

CHAMPNEYS MOTTRAM HALL

Wilmslow Road | Mottram St Andrew | Cheshire | SK10 4QT



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VIDEO

hendersonherd
COMMERCIAL PROPERTY INVESTMENT

Prime Ground Lease For Sale, Cheshire ~ 120 Bed Four Star Hotel, Health Club, Spa and Golf Club Hotel ~ 270 acres



Investment Summary

An exceptional opportunity to acquire a highly secure, index-linked ground lease to a prime, four-star hotel and leisure resort with over 991 years unexpired.

PROFILE

Champneys Mottram Hall is a prestigious hotel, conference and leisure resort situated approximately 15 miles south of Manchester city centre in the heart of Cheshire's affluent 'Golden Triangle'.

Centred on an historic 18th Century manor house set within a 270-acre country estate, it was converted to hotel use during the mid-20th century.

It is a luxurious four star resort providing 120 bedrooms, extensive conference facilities, modern spa and health club, 18-hole golf course, Padel club, award winning AA Rosette restaurant and a FIFA accredited football pitch.

TENURE

Freehold.

LEASE

999 years from 27th September 2017.

Over 991 years unexpired. (Note 1)

CURRENT RENT PA

£333,946 per annum (£2,783 per room).

ACCRUED REVERSION (JULY 2025)

£374,601 per annum (£3,122 per room).

NEXT RENT REVIEW

27th September 2027 and five yearly, upwards only thereafter.

RENT REVIEW BASIS

Retail Prices Index calculated annually and compounded five yearly. The rent review is subject to a minimum of 1% per annum and a maximum of 4% per annum.

PROJECTED REVERSION (SEPTEMBER 2027) (Note: 2)

£398,526 per annum (£3,321 per room).

TENANT

Champneys MH Property Limited.

(Isle of Man Company No: 015118V)

PRICE

Offers are invited in excess **£X,XXX,XXX**, exclusive of VAT.

After deducting assumed purchaser's costs of **6.80%**, a purchase at this level would reflect the following:

Equivalent Yield	x.xx%
Accrued Reversion to March 2025	
Projected Reversion September 2027	x.xx%
Capital Value per bedroom	£x.xx

Note 1: the tenant enjoys a right to purchase the freehold on 27/9/2042.
Note 2: assuming RPI of 3.00% until September 2027.





Champneys Mottram Hall, Wilmslow Road, Cheshire

Champneys Mottram Hall is a prestigious four-star hotel, conference and leisure resort situated within an historic 270-acre country estate in Cheshire, approximately 15 miles south of Manchester city centre.

It is centred on a 18th Century Grade II listed former manor house, converted and extended into an hotel during the mid-20th century. The resort currently provides 120 bedrooms, a modern spa and health club, an 18-hole golf course and clubhouse, an award-winning AA Rosette restaurant and a FIFA accredited football pitch.

In 2018, Mottram Hall was acquired by Champneys. Since acquisition, the spa and health centre have been extended and refurbished at a reported cost of £15m, including construction of a new 20m swimming pool and 15 treatment rooms. Further works have included extensions and improvements to the Golf Clubhouse.

In 2024, the principal conference suite was remodelled and extended. The St Andrew's Suite provides a self-contained suite capable of accommodating up to 300 delegates, with nine further conference rooms. A new three court Padel club opened in July 2024.

Champneys are the UK's leading spa resort group, operating four spa resorts, two city spas and two spa hotels. The group's operations are concentrated in Greater London and the South East. Champneys Mottram Hall is the group's only facility north of the Midlands.

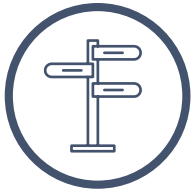




Location



Champneys Mottram Hall is located at the heart of the Cheshire's "Golden Triangle" in a secluded, rural location within the North Cheshire Green Belt.



