

# DE VERE COTSWOLD WATER PARK HOTEL

Lake 6 | Spine Road East | Cirencester | GL7 5FP



**hendersonherd**  
COMMERCIAL PROPERTY INVESTMENT

Prime Ground Lease Investment For Sale

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Landmark Waterfront Four-Star Hotel







# Investment Summary

An exceptional opportunity to acquire a highly secure, index linked ground lease to a modern four-star hotel in a prime Cotswolds location.

## PROFILE

De Vere Cotswolds Water Park is a prime, four-star hotel overlooking Lake 6 in the Cotswolds Water Park.

Developed in 2007, it provides over 328 bedrooms, including 99 apartments, and 21 flexible meeting rooms.

## TENURE

Freehold.

## LEASE

175 years from 10th October 2018, without break.

Over 169 years unexpired. (Note 1)

## CURRENT RENT PA

£689,861 per annum (£2,103 per key).

## ACCRUED REVERSION JULY 2025

£740,543 per annum (£2,258 per key).

## NEXT RENT REVIEW

10th October 2028 and five yearly, upwards only thereafter.

## RENT REVIEW BASIS

Retail Price Index, subject to a collar and cap of 0%-5% per annum.

## PROJECTED REVERSION OCTOBER 2028

£813,562 per annum (£2,480 per key).

## TENANT

De Vere Cotswold Water Park Limited  
(Company number 3987970).

## PRICE

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

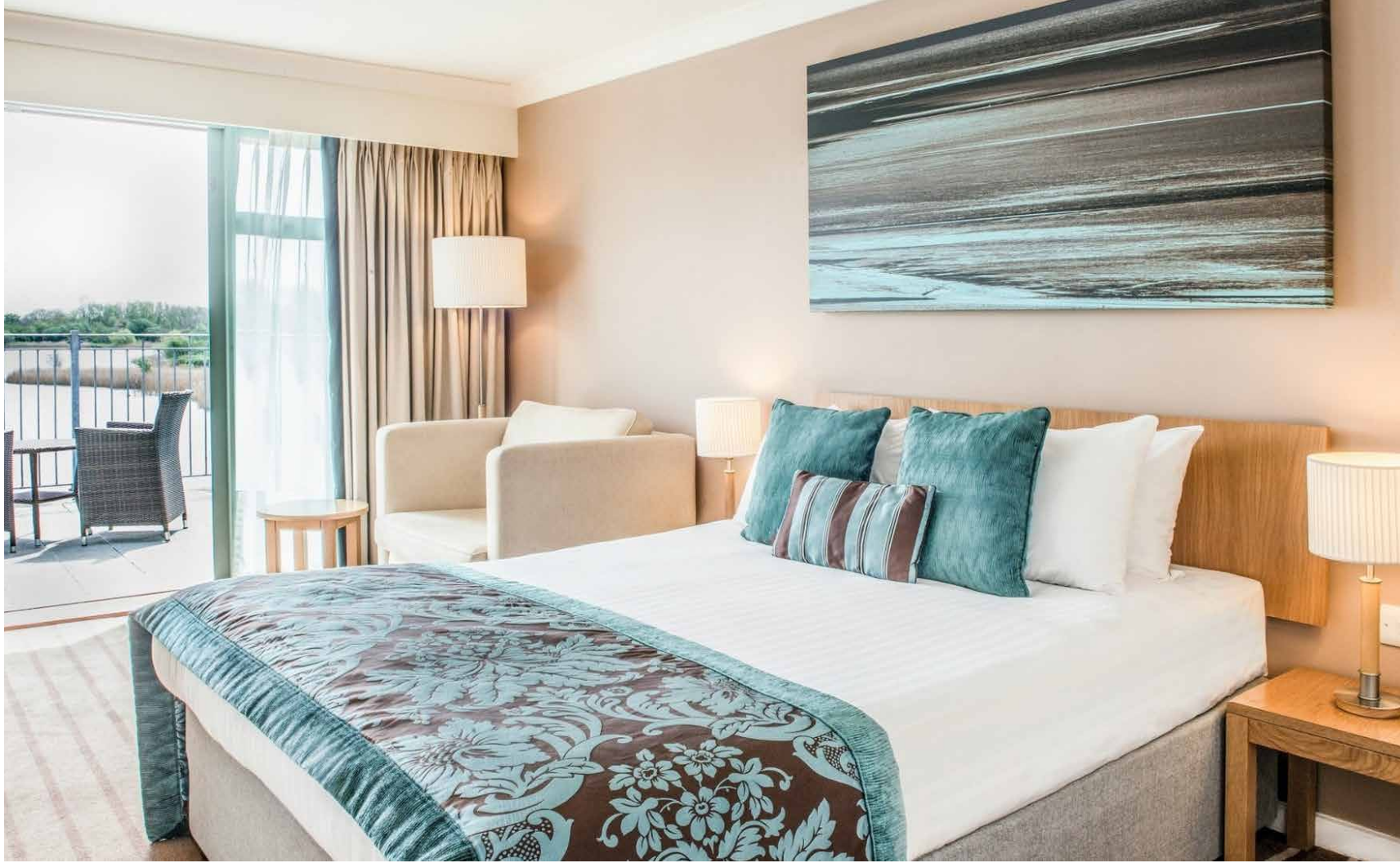
After deducting assumed purchaser's costs of **6.80%**, a purchase at this level would reflect:

