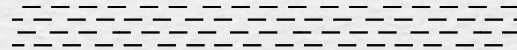
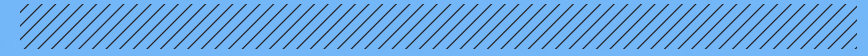




THE DOUGLAS
HOTEL - BISTRO - BAR



PRIME HOTEL ACQUISITION OPPORTUNITY LOCATED ON THE EVER-POPULAR ISLE OF ARRAN
THE DOUGLAS HOTEL, SHORE ROAD, ISLE OF ARRAN, SCOTLAND, KA27 8AW



“SCOTLAND’S BEST
BOUTIQUE HOTEL”
2020



“HIGHLY
RECOMMENDED”
2023



Opportunity Highlights

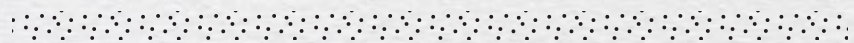


- » High performing, 4-star Boutique Hotel with 21 luxurious bedrooms located on the ever popular Isle of Arran.
- » Refurbished to an extremely high standard at a cost of approximately £8m.
- » The Hotel has previously been awarded "The Scottish Boutique Hotel of the Years 2020" and was "highly recommended" at the 2023 Prestige Hotel Awards.
- » The Douglas Hotel is conveniently located overlooking Brodick Bay with easy access to the ferry terminal generating significant passing trade, particularly for the F&B services.
- » Extensive F&B offering with a 50-cover restaurant, 60-seater bar and large outdoor terrace that accounts for over 60% of turnover.
- » The restaurant and bar are popular with both hotel guests and visitors and generate significant business for the hotel, whilst providing a strong income stream from locals during the off-season.
- » Heritable (Scottish equivalent of Freehold).
- » The opportunity includes the Shorehouse, a 13 bedroom self-catering property suitable for the more budget conscious traveller, also available via separate negotiation.
- » The Hotel is inclusive of staff accommodation in The Bunkhouse, a key selling point for retaining hospitality staff on the Scottish Islands.



Introduction

CBRE are delighted to present The Douglas Hotel and The Shorehouse to the market. Both properties are located overlooking Brodick Bay, enjoying sweeping views across the Firth of Clyde, and benefit from being a short walk from the Calmac Ferry terminal.



The Hotel was purchased in 2008 by the current owner, who invested c. £8m refurbishing the hotel to a hugely impressive standard, beyond what is normally experienced on the Scottish Islands. The result is a visually impressive red sandstone hotel situated on a prime 1.8-acre site on the sea front at Brodick, widely acknowledged as the capital of the Isle of Arran. The high standard of the Hotel has been subsequently recognised with the Hotel being voted The Scottish Boutique Hotel of the Year in 2020, whilst it regularly receives 5-star reviews on all large booking and travel sites.

Location



The Douglas Hotel and The Shorehouse are located in Brodick on the Isle of Arran. Arran is 12 miles off the Ayrshire coast and 3 miles from the Kintyre peninsula located in the west of Scotland and is one of the most accessible and popular Scottish islands for visitors.

CalMac service all ferries to the Scottish islands and those to Brodick depart from both Ardrossan and Troon on the Ayrshire coastline on the Scottish mainline with a short crossing time of around 50 minutes. Both Ardrossan and Troon are within 45 minutes' drive of Glasgow and 1 hour 45 minutes of Edinburgh, meaning the island is easily accessible within 2 hours for the majority of the Scottish population who reside in the Central Belt.

50 MINS



FERRY CROSSING TIME FROM ARDROSSAN TO BRODICK

70%



OF THE SCOTTISH POPULATION (C. 3.5M) LIVE WITHIN THE CENTRAL BELT



Why Arran



THE ISLE OF ARRAN IS ONE OF SCOTLAND'S MOST POPULAR TOURIST DESTINATIONS, WITH IN EXCESS OF 400,000 VISITORS PER ANNUM TO AN ISLAND WITH A POPULATION OF C. 5,000.

