CASE STUDY

COMMERCIAL AGENCY AND HOTEL + LEISURE

GRAHAM SIBBALD

MARKETING AND DISPOSAL OF PRIME CITY CENTRE BUILDING, EDINBURGH

TEAM
Edinburgh Commercial Agency,

Hotel + Leisure Team

CLIENT
SAMH, RoundShield Partners LLP under the Kabannas Brand

LOCATION
Hayweight House, 23 Lauriston Street, Edinburgh, EH3 9DQ

DATES
May 2024

PROJECT SUMMARY
Our Edinburgh Commercial Agency team alongside our Hotel + Leisure Team successfully negotiated the Sale of Hayweight House to Whitebridge Ventures, who will re-develop the building into a Hotel.

OVERVIEW

Graham + Sibbald were instructed by Scottish Action for Mental Health (SAMH) to dispose of Hayweight House, Edinburgh. This property presented a rare opportunity to purchase a prime city centre building within the Old Town area of Edinburgh.

The property also presented the opportunity for redevelopment, as its size and location proved suitable for a variety of potential uses.

WHY G+S

Our experienced Agency team provides a comprehensive range of services covering all aspects of the disposal of commercial property. We work in all key sectors, including office, retail and industrial property, hotels and leisure and student accommodation.

Using the best online marketing and sales channels and our unique network of national and local contacts, we provide exceptional market exposure for all the properties we deal with, whether for sale, let or lease. We offer a comprehensive service, liaising with our clients' solicitors through to completion.

We are recognised as one of the leaders in this field across the UK. We work across a range of business types and sectors, but have particular expertise in the hotel, licensed and leisure sector. As a result, we are retained by many of the UK's leading hospitality and leisure groups to manage the sales and disposal of their business portfolios.

Utilising our Planning team we are able to assess properties pre-marketing, providing advice on suitable uses and associated risks for development. In addition bids can be fully assessed to take cognisance of planning and development risks ensuring a robust vetting process is undertaken. Our Team provides a full range of planning services (including appeals) for both private and public sector clients.

APPROACH

The property comprised of a seven storey office, providing open plan accommodation extending to 24,412 SqFt (GIA). The building was prime for redevelopment with potential to extend the existing building footprint, which made it suitable for a variety of uses. The location along with the opportunity for redevelopment interested a range of buyers, with the open marketing producing a strong level of competitive bidding at a closing date.

RESULTS

Our Team worked alongside Lindsays to advise SAMH on the transaction, whilst Whitebridge Ventures were advised on the transaction by Morton Fraser MacRoberts LLP, Bellwether Green and Baker & McKenzie LLP.

The successful purchaser, with RoundShield's funding and support, will be developing the Kabannas brand in the property. The Kabannas platform is targeting €100m+ in acquisitions of micro accommodation assets across Europe. The Kabannas acquisition profile is very flexible and centred around repositioning hospitality or non-prime office properties with assets ranging from 2,000 to 10,000 SqM, located in European gateway cities. Acquisitions are fully funded by Kannas and RoundShield. Additionally, Kabannas operates as purchaser, developer and operator, thereby providing further transaction certainty.

"After a competitive bidding process, it is great to see Hayweight House sold to Kabannas. Entering a new location and bringing something different to Edinburgh's leisure market, the sale provides evidence that for the right opportunities there remains good developer and investor demand."

Peter Fleming, Director, Graham + Sibbald

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