Net Initial Yield	<b>x.xx%</b>
Equivalent Yield	<b>x.xx%</b>
Accrued Reversion to July 2025	<b>x.xx%</b>
Capital Value per bedroom	<b>£x,xxx</b>

Note 1: the tenant has a right to purchase the freehold on 10/10/2038.









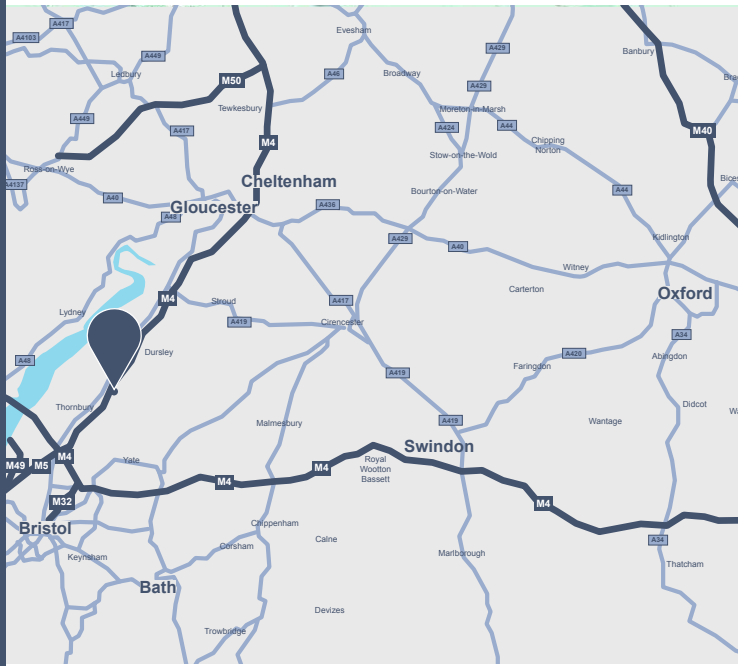
# Location



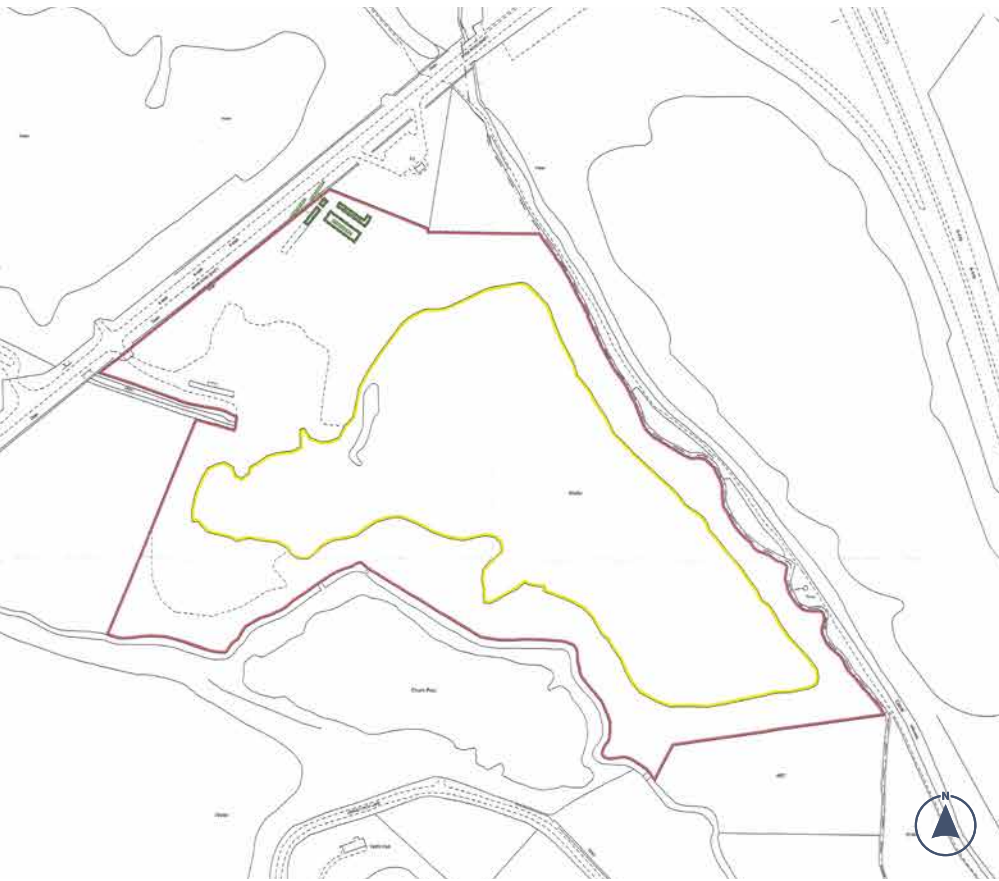
The Cotswolds is an affluent region of south-west England. Predominantly rural, it is renowned for its picturesque stone villages, towns and stately homes. Much of The Cotswolds is designated an Area of Outstanding Natural Beauty (AONB), the largest such region in the UK.



It is an important tourist destination attracting over 38 million day visitors annually, contributing over £1bn to the local economy.







# Tenure

Freehold.

The site extends to approximately 56 acres (22.7 ha), including ownership of the adjacent lake.

# Rent

Current Rent:	£689,861 per annum (£2,103 per key)
Accrued Reversion to July 2025:	£740,543 per annum (£2,258 per key)
Projected Reversion October 2028:	£813,562 per annum (£2,480 per key)

# Tenancy

The property is held subject to a 175 year ground lease from 10th October 2018 until 10th October 2193.

The ground lease is subject to five yearly, upwards only rent reviews. The next rent review is on 10th October 2028.

Rent reviews are calculated by reference to the Retail Price Index and are subject to a collar of 0% pa and a cap 5% pa.





# Tenant Option to Purchase

The tenant benefits from a right to purchase the freehold on 10th October 2038. If exercised, the option strike price is to be calculated on the basis of the freeholder receiving a Real Internal Rate of Return of 2.5% per annum in excess of the Retail Price Index, after deducting transaction costs and management fees.

