

17 December 2024

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Dear Sirs,

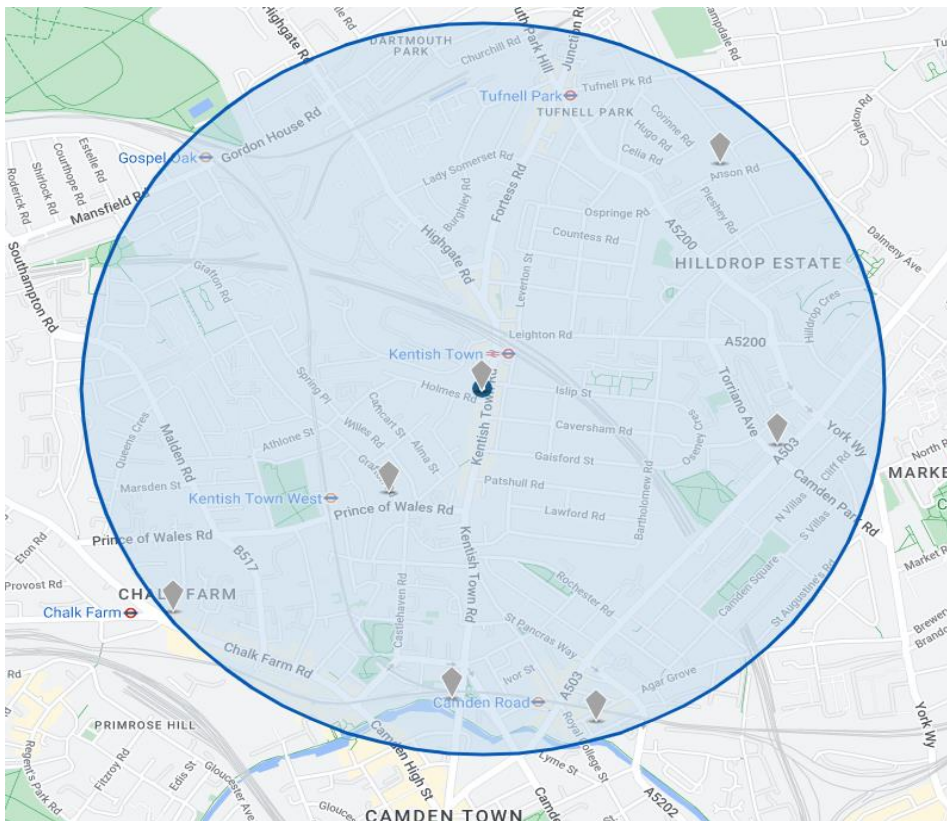
293-299 & 301-305 Kentish Town Road, London NW5

Savills has undertaken a desktop review of the Kentish Town hotel market positioning with a view to a proposed hotel at the above property.

Following an assessment of existing supply dynamics it is apparent that there is a more limited hotel offering in proximity to Kentish Town Underground and Mainline station than comparable locations across Central North London. This becomes a greater issue when viewed in light of the ongoing regeneration of Kentish Town with Camden Council and Yoo Capital's Camden Film Quarter in the Regis Road Regeneration Area and the existing O2 Forum.

1 km Radius

The following map and subsequent table outlines both supply, closed hotels as well as future pipeline within 1km of the Subject Property.



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Registered office: 33 Margaret Street, London, W1G 0JD

Source: CoStar, 1km Radius

Building Name	Rooms	Class	Operation Status	Address
Viridian Apartments Camden	7	Serviced Apts	Open	12 Bruges Pl
Sonder Camden Road	47	Midscale	Open	201 Camden Rd
Selina Camden	29	Upper Midscale	Permanently Closed	89 Chalk Farm Rd
OYO Camden BnB	24	Economy	Permanently Closed	1-3 Grafton Rd
STAY Camden	169	Serviced Apts	Open	1 Water Ln
Lodge 33	38	Midscale	Permanently Closed	33 Anson Rd
Kentish Town Road Hotel	74	Economy	Proposed	293-299 Kentish Town Rd

