



GRAND PLAZA

SERVICED APARTMENTS
ON PRINCE'S SQUARE, BAYSWATER



GRAND PLAZA SERVICED APARTMENTS

CBRE and Knight Frank LLP have been jointly instructed to market for sale the Grand Plaza Serviced Apartments, Prince's Square, Bayswater. This rare central London freehold opportunity is available with vacant possession unencumbered by brand or management.

The 13 interconnected Victorian buildings are positioned in Bayswater, which is experiencing high levels of investment due to its central location and proximity to Hyde Park and Paddington Station. Two large developments located nearby are the Whiteleys department store redevelopment and the highly anticipated Crossrail Station at Paddington (due 2018).

198 serviced apartments within 13 interconnecting buildings and a modern block to the rear.

Available with vacant possession unencumbered by brand or management.

Potential to reconfigure, modernise and extend, subject to the usual consents, in turn creating additional income producing accommodation.



*A terrace of 13 interconnected Victorian
Grade II listed buildings comprising
serviced apartments*



THE LOCATION

The property is located in the heart of Bayswater, within the City of Westminster. Bayswater is bordered by Notting Hill to the west and Marylebone to the east with Paddington and Hyde Park within close proximity to the south. The building holds a prominent position between the gardens of Prince's Square and Kensington Gardens Square.

Transport links are excellent with Bayswater London Underground station (Circle and District lines) and Queensway London Underground station (Central line) located 0.2 and 0.4 miles to the south-east respectively. Paddington Railway Station is also located 0.7 miles to the north-east and provides London Underground and mainline services as well as direct access to Heathrow Airport on the Heathrow Express with a journey time of 15 minutes.

Road communications are very good with the A40 located a 5 minute drive to the north, offering easy access to the M25.

Prince's Square is a highly desirable address, conveniently located for the numerous high-end shops and amenities of Westbourne Grove and Notting Hill. Both Marylebone and Mayfair are easily accessible with haute couture boutiques and fine dining. More extensive shopping facilities and the larger multiple retailers can also be found on Oxford Street located 1.7 miles to the east. The property is also located 100m west of Whiteleys department store, which is currently undergoing a major redevelopment / regeneration project. The green open spaces of Kensington Gardens and Hyde Park are 0.2 miles to the south.



*Above left: Hyde Park is to the south of the Grand Plaza
Above right: The property is 100m from Whiteleys department store*



THE PROPERTY

Grand Plaza Serviced Apartments comprises 198 apartments within a terrace of 13 Grade II listed Victorian interconnecting buildings and a modern block.

In the rear courtyard there is a modern free standing apartment block and also the 'Selesa Restaurant' which opened in 2015.

The restaurant provides a comprehensive amount of seating and as well as hosting breakfast for serviced apartment guests it also provides lunch and dinner for external customers.

The apartments are arranged over lower ground, ground and 5 upper floors with kitchenettes and en-suite bathrooms.

A range of accommodation is offered including studio, one, two and three bedroom apartments.

The entrance area leads to a generously sized reception with seating for guests. Leading off this are two eight person passenger lifts and one six person passenger lift servicing all floors.

The lower ground floor benefits from office space, meeting rooms and storage space. The property has a total floor area of 105,336 sq ft GIA with a Net NIA area of approximately 71,762 sq ft.



Above: The Grand Plaza entrance



*Above top: A standard double bedroom apartment
Bottom: The Selesa Restaurant*



*Above top: The lobby area
Bottom: The Selesa Restaurant*

*Above top: Aerial view of the courtyard
Bottom: A typical 2 bedroom apartment*



SCHEDULE OF
ACCOMMODATION

*The accommodation is presented well, providing guests
with well-equipped facilities and a restaurant.*