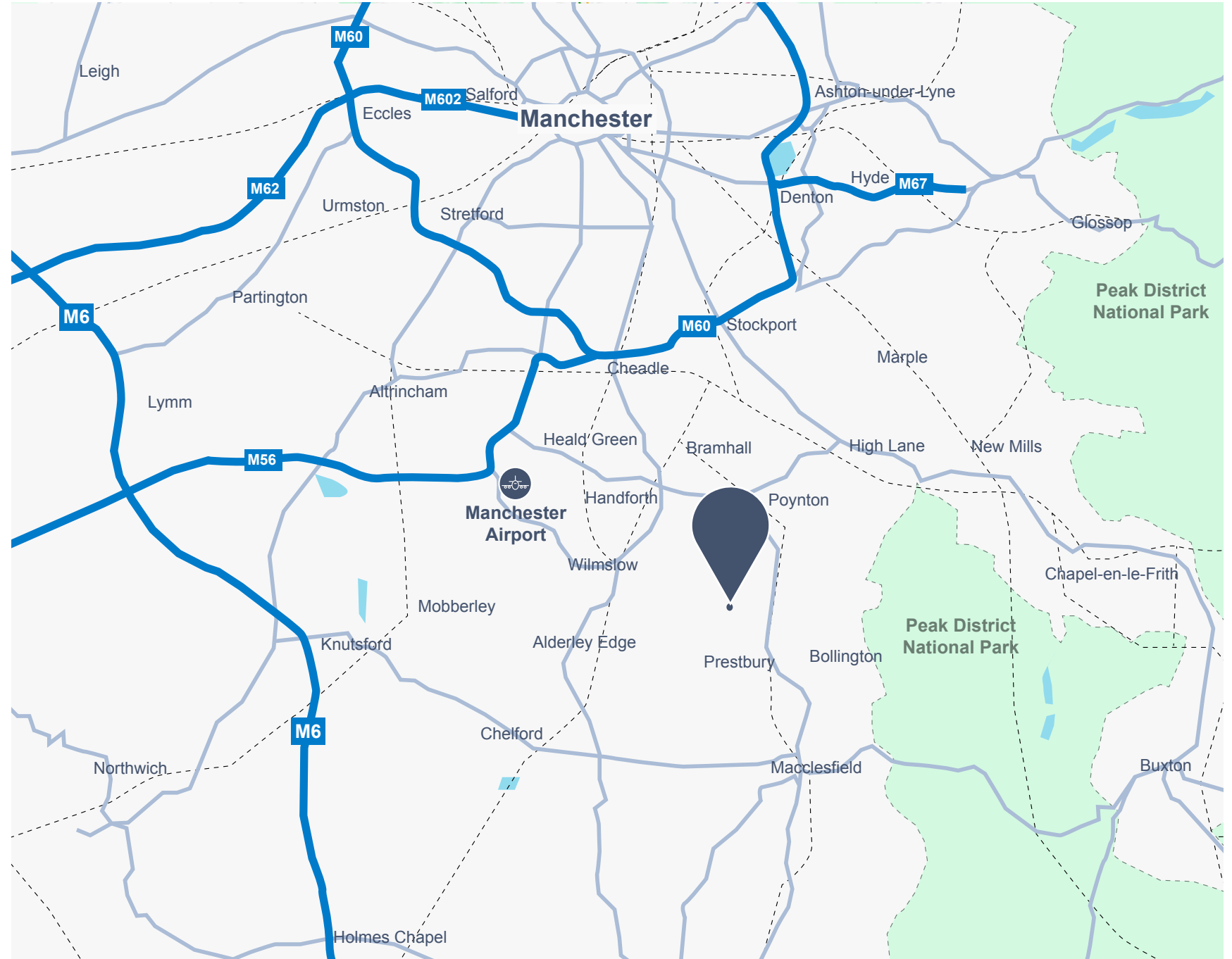
The estate is surrounded by the affluent suburbs of Alderley Edge, Wilmslow and Prestbury, situated approximately three miles to the north-west, west and south-east respectively. This is prime residential location, considered to be amongst the most affluent in the North-West.