Colloquially known as "Scotland in miniature" for its blend of iconic landscapes from lowland meadows and mountainous highlands to breathtaking coastline and spectacular wildlife, Arran attracts a wide range of visitors who are attracted to the island by its natural wonders but also relative ease of access.

Arran is a year-round tourist destination and offers experiences for all. The island is particularly popular for its wide variety of outdoor pursuits including hiking, cycling, sailing and golfing. Goat Fell, the highest peak on the island offers challenging climbing and breathtaking views, whilst Brodick Castle (across the bay from the Douglas Hotel) is one of three castles on the island and the only one still standing! For the outdoor enthusiasts, Arran is renowned for the quality of its sailing particularly around Brodick Bay whilst there are several golf courses on the island suitable for all abilities. Finally, visitors have a choice of two distilleries and two breweries from which to try local creations.

4 OUT OF 5

VISITORS CHOOSE TO REVISIT

KNOWN AS

**"SCOTLAND
IN MINIATURE"**

**DUE TO EASE OF ACCESS,
ARRAN IS ALSO POPULAR WITH**

DAYTRIPPERS



Situation



THE DOUGLAS HOTEL AND THE SHOREHOUSE ARE C. 4- AND 7-MINUTES' WALK RESPECTIVELY FROM THE CALMAC FERRY TERMINAL IN BRODICK.

As such, the hotel appeals to both foot and vehicle passengers, positioning to a wider market than some of the more remote accommodation on the island.

The hotel has substantial car parking provision including disabled spaces. Public transport is available with 3 bus services on Arran that all stop at the ferry terminal.

The surrounding area is mixed use in nature with residential dwellings, hospitality venues along with various other commercial units. To the immediate north of the hotel is Brodick Bay with a Co-op store to the west of the Douglas Hotel.

Key

HOTELS/GUEST HOUSES

- 1 Strathwillan House
- 2 Carrick Lodge Guest House
- 3 Auchrannie Resort
- 4 Glencloy Farm Guest House
- 5 Ormidale Hotel

RESTAURANTS/CAFÉS

- 1 Little Rock Cafe & Wee Deli
- 2 La Truffe Noire
- 3 Hooked & Cooked of Arran
- 4 Brambles Seafood + Grill
- 5 Cruize Bar Brasserie

LOCAL AMENITIES

- 1 Co-op Food
- 2 Crazy Golf
- 3 Arran Bike Hire
- 4 Brodick Health Centre
- 5 Brodick Golf Club



The Properties





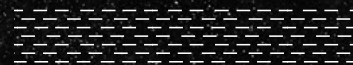
THE DOUGLAS

HOTEL - BISTRO - BAR

THE DOUGLAS HOTEL OCCUPIES A VISUALLY IMPOSING RED SANDSTONE BUILDING THAT IS A GRADE C LISTED BUILDING.

The original building was constructed in 1782, providing accommodation for acquaintances of the Duke of Hamilton and then existing as a doctor's surgery until it was converted to a hotel in 1852. Passing into the late owner's hands in 2010, the restoration of the property has been sympathetic to the original building, whilst also transforming the business to create the product available today.

Recently won "highly recommended" within Scottish Best Four Star Hotel Category at the 2023 Prestige Hotel Awards.



**"SCOTLAND'S
BEST BOUTIQUE
HOTEL" 2020**



**"HIGHLY
RECOMMENDED"
2023 / 2022**



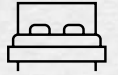
**BEST HOTEL
TEAM (RUNNER UP)
2020**



**PRESTIGE
HOTEL AWARDS**



21 BEDROOMS



All bedrooms have been individually designed in a modern, stylish and luxurious manner and finished to the highest standard with influence from the Scottish Islands. All rooms contain super king sized beds, Smart TV's, complimentary wifi, Arran Aromatics Apothecary toiletries and bathrobes.