GRAND PLAZA, W2					
Area Schedule					
Flat No.	Sq M	Sq Ft	Flat No.	Sq M	Sq Ft
LG01	27.87	300	G24	41.43	446
LG02	37.07	399	G25	47.75	514
LG03	29.17	314	G26	47.47	511
LG04	38.46	414	G27	48.03	517
LG05	37.81	407	G28	39.76	428
LG06	38.55	415	G29	45.89	494
LG07	39.39	424	G30	48.96	527
LG08	50.72	546	G31	52.30	563
LG16	24.80	267	101	28.71	309
LG17	28.06	302	102	35.30	380
LG18	30.29	326	103	32.52	350
LG19	22.11	238	104	41.71	449
LG20	43.20	465	105	32.14	346
LG21	25.55	275	106	40.60	437
LG22	58.34	628	107	37.07	399
LG23	26.94	290	108	37.72	406
LG24	30.84	332	109	53.23	573
LG25	30.10	324	110	26.85	289
LG26	34.28	369	111	29.73	320
LG27	24.34	262	112	26.94	290
LG28	33.91	365	113	29.45	317
G01	61.87	666	114	39.39	424
G02	36.23	390	115	29.54	318
G03	32.42	349	116	38.55	415
G04	36.51	393	117	36.32	391
G05	32.79	353	118	45.61	491
G06	36.70	395	119	45.89	494
G07	34.56	372	120	43.38	467
G08	32.61	351	121	28.52	307
G09	31.96	344	122	26.48	285
G10	39.67	427	123	26.66	287
G11	26.85	289	124	11.71	126
G12	38.65	416	125	27.03	291
G13	28.15	303	126	23.60	254
G14	29.36	316	127	29.82	321
G15	29.64	319	128	39.11	421
G16	40.41	435	129	27.50	296
G17	48.40	521	130	30.19	325
G18	49.42	532	131	32.61	351
G19	47.01	506	132	37.35	402
G20	48.31	520	133	12.36	133
G21	28.89	311	134	12.45	134
G22	41.99	452	IFPL 1	39.95	430
G23	26.48	285	IFPL 2	38.18	411

Flat No.	Sq M	Sq Ft
IFPL 3	37.90	408
IFPL 4	30.84	332
201	27.96	301
202	28.06	302
203	28.80	310
204	35.67	384
205	31.86	343
206	36.79	396
207	32.98	355
208	39.30	423
209	39.58	426
210	41.71	449
211	26.94	290
212	40.13	432
213	25.27	272
214	41.71	449
215	24.71	266
216	42.18	454
217	24.62	265
218	39.39	424
219	31.31	337
220	42.55	458
221	44.87	483
222	29.64	319
223	23.23	250
224	41.25	444
225	27.59	297
226	25.55	275
227	26.57	286
228	27.78	299
229	29.08	313
230	31.31	337
231	32.33	348
232	36.88	397
233	36.51	393
234	37.72	406
235	38.65	416
236	39.39	424
237	39.95	430
238	31.86	343
301	28.06	302
302	48.77	525
303	30.66	330
304	24.99	269
305	31.40	338
306	24.99	269
307	32.89	354
308	39.11	421
309	40.97	441
310	28.15	303
311	23.88	257
312	29.82	321
313	25.27	272
314	30.94	333
315	24.90	268
316	30.56	329
317	31.21	336
318	38.37	413
319	42.92	462

Flat No.	Sq M	Sq Ft
320	37.90	408
321	28.98	312
322	31.86	343
323	27.41	295
324	28.33	305
325	48.59	523
326	20.90	225
327	30.47	328
328	35.30	380
329	27.59	297
330	35.77	385
331	27.13	292
401	27.50	296
402	49.52	533
403	30.47	328
404	25.73	277
405	31.40	338
406	25.64	276
407	32.79	353
408	39.48	425
409	41.43	446
410	28.52	307
411	27.31	294
412	27.41	295
413	28.52	307
414	23.69	255
415	28.15	303
416	28.24	304
417	33.91	365
418	30.75	331
419	44.68	481
420	45.99	495
421	30.84	332
422	21.37	230
423	21.37	230
424	57.04	614
425	23.23	250
426	53.14	572
427	28.89	311
428	27.87	300
429	26.20	282
430	25.64	276
431	40.04	431
501	33.26	358
502	29.64	319
503	33.91	365
504	18.21	196
505	17.74	191
506	22.20	239
507	26.20	282
508	23.88	257
503	365	33.91
504	196	18.21
505	191	17.74
506	239	22.20
507	282	26.20
508	257	23.88
Total		6,666.69



*Above: Aerial view showing
Grand Plaza Serviced Apartments*



FLOOR PLANS

The entrance to the property is on the north side of Prince's Square leading to the reception and guest lobby. Each floor is interconnected as shown in the floor plans.