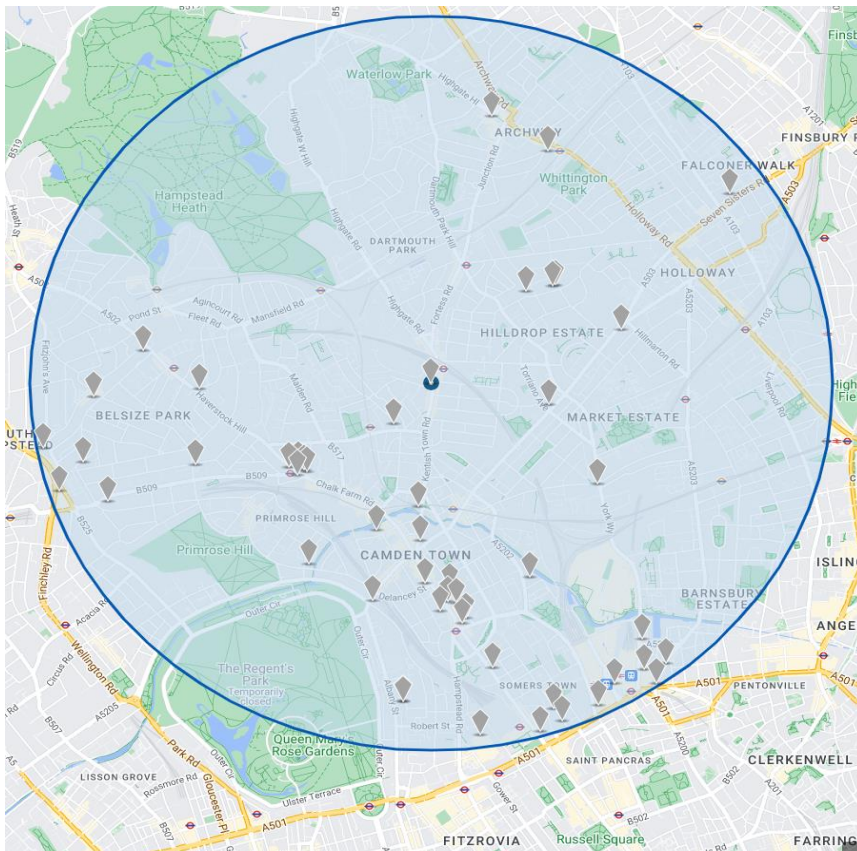
In terms of hotel scale, it is notable that there are no other conventional hotels providing more than 50 bedrooms. We would expect to see an established market of larger, more efficient hotels in transport hubs such as Kentish Town.

In terms of the product offer, the local area currently provides a higher proportion of extended stay hotel solutions (Serviced Apartments) than on average across London. Of the 3 operations currently open, 79% of available rooms are in extended stay hotels and these are at the upper end of the scale of quality and pricing.

We identify a considerable shortfall of mid-price, mid quality, hub style hotels in Kentish Town.

2.5 km Extended Radius

By way of a further crosscheck, we have undertaken an assessment of the local hotel offering within a 2.5km radius of the Subject Property.



The above map highlights the core hotel clusters around Kings Cross, Euston, Camden and Chalk Farm. The review suggest that there could be further hotel offerings in Kentish Town, given the location dynamics.

The following table illustrates the product mix of the wider area, with the Kings Cross increasing the weighting of Upper Upscale and above product.

Class	Operating			
	Hotels	Weight%	Rooms	Weight%
Economy	10	25.6%	1,280	44.7%
Midscale	3	7.7%	128	4.5%
Upper Midscale	6	15.4%	390	13.6%
Upscale	8	20.5%	138	4.8%
Upper Upscale	11	28.2%	903	31.5%
Luxury	1	2.6%	25	0.9%
Total	39		2,864	

Proposed Operator

Whilst we have not formally marketed the proposed hotel yet and do not have a preferred operator, we note interest in the area from multiple hotel brands keen to capitalise on the regeneration of the area and believe the end user will provide a midrange, hub style hotel with a typical room as shown by the following images.

The fundamentals of the proposed hotel are that it would offer a modern, boutique / lifestyle hotel within minutes' walk of Kentish Town Road underground station. Given the existing ground floor uses and the wealth of local leisure and restaurant provision, the proposed hotel is ideal for a limited Food & Beverage provision, and demand from more hotel bedroom focused operators is strong, both domestically and international.

Operators from a range of domestic and international hotel groups are actively seeking this type of hotel and there are numerous, exciting concepts that would add to the existing, limited hotel provision in the immediate area, catering for both leisure and corporate travellers with increased demand anticipated from The Camden Film Quarter.

Within the hotel space are some of the strongest and most well-known economy brands in the UK which provide excellent value for money service whilst not compromising on quality. There are a number of hotel brands with unique design and a rapidly expanding pipeline for this type of offering. All operators will keep in line with their brand specification and standards, but some may also take design inspiration from the local neighbourhood and community. It is also important to note that the capital and funding partners behind these parties varies, from private capital and HNW's through to private equity backing from major global institutions.

The site would be very well received in the market noting the prime location, quality of the proposed development and strength of demand drivers in Kentish Town and would result in a good selection of offers from a variety of operators on multiple bases.

Once planning has been granted, we will enter into detailed discussions with a shortlist of these operators and will agree terms with a preferred partner.

Conclusion

The regeneration of Kentish Town is gathering pace and there are currently very few existing hotels with only 47 dedicated hotel rooms in a 1km radius with a lack of mid-range hotel options. We are aware of good demand levels from operators for this immediate location with a range of interesting boutique operations that would create a destination hotel offer in the heart of Kentish Town.

Yours faithfully



Richard Dawes

Director
for and on behalf of Savills (UK) Limited

App 1

Image of a typical hotel room in the proposed operator range



Ibis Styles London Southwark



Marriott Four Points Flex



B&B Hotels (Heathrow)



Premier Inn Hub (Camden)