4 ROOM TYPES



The hotel has 4 room types, ranging from a double room to the spacious Goatfell and Balcony suites which offer breathtaking sea-views.

PERSONALISED SERVICE



The hotel has an experienced team who are on hand to organise excursions throughout Arran for guests.



BALCONY SUITE



EXECUTIVE SUITE



EXECUTIVE SUITE



SEAVIEW EXECUTIVE SUITE

Food & Beverage

THE DOUGLAS HAS AN EXTENSIVE FOOD AND BEVERAGE OFFERING, TRADING EXTREMELY WELL BEYOND WHAT IS OFTEN EXPECTED OF HOTEL ESTABLISHMENTS.

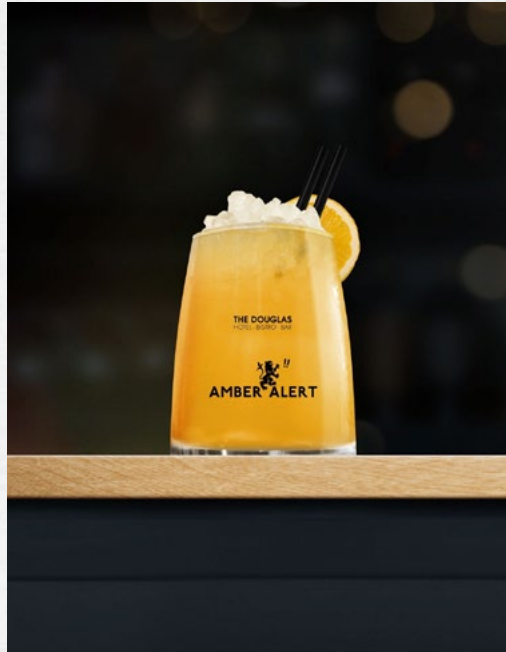
Due to the prominent location along the Shore Road, and the reputation for quality, the bar and restaurant is popular amongst hotel guests and non-staying guests.

The hotel's offering comprises;



50-SEATER BISTRO

Offering seasonal, locally sourced food that aims to support local producers. The front facing venue offers impressive views out across Brodick Bay.



60-SEATER BAR

With an impressive drinks selection, including local Whisky's with an impressive vista out across the Clyde Estuary.



82-SEATER OUTSIDE BAR AND TERRACE

That operates throughout the peak summer months and generates extensive passing trade.



The Shorehouse

THE SHOREHOUSE IS SELF-CATERING ACCOMMODATION WITH 13 SEPARATE UNITS AIMED AT THE BUDGET END OF THE MARKET, REGULARLY CATERING TO COUPLES, FAMILIES AND SMALL GROUPS.

On the ground floor is a reception and lounge area, whilst accommodation within The Shorehouse comprises 13 apartments, including 9 1-bedroom, 3 2-beds and one 3-bed apartment. All apartments include living area, kitchens and bathrooms with one of the 1-bed apartments arranged as a studio.



Other Properties

DOUGLAS CENTRE

A retail unit situated in the grounds of the Douglas Hotel. The ground floor is leased to Visit Arran on a short term commercial let at a passing rent of £7,200 per annum. On the first floor of the retail unit is a one-bedroom flat currently used as staff accommodation.

BUNKHOUSE

To the rear of the hotel is the Bunkhouse, a 4 bedroom (6 bunk beds within each) property that is currently used as staff accommodation and includes 4 shower rooms and communal kitchen.

ADDITIONAL STAFF ACCOMMODATION

In addition to the Bunkhouse and staff accommodation found in the Shorehouse, there is a 2-bedroom flat above the kitchen unit also used for housing staff.