UNIT MIX

Type	Total	Average SQ FT
Studio	99	332
1 Bed	84	404
2 Bed	13	542
3 Bed	2	723



GROUND FLOOR



LOWER GROUND FLOOR



FIRST FLOOR

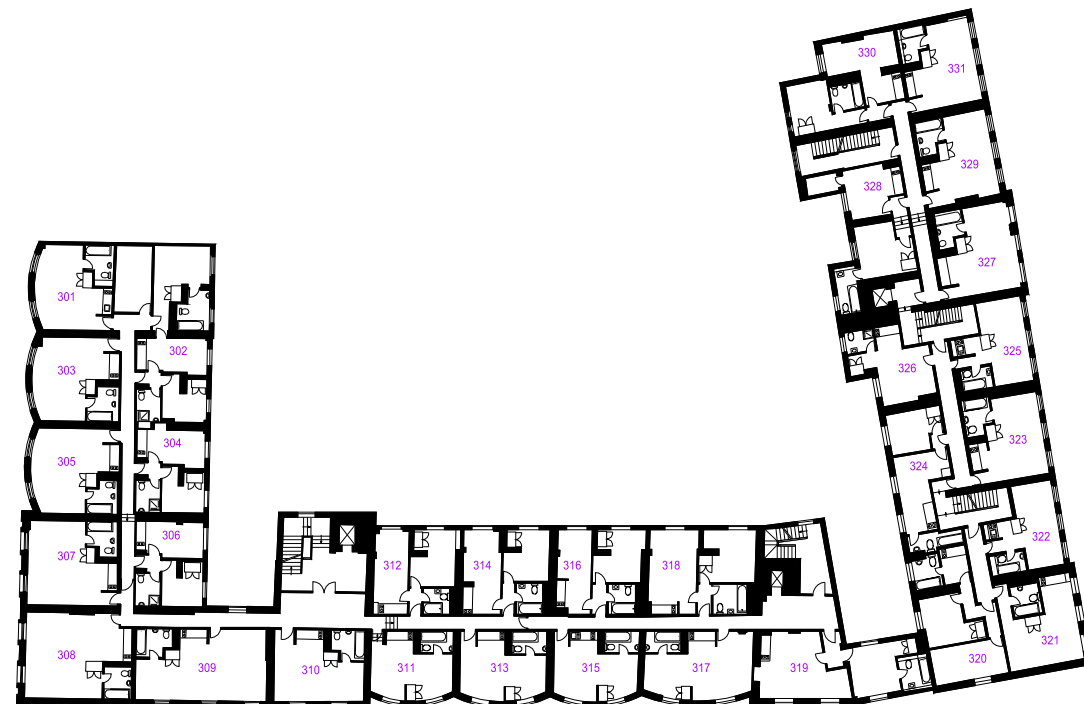
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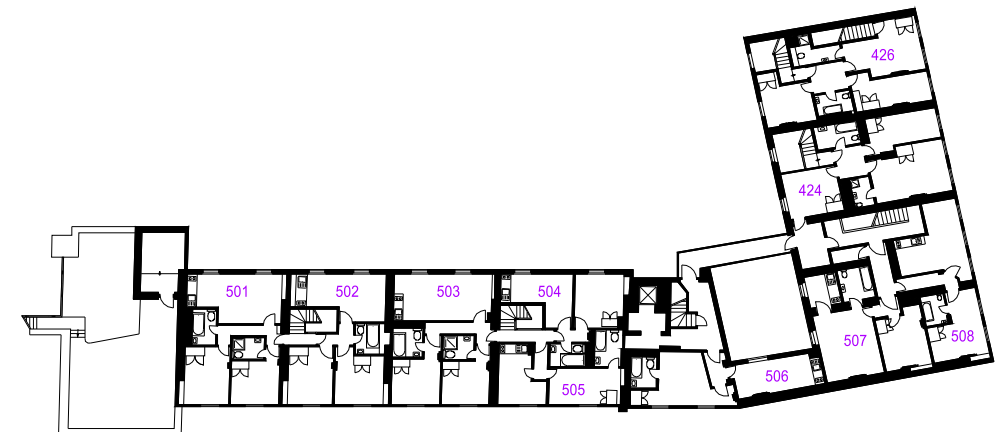
SECOND FLOOR