The hotel, spa and golf clubhouse are situated at the centre of the estate, surrounded by woodland, traditional parkland and the 18-hole golf course.



Mottram Hall is situated less than ten miles south of Manchester Airport and 15 miles south of Manchester city centre. The Peak District National Park lies approximately ten miles to the east.





The UK Hotel Market

The UK hotel market is performing strongly, with increased occupancy rates and RevPar. Key business drivers are the continued recovery in inbound tourism numbers, strong demand from domestic leisure and continued recovery in corporate business. Occupancy, ADR and RevPAR have recovered and mostly exceed pre-pandemic levels.

The Cheshire Hotel Market

Mottram Hall lies within the Cheshire Hotel Market. 2024 highlights include:

- 2.1% Rev Par increase
- 12 month Occupancy 74.0% vs Historic Average 64.6%
- 12 month ADR £80.57 vs Historic Average £76.66

Within the Luxury and Upscale sub-market (11.5% supply), 12-month occupancy increased by 4.91%.

Connectivity

Mottram Hall is located south of Greater Manchester. It is situated within a ten-minute drive of the affluent suburbs of Alderley Edge, Wilmslow and Prestbury and within a twenty-minute drive of the larger towns of Stockport and Macclesfield.



It is a rural location, the nearest trunk roads being the A34 at Alderley Edge and the A555 Manchester Airport Eastern Link Road 4 miles to the west and north respectively. Both connect to the M60 Manchester orbital.



Local railway services are provided from Alderley Edge, Wilmslow and Prestbury. Mainline services are provided from Stockport and Macclesfield.



Manchester International Airport is located approximately ten miles to the north. It is the third busiest airport in the UK and the busiest outside London with services to approximately 200 UK, European and Intercontinental destinations.



Tenure

The site is held Freehold and extends to approximately 270 acres (109.3 ha).

Tenancy

The property is held subject to a 999-year ground lease from 27th September 2017.

The ground lease is subject to five yearly, upwards only rent reviews.

Rent reviews are calculated by reference to the Retail Prices Index, subject to minimum growth of 1% per annum and maximum growth of 4% per annum. Rent reviews are calculated annually and compounded.