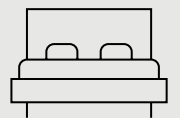
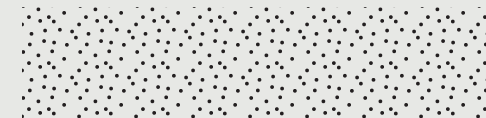
THE DOUGLAS HOTEL IS RAN BY AN EXPERIENCED MANAGEMENT TEAM UNDER A DEDICATED GENERAL MANAGER WITH A LOYAL AND LONGSTANDING STAFF ROLL. THE HOTEL TRADES CONSISTENTLY WITH A T/O IN EXCESS OF £2.2M IN 2023 AND HAS RECOVERED TO EXCEED PRE-COVID LEVELS.

The Hotel benefits from a unique offering on the island with occupancy at the hotel regularly exceeding those of other providers on the island, with customers attracted to the high-quality offering and personalised service.

Occupancy in winter 2022/23 represented the best winter trade that the hotel has ever experienced, cementing itself as a year-round destination that has the added locational benefit of appealing to ferry passengers who travel without a car.

SHOREHOUSE

The Shorehouse is also a profitable business, catering to a different market to the Douglas Hotel whilst also offering the potential to house increased levels of staff accommodation or other key workers that require accommodation on the island. The Shorehouse benefits from block bookings from universities at certain times of the year whose students visit on field trips.



2023
OCCUPANCY
WAS 86%,

THE HIGHEST THE HOTEL HAS ACHIEVED



Further Information



TITLE

The Land and Buildings known as the Douglas Hotel are held Heritable (Scottish equivalent of Freehold) under title number BUT1662.

The Land and Buildings known as The Shorehouse are held Heritable (Scottish equivalent of Freehold) under title number BUT5409.

SERVICES

The Douglas Hotel and The Shorehouse are connected to mains electricity, water and drainage.

TUPE

The purchaser will be required to comply with the relevant legislation in respect of current employees.

RATEABLE VALUE AND COUNCIL TAX

The Rateable Value for the properties are as follows;

Property	Rateable Value (from 1 April 2023)
The Douglas Hotel	£101,500
The Shorehouse	£20,200
Bunkhouse	£7,100
Unit 5 – Douglas Centre (paid by the occupier)	£5,900

We have been advised that the Council tax bands for the two residential flats are A (Studio Flat) and B (The Courtyard). Within the current arrangement, this is paid by the business who then charge rent directly from the wages of live-in staff.

LICENSES

The Hotel has a Premises License. The bar currently trades from 10am-midnight.

EPC

The Douglas Hotel has an EPC rating of G107 and The Shorehouse has an EPC rating of G195.

VAT

Should the sale of the property or any rate attached to it be deemed a chargeable supply for VAT purposes, such tax will be payable by the purchaser in addition to the sale price.



Contact

VIEWINGS

Strictly by prior agreement with CBRE, the sole retained agents.

ALEX WARBURTON

Operational Real Estate
07787 267 554

Alex.warburton@cbre.com

KATHRYN BENNETT

Operational Real Estate
07982 717 979

Kathryn.bennett@cbre.com

CBRE

Disclaimer subject to contract, April 2024

Important Information: CBRE Limited on its behalf and for the Vendors of this Property whose Agents they are (and 'we' and 'our' shall include both of them), give notice that: Information herein has been obtained from sources believed to be reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the market. Neither the information, nor any opinion expressed herein constitutes a solicitation, or recommendation by us of the purchase, or sale of any securities, or any other financial instruments. Nothing in this document constitutes accounting, legal, regulatory, tax or other advice. We do not accept any responsibility for the consequences of any person placing reliance on the content of this information for any purpose. The information contained in this presentation, including any data, projections, and underlying assumptions are based upon certain assumptions, management forecasts, and analysis of information available as at the date of this presentation, and reflects prevailing conditions, and our views as of this date, all of which are accordingly subject to change at any time without notice, and we are not under any obligation to notify you of any of these changes. April 2024.