FOURTH FLOOR



THIRD FLOOR



FIFTH FLOOR

Scale 1:500

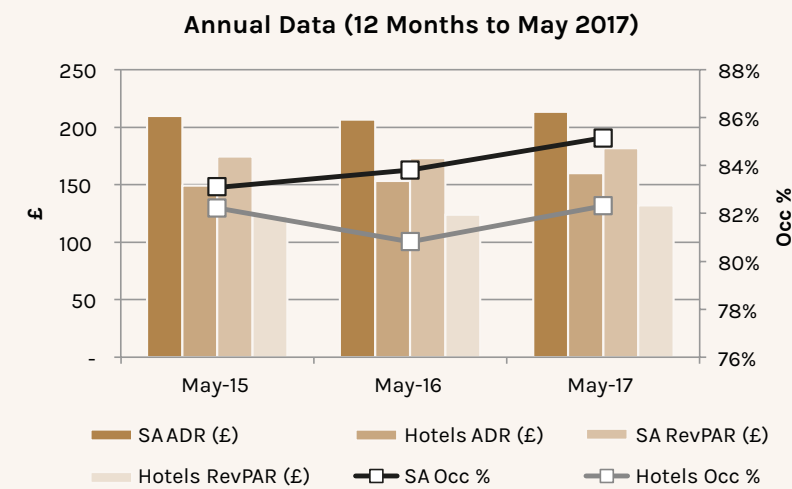


SERVICED APARTMENT COMMENTARY

The weak pound is expected to continue to be a positive factor in terms of attracting international demand, allowing hoteliers to drive growth in average daily rate.

London's hotel performance is also benefiting from increased domestic demand as holidays abroad have become more expensive. In terms of serviced apartments both business and leisure travellers are increasingly booking this accommodation as they are seeing the benefit in larger space and the cost effectiveness for longer stays.

In the 12-months to May 2017, London's serviced apartments trading performance averaged an 85% occupancy rate, outperforming London's full-service hotel market average of 82%, with an ADR of just over £200.*



* Source STR

In the same period, London serviced apartments achieved an average room rate of £212, outperforming London hotels which achieved £160.

Within a one mile radius of the Grand Plaza Serviced Apartments,

there are currently 890 serviced apartment units and another 55 serviced apartment units in the confirmed pipeline until 2019, representing a low pipeline when comparing against the London market.

	Current Supply	Confirmed Pipeline	Future Supply	% Increase
London Serviced Apts	10,717	1,778	12,495	17%
London Full-service Hotels	92,444	7,616	100,060	8%
London Limited-service Hotels	42,203	6,385	48,588	15%
1 mile radius Apts	890	55	945	6%

Source AMPM Hotels

TRADING PERFORMANCE

Despite an EBITDA margin of c50% in 2016, the Grand Plaza's key performance indicators under-performed the market with an ADR of £133 and RevPar of only £111. Looking to 2017 the budget ADR is £140 with target occupancy of 91%, which would translate to EBITDA growth of c£1 million to £5.3 million. However, through change

in ownership/branding and enhanced revenue management/operational efficiencies there is an opportunity for a new owner to significantly improve performance from these levels given the key strategic location of the Property and the rare ability to re-brand.



BAYSWATER REGENERATION

Queensway was named to mark the birth of Queen Victoria at nearby Kensington Palace.

Historically the area was known for the Whiteleys department store, one of London's first. Despite its central location the area has long been recognised as an underperforming high street and its regeneration has long been deliberated.

A new vision of the area has been realised and the programme has been tabled by six key stakeholders who are committed to enhancing the sustainability and value of the street. At the heart of this regeneration lies Westminster City Council's proposed regeneration of the public areas, outlined in Bayswater Village – Redefining Queensway.

