

Summary

- 24 En Suite Letting Bedrooms
- Hallgarth Tavern – 40 covers
- Hotel Bar - 30 & Residents Lounge - 20
- Orangery – 30 covers
- Restaurant/Function Room – 24 covers
- Function Room – 240 capacity
- Site area 1.62 Hectares/4 Acres
- Advised Net Turnover £1,078,593 Year Ending 31/03/2020

Lambert
Smith
Hampton



On the instructions of the Joint Administrators
of Shepherd Cox (Durham) Limited

Harrisons
Business Recovery & Insolvency Specialists

FREEHOLD HOTEL
FOR SALE

Hallgarth The Manor, High Pittington,
Durham, DH6 1AB

Location

Hallgarth the Manor is a full service Country House Hotel situated on the fringe of the village of High Pittington, fronting Hallgarth Lane adjacent to St Laurence's medieval parish church, which dates back to 1100. Hallgarth was designated a conservation area in 1981 and is located within the small and attractive parish of Pittington.

The hotel is conveniently located approximately 5 miles North East of the historic County Town of Durham and is situated just 3.5 miles away from the A1 M.

Durham with its famous University, Castle and Cathedral was named a UNESCO World Heritage Site in 1986. As well as attracting students, leisure visitors and tourists, Durham has also attracted a number of significant businesses to the area in recent years including Hitachi Rail, Glaxo Smith Kline and Gestamp.

Hallgarth The Manor is also situated approximately 11 miles south west of Sunderland, 20 miles south of Newcastle and 26 miles south of Newcastle International Airport.



Description

The Hotel property comprises a predominantly three storey building parts of which we understand date back to the mid 18th Century, although the property was extensively altered and extended in the 19th and 20th century. The property has rendered elevations beneath a series of slate tile and flat roof coverings.

The hotel was the subject of a further significant refurbishment after it was acquired in 2015. At which time we understand that all of the public areas, letting bedrooms were refurbished and the heating / water system was replaced.



Public Areas

- Lobby
- Reception
- Residents Lounge – 20
- Hotel Bar / Orangery - including bar servery – 30 Covers with access to garden area
- Hallgarth Tavern - 40 Covers - Access to enclosed beer garden with outside seating
- Restaurant / Function Room – 24 Covers – Access to covered terrace – 40 Covers
- Mirror Ball Function Suite Capacity – 100 to 240

Letting Accommodation

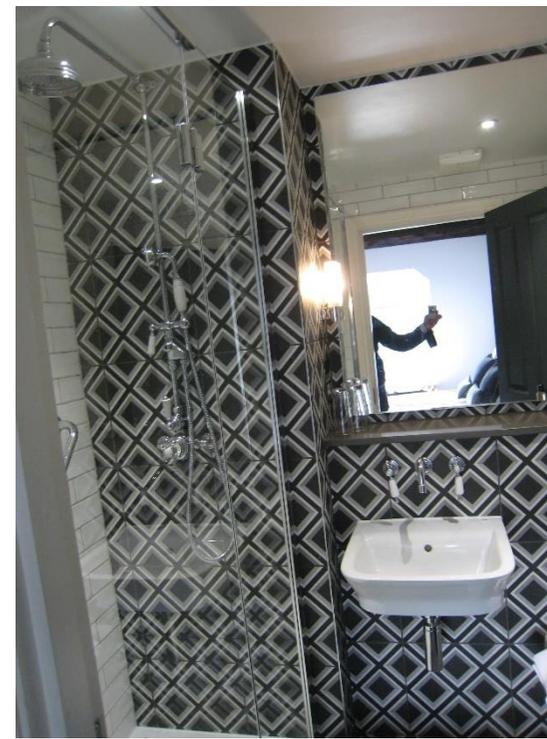
Room Description	Quantity
Double Bedrooms	23
Sanctuary Suite / Bridal Suite	1
Total	24

The hotel bedrooms include a range of individual accommodation with attractive décor and modern case goods. All of the bedrooms were refurbished in 2016. The bedrooms include a number that feature double or zip and link twin beds.

Each room has a flat screen TV with built in Freeview, En Suite bath and or shower room and hospitality tray. All of the bedrooms were finished to a good standard. The Sanctuary Suite (Bridal Suite) has a king sized bed, larger flat screen TV and additional features including a feature raised bath tub and a double shower facility.

