



“Despite the confidential marketing, in excess of 100 parties expressed initial interest through the signing of a confidentiality undertaking.”

Julian Troup
Colliers International

SUCCESS STORY

FORESTDALE HOTELS PORTFOLIO



Forestdale Hotels Group

TEAM

Colliers International UK

STATISTICS

18 mid-market hotels

SERVICES PROVIDED

Brokerage

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CHALLENGE

Forestdale Hotels Group was a privately owned collection of 18 UK provincial hotels spread across England employing 900 staff and having an annual turnover of around £30m. The hotels range in size from 34 bedrooms to 145 bedrooms and are located in towns and cities across the UK, including Cambridge, Bristol, Southampton, Winchester and Bath.

Our instructions were to dispose of the entire share capital in the owning company with the marketing being handled in a highly confidential fashion.

STRATEGY

Having provided the initial marketing advice we were instructed to proceed with employing an agreed strategy including the use of a comprehensive “Information Memorandum”.

In accordance with our clients instructions we made direct approaches to a diverse list of parties known to us that included UK and international hotel companies, investment companies and high wealth individuals.

SERVICES

Our brokerage services and confidential marketing were handled by Julian Troup, Head of Corporate Hotels.

Initially substantial interest was expressed and through a process of narrowing down the interest we were able to concentrate our focus on a short list of bidders.

Following more detailed negotiations the decision was taken to proceed with Akkeron Hotels as the preferred bidder.

RESULTS

The successful sale of the group to Akkeron Hotels was concluded at an undisclosed price. The acquisition has been funded with a mixture of equity, deferred consideration and a new £32m, 18-year credit facility provided by Lloyds Banking Group.

The transaction has boosted Akkeron's hotels from eight to 26. Akkeron are a growing UK-focused mid-market and regional hotel business comprising 26 three and four star hotels employing 1,400 people, making it one of the largest regional hotel operators in the UK.