This recognises the need to improve the pedestrian experience on Queensway through widening the pavements, reducing the impact of traffic and improving the public realm through improved lighting and landscaping. This will be funded through the S.106 contributions of development in the area and includes the creation of a new gateway into Hyde Park and reconfiguring the pedestrian crossing on the Bayswater Road.

The regeneration will aim to achieve the following:

- » Improve pedestrianisation of the environment through expansion of pavements by up to 2.5m on either side of the street.
- » Increase green space through a semi-mature tree planting programme linked to Kensington Gardens with the introduction of 'green walls/roofs' to the area.
- » Increase access to Kensington Gardens and Hyde Park through reconfiguring the Bayswater Road junction connecting Queensway to Kensington Gardens.
- » Retain historic qualities of Queensway including Yorkstone paving and historic streetlight columns.
- » A street 'entrance' feature to the Whiteleys shopping centre alongside a £1bn redevelopment of the department store.



Above: Computer generated images showing proposed regeneration



CROSSRAIL

The most recent data, from 2015/16 reveals 1.34 billion people used the London Underground, the highest number in the service's 154 year history. Crossrail trains are expected to be in operation from late 2018, marking the completion of London's largest transport infrastructure project since the Second World War.

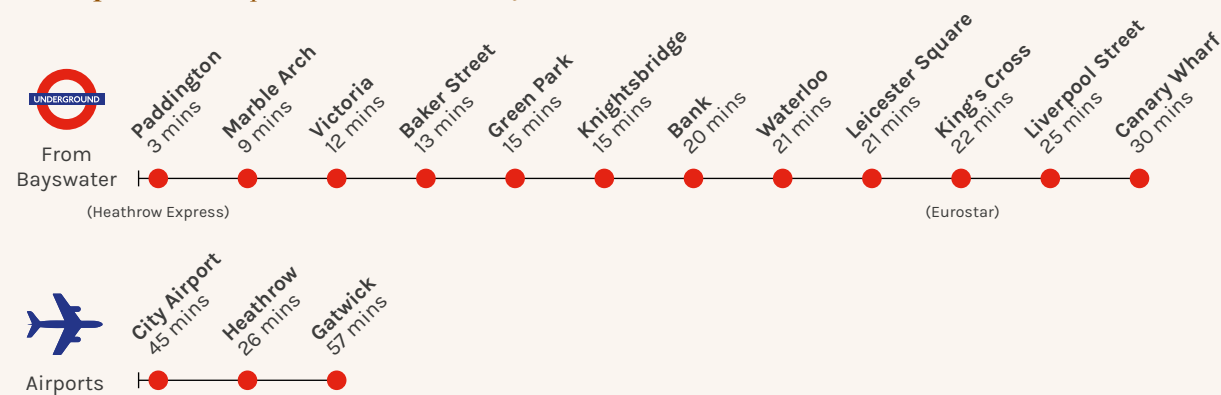
In Central London, property values within a 10-minute walk of Crossrail stations have outperformed Knight Frank's prime central London index by 40% between 2008 and the end of 2016, up from 24% at the time of our last report up to Q3 2014.

From Q3 2014 to the end of 2016, average property prices within a 10-minute walk of Crossrail stations in prime central