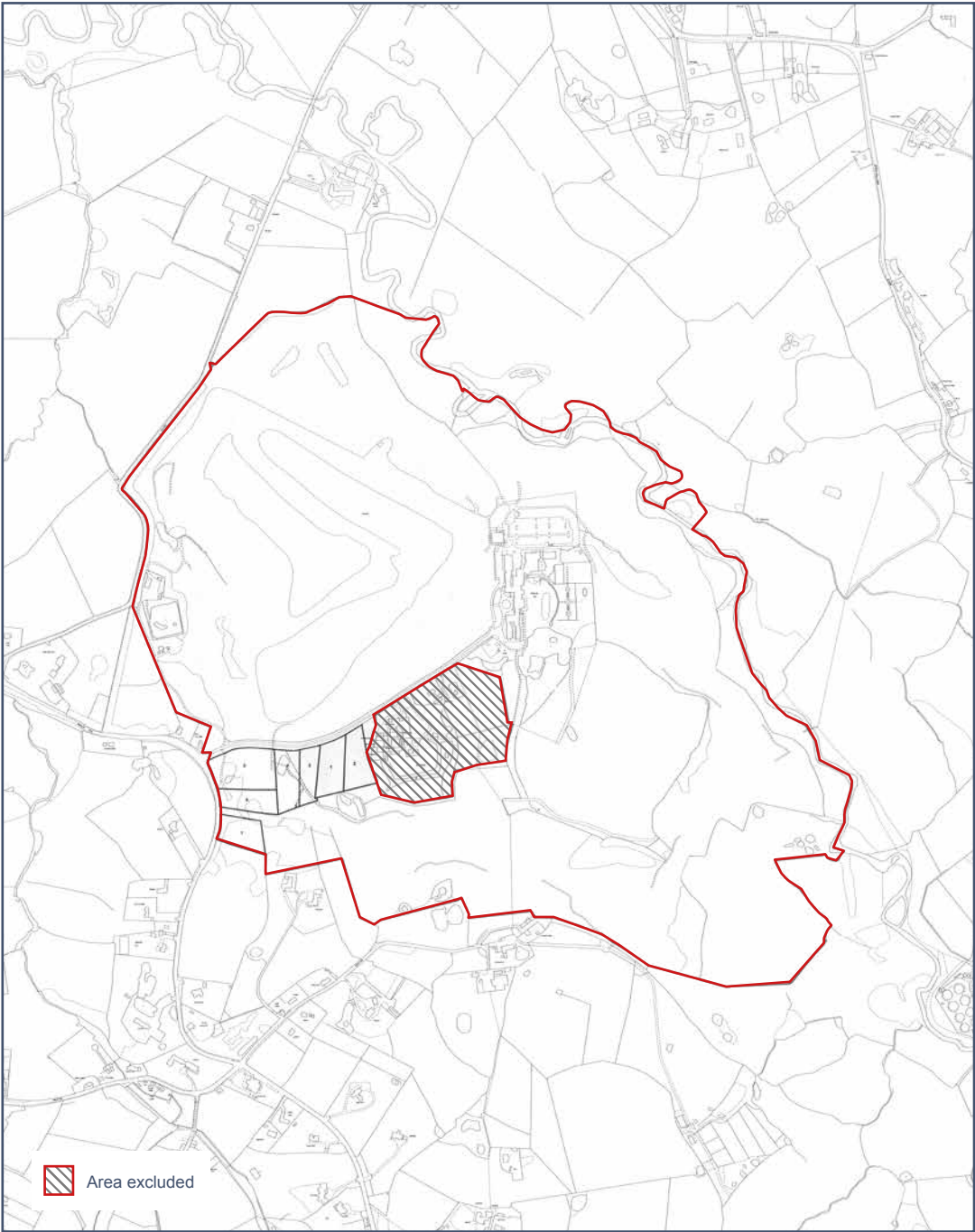
Tenant

The current tenant is Champneys MH Property Limited, a company registered in the Isle of Man (Isle of Man Company No: 015118V).

The facility is operated and managed by Champneys Mottram Hall Limited (Company No 10922155). For the year ended 30th April 2024, the company reported Turnover of £10.9m and Operating Profit of £1.92m.

Champneys Mottram Hall is a subsidiary of Champneys Henlow Limited, owned by the Purdeu family.

For the year ended 30th April 2024, Champneys Henlow Limited reported Turnover of £58.2m and Shareholder Funds of £41.9m. It has a Creditsafe rating of 86 – A, classified as Very Low Risk.



Tenant Option to Purchase

The tenant enjoys an option to purchase the freehold on the 27th September 2042. The option strike price is that sum which provides the freeholder with a Real (ie inflation adjusted) IRR of 4% above the 2017 base value of £9,702,700, adjusted for fees and other costs.

Indicative strike prices to exercise this option are estimated below, reflecting alternative rates of future annual RPI growth:

RPI 2025-2042	Option Strike Price 2042
2.00% pa	£52.0m
3.00% pa	£78.6m
4.00% pa	£125.7m





Rent

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Projected Reversion September 2027:	£398,526 per annum (£3,321 per room)*

* assuming future RPI of 3% per annum

Price

Offers are invited in excess **£xx,xxx,xxx**, exclusive of VAT.

After deducting assumed purchaser's costs of **6.80%**, a purchase at this level would reflect the following:

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Capital Value per bedroom	£x.xx

EPC

Both Mottram Hall and Mottram Hall Golf Club House have EPCs of B.

VAT

The property has been elected for VAT purposes and will be treated as a Transfer of a Going Concern.

Anti-Money Laundering

Prior to exchange of contracts, all parties acknowledge and agree to fully co-operate to ensure Anti-Money Laundering Regulations are fully satisfied.





Contact

Further information can be obtained from the sole selling agents:

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