The Ben Loyal Hotel has a rateable value of  $\pm 34,850$  (as at Apr 2017) with a rates liability of  $\pm 16,905$  after allowable relief. The owner's accommodation within Ben Loyal Hotel has a council tax banding of 'B'.

# LICENCE

The business has been granted a premises licence in accordance with The Licensing Scotland Act 2005 and details of the Operating Plan will be made available after viewing.

# **FINANCE & LEGAL SERVICES**

ASG Commercial are in touch with several lenders and lawyers who provide specialist advice to the hospitality trade. We will be delighted to discuss your financing requirements with you and make an appropriate introduction.

# DIRECTIONS

See Map Insert.

# VIEWING

All appointments must be made through the selling agents: ASG Commercial, 17 Kenneth Street, Inverness, IV3 5NR T: 01463 714757 (5 lines) E: info@asgcommercial.co.uk W: www.asgcommercial.co.uk

# **OFFERS**

All offers should be submitted in writing to ASG Commercial with whom purchasers should register their interest if they wish to be advised of a closing date.





HOTELS GUESTHOUSES LICENSED RETAIL OFFICES INDUSTRIAL UNITS

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