Calculation of the option strike price will be subject to future growth in RPI. Indicative prices based on a range of average future growth in RPI until the option date are as follows:

Average RPI Growth pa (2025 - 2028)	Option Strike Price
2.50%	£50.0m
3.00%	£53.8m
3.50%	£60.0m
4.00%	£62.4m

# Tenant

The current tenant is De Vere Cotswold Water Park Limited (Company number 03987970).

The hotel is operated under the de Vere brand, trading as De Vere Cotswold Water Park.

[www.devere.co.uk/cotswold-water-park-hotel](http://www.devere.co.uk/cotswold-water-park-hotel).

De Vere is a market leading, upscale hotel brand, operating from eight modern, country estate hotels situated in high value, locations in England. The business combines iconic, often historic, buildings in parkland settings with premium interior design and state of the art conference facilities.

De Vere was acquired by Starwood Capital in 2014.

De Vere Cotswold Water Park Limited has a Creditsafe Rating of 92/100, classified as Very Low Risk.





# 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:

Net Initial Yield	<b>x.xx%</b>
Equivalent Yield - Accrued Reversion to July 2025	<b>x.xx%</b>
Projected Reversion - October 2028	<b>x.xx%</b>
Capital Value per bedroom	<b>£x,xxx</b>

# Contact

Further information can be obtained from the sole selling agents:

**David Henderson**  
T: 0131 226 4015  
M: 07789 778 838  
E: david.henderson@hendersonherd.co.uk

**Steven Herd**  
T: 0131 226 4014  
M: 07515 376 733  
E: steven.herd@hendersonherd.co.uk



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