CENTRAL HALL
BIRMINGHAM
196 – 224 Corporation Street,
Birmingham, B4 6QB
EXECUTIVE SUMMARY

Savills are appointed by joint Administrators - David Rubin & Partners LLP and Abbott Fielding Limited – to offer for sale by way of a site sale and subject to retail under leases, an exceptional hotel led, mixed - use redevelopment opportunity in Birmingham city centre.

➢ Rare freehold development opportunity to acquire arguably one of the City’s most iconic Victorian buildings and redevelop it into a premium hotel and aparthotel together with extensive food and beverage facilities and expansion potential for a three storey extension.

➢ Built in 1904 by famous local architects Ewan Harper and James A. Harper, the landmark Grade II* listed building totals 90,417 sq ft (8,400 sq m) on a site of 0.56 acres (0.23 ha) and occupies a prominent location in the centre of the City, benefitting from excellent accessibility by road and rail.

➢ The Property benefits from full planning permission for over 150,404 sq ft (13,973 sq m) of accommodation comprising a 147 bedroom hotel and 75 unit apart-hotel totalling 222 bedrooms, together with extensive F&B facilities including a centrepiece ‘Gastro Hall’, a roof terrace sky bar, a nightclub / multi-purpose space and retention of the ground floor retail units.
BIRMINGHAM

Known as the ‘city of a thousand trades’, Birmingham is now the UK’s second biggest city with a population of 2.8 million people expanding to 4.3 million in the wider Birmingham metropolitan area. Following unprecedented levels of investment and development, the City’s renaissance has established itself as the strongest economic centre outside of London and home to over 500,000 employees, the highest of any regional UK city. The City is also home to three major Universities and with a high graduate retention of 49%, makes it Europe’s youngest major city with nearly 40% of the population under 25 contributing to a skilled & talented workforce.

Situated 120 miles (193 km) north west of London, Birmingham has consistently been voted the UK’s most popular destination outside of the Capital for meetings, conferences and events accounting for around 40% of the UK’s conference and exhibition trade hosting over 850 events annually across facilities such as the National Exhibition Centre and the International Convention Centre.

With over 600 parks and more open space than Paris, Birmingham is one of the UK’s greenest cities. In addition, Birmingham has a strong track record of delivering large international sporting events recently hosting the Gymnastics World Cup in the Resorts World Arena, the IAAF World Indoors Athletics Championships at Arena Birmingham, the ICC Champions Trophy and The Ashes at Edgbaston and Rugby World Cup fixtures at Villa Park. Birmingham will also play host to 2022 Commonwealth Games, which is expected to draw in up to one million additional visitors to the City over the 11-day sporting event.
SITUATION

Defined by historic and landmark buildings, Central Hall occupies a prominent corner site in Birmingham’s characteristic Victorian Quarter on the junction of Corporation Street and Ryder Street, opposite the terracotta Victoria Law Courts and neighbouring the Crown Court. Corporation Street serves as an arterial commercial street and the spine of the Victorian Quarter extending from Birmingham New Street Train Station to James Watt Queensway.

Central Hall occupies a convenient location for both leisure and business visitors located in close proximity to the City’s core corporate and leisure demand drivers. Birmingham’s major central business districts in Snow Hill and Colmore Row situated 300 and 400 metres southwest respectively boasts international legal and financial corporate occupiers including KMPG, Barclays, Shoosmiths and Ernst & Young. The adjacent Learning Quarter to the northwest is also home to key education institutions and a growing tech hub including Aston University, Birmingham City University and Birmingham Conservatoire, whilst the city’s prime retail centre along New Street and the Bull Ring with over 200 stores is located 500 metres south.

The Property benefits from excellent accessibility to the wider regional transport network with direct road access to the adjacent James Watt Queensway connecting to the Queensway ring road. The City’s key public transport nodes - New Street, Snow Hill, Moor Street, Curzon Street train stations - all lie within a 500 metre walk from the Property including the proposed new Curzon Street Station to serve HS2 which will be situated just 300 metres to the southeast. The NCP Birmingham Londonderry Car Park is also located just 100 metres from the Property, offering significant car parking for 1,073 vehicles.
THRIVING CULTURAL COMMUNITY
EXCELLENT CONNECTIVITY

ROAD
Located centrally in the UK within the Midlands, Birmingham is well served by the motorway network including access to the M5, M6, M40 and M42 resulting in approximately 90% of the UK’s population and businesses to be located within four hours travel time. Typical drive times are as seen on the adjacent map.

RAIL
The £1 billion regeneration of Birmingham New Street Station together with Grand Central has cemented the station’s status as the busiest outside of London serving 43.7 million passengers in 2018, 32.8% higher than Glasgow Central in second place. Together with Snow Hill, Moor Street and Curzon Street train stations, Birmingham sits at the heart of the UK rail network with direct access to London Euston and Marylebone, Manchester, Bristol and Newcastle. The NEC and Birmingham International Airport can be reached in just 11 minutes. The proposed arrival of HS2 in 2026 will deliver a new dedicated terminus at Birmingham Curzon Street, which will significantly improve the City’s connectivity to London with proposed journey times of just 49 minutes. Phase 2 of the project is outlined to connect the City to Manchester and Leeds further improving the City’s connectivity to the wider UK.

MIDLAND METRO
The West Midlands Metro connects Birmingham City Centre to Wolverhampton and is expected to benefit from £1.3 billion investment over the next 10 years into the extension of existing lines across Greater Birmingham and the Black Country which is expected to add £50 million per year to the region’s economy and create around 1,500 jobs.

AIR
Located 9.8 miles (15.8 km) to the southeast of Birmingham city centre, Birmingham International airport ranks as the third largest airport outside of London, currently serving almost 13 million passengers annually to 143 destinations globally. A £500 million investment has been outlined to make Birmingham one of Europe’s leading regional airports and is forecast to increase passenger numbers by approximately 38% to 18 million and create up to 34,000 jobs and £2.1 billion of annual economic output by 2033.
Central Hall Birmingham is one of the City’s most culturally significant Victorian buildings forming part of Birmingham’s city centre skyline with its iconic tower. Prominently positioned and occupying a large area of Corporation Street, the Property is distinctively characterised by its stylish red brick and terracotta frontage, mirroring that of the Victoria Law Courts and the same bricks used at the Natural History Museum in Kensington, London.

Originally designed by Ewan Harper and James A. Harper in 1904, the four-storey Grade II* listed building once boasted an auditorium capable of seating 2,