Ancillary Areas

- Male WC, Female WC & Disabled WC
- Administration Office
- Commercial Catering Kitchen - preparation area, dry goods store, cold store, chefs office, staff room, staff WC
- Boiler room
- Beer, wine and spirits store
- Housekeeping & linen stores



External Areas

We understand that the site extends to approximately 1.62 Hectares (4 acres) comprising attractive landscaped gardens and grounds as well as three dedicated car parking areas. To the front of the property there is an enclosed beer garden area with direct access to the bar and restaurant. There are further external garden areas and terraces for visitors, wedding guests and hotel residents to enjoy.





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The Business

The hotel is being sold on behalf of the Joint Administrators of Shepherd Cox Hotels (Durham) Limited. The Property has previously traded as part of the Shepherd Cox Group since it was acquired in 2015.

The business trades as a full service Country House hotel at an equivalent 3 Star level, with good size public space, restaurant, bar and function space.

The business is popular as a regional wedding venue and operates with the benefit of a Best Western franchise and trades under the BW Signature Collection by Best Western brand, which is identified as “Properties that are carefully chosen and thoughtfully designed to offer an atmosphere that reflects the personality of each destination”. “Surprisingly affordable hotels that offer today’s travellers relaxed settings and modern amenities.”

The hotel has built a strong reputation as a regional hotel venue, we understand from the hotels operations manager that the hotel hosted 56 weddings in 2019, had 64 weddings booked for 2020 before the Covid-19 Pandemic and has 83 weddings booked in for 2021.



Given the hotels close proximity to Durham, the hotel has historically been supported by a reasonably strong midweek corporate and leisure market. Furthermore, the business is able to generate a strong sleeper / diner ratio in the region of 80% because of the village location of the hotel. Trading information shows that the business turnover has been relatively consistent over the last three years which would indicate that there is good market demand in the area, with limited competition.



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Trading Information

The business has historically generated revenue from a range of income streams including letting accommodation, food & beverage and conference & banqueting. Management trading information provided by our client's shows that the business produced a net turnover of £954,611 for the year ending 31/03/2020.

Further Information

Further information in an online data room will be made available to interested parties upon receipt of a completed, signed and dated Non-Disclosure Agreement (NDA), which is available from Lambert Smith Hampton upon request.

Services

All main services were connected at the time of our inspection. Prospective purchasers should make their own investigations as to the capacity and condition of all services.



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Fixtures Fittings & Equipment

We are advised that all fixtures, fittings and other items associated with the running of the business will be included in the sale where they are owned outright. Any items that are not owned or that are on lease may not be included. Interested parties should satisfy themselves that they are satisfied with the hotels inventory before completion. All appliances are untested and any prospective purchasers should satisfy themselves that all equipment is in full working order before completion.



Tenure Details

The property is held on a part Freehold and part Leasehold title.

There are parts of the property that are subject to Leases. We understand that six of the bedrooms have been sold individually to private investors and leased back to the business with an Annual Rent due to the investors.

We have been advised that each of the investors are due an Annual rental payment from the hotel of £6,000 per annum. However, the investors are also responsible for contributing to the repair and maintenance by way of a service charge.

Further information will be made available upon request.

Stock in Trade

The stock in trade is to be purchased in addition to the sale price at and at valuation upon the day of completion.

Fire Risk Assessment

We are advised that a suitable and sufficient fire risk assessment has been carried out under the Regulatory Reform (Fire Safety Order 2005).

Business Rates

The business rates are payable to Durham County Council. We understand that the current rateable value for the year commencing 1st April 2017 is £42,250.

Planning

We understand that the property has a valid consent for its current use. However, we would advise interested parties to make their own enquiries with local planning authority in this regard.

EPC

We understand that the premises have an Energy performance asset rating of C – 62 issued on the 1 December 2016. A copy of the Energy Performance Certificate (EPC) is available upon request.



Guide Price

Offers in the region of £1,750,000

Written offers are invited by email and by no later than 12:00 noon on Friday the 4th September.

Offers should be sent by email to Martin Davis and Hugh Anderson at the email addresses noted below. All offers should include the level of your offer, timescale to exchange contracts and completion as well as proof of cash or funding.

Viewing Arrangements

Viewing arrangements are strictly by appointment only through the vendors sole agent, Lambert Smith Hampton. Under no circumstances should any party make a direct approach to the business or the staff of the hotel.

For further information,
please contact:

Martin Davis
DD: 07840 022259
E: mdavis@lsh.co.uk

Hugh Anderson
DD: 07970 690344
E: handerson@lsh.co.uk



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