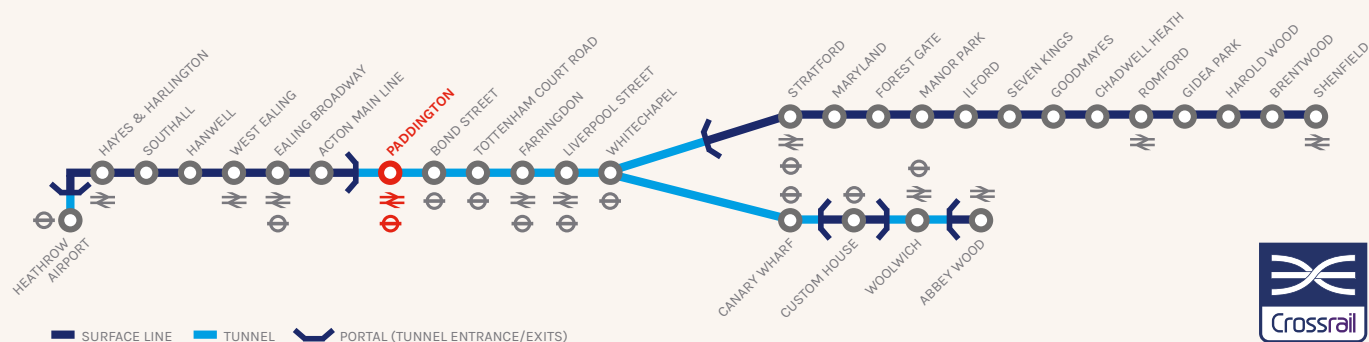
London have risen by 6%. Over the same time, Knight Frank's prime central London index dipped by 5.7%.

Grand Plaza serviced apartments benefit from being close to Paddington station which is within 10 minutes' walk and will include a Crossrail line from December 2018.

Transport – Exceptional Connectivity



All travel times are taken from Google Maps and during peak times.



Above: View of the Grand Plaza



FURTHER DETAILS

PLANNING

The current planning is for use as an Apart Hotel (planning use class C1) for short term lettings not exceeding 90 days with the provision of appropriate services.

PROPERTY MARKETING WEBSITE AND DATA ROOM

Interested parties will be required to agree to the terms of a confidentiality agreement prior to access being granted to the data site.

www.knightfrankhotels.net/grandplaza

LICENCES

We have been verbally informed that the serviced apartments operate with the benefit of all necessary licences.

TENURE

Freehold.

BASIS OF SALE

The business is currently owned privately and will be sold either by way of an asset sale or corporate sale. The sale will be free and clear and will not be subject to any management restrictions.

LOCAL AUTHORITY

City of Westminster, Westminster City Hall,
64 Victoria Street, London SW1E 6QP
+44 (0)20 7641 6000

RATES

We have been advised that the rateable value of the business is £1,695,000 and the current rates payable are £811,905.

PRICE

Upon application to the joint sole selling agents.



Above: View of the Grand Plaza

CONTACT

The hotel is being offered for sale by private treaty and offers will be invited for the freehold of the property.

Further information on this property and details of the hotel’s trading performance are available in a confidential Data Room upon acceptance of the non-disclosure agreement. The hotel should not be contacted directly. For property viewings or additional information, please contact:



CBRE HOTELS

Alex Lee-Bull
Associate Director
+44 (0) 20 7519 5926
+44 (0) 7880 081 271
alex.lee-bull@cbrehotels.com

Jileen Loo
Director
+44 (0) 20 7182 3933
+44 (0) 7825 402 467
jileen.loo@cbrehotels.com

Robert Seabrook
Executive Director
+44 (0) 20 7182 3867
+44 (0) 7768 796 167
robert.seabrook@cbrehotels.com

RESIDENTIAL

Mark Clegg
Senior Director
+44 (0) 20 7182 2780
+44 (0) 7786 062 738
mark.clegg@cbre.com

Arthur McCalmont
Senior Director
+44 (0) 20 7182 2567
+44 (0) 7748 594 136
arthur.mccalmont@cbre.com



KNIGHT FRANK HOTELS

Alex Sturgess
Partner, Hotels
+44 (0) 20 7861 1164
+44 (0) 7796 185197
alex.sturgess@knightfrank.com

Tom Oakden
Partner, Hotels
+44 (0) 203 826 0607
+44 (0) 7468 729 767
tom.oakden@knightfrank.com

Chelwin Soo MRISM (E-2364)
Associate Director
+603 228 99 737
+601 2833 6665
chelwin.soo@my.knightfrank.com

RESIDENTIAL

Nick Pleydell-Bouverie
Partner
+44 (0) 20 7861 5256
+44 (0) 7825 826 714
nick.p-b@knightfrank.com

Guy Stebbings
Partner
+44 (0) 20 7861 5413
+44 (0) 7920 878 200
guy.stebbing@knightfrank.com

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