

# **Hotels**

# Strategy

Our strategy is to acquire either freehold or long leasehold interests in under-valued and under-performing hotels primarily in key strategic locations outside London, where opportunities exist to rebrand and/or reposition hotels to generate strong annual cash yields and uplift in future capital value.

Our partners have a proven track record in originating and completing hotel acquisitions in the UK and will provide a comprehensive service to include deal origination, the provision of debt finance and, post-acquisition, asset managing the hotels.

The hotels typically benefit from a franchise agreement with a branded hotel chain, for example Holiday Inn, and are run day-to-day by local staff overseen by an experienced hotel management company.

### Debt

We fund the acquisition of hotels with no more than 50% funding from lending banks.

## Security

A hotel partnership acquires the freehold (or long leasehold) interest in each hotel with full title at the Land Registry. Freehold or long leasehold assets underpin the security of capital afforded by this trade.

#### Benefits to Investors

Hotels generate a good level of annual income which should rise as the asset management efficiencies are generated. This should then lead to capital growth following the increase in profitability.

Hotels can be accessed through the following services:



The Stellar Growth
Inheritance Tax Service



The Stellar Business Inheritance Tax Service



The Stellar Bespoke Inheritance Tax Service

# Example Investment

- Murrayshall Country House Hotel Perth, Scotland
- ★ Date Acquired: November 2016

Originally built in 1664 and owned by the Murray family until 1927, Murrayshall Country House Hotel is a 41-bedroom hotel situated on a 350-acre estate. It comprises two golf courses, Murrayshall and Lynedoch, and is located just north of Perth.

Since acquisition we have invested heavily in a refurbishment programme to reinstate traditional features and restore the hotel to its former glory. This is intended to enhance the current hotel offering and encourage greater corporate and event interest throughout the year. The golf courses have also seen enhancements to provide the very best experience to all guests during their stay.

#### stellar-am.com

#### **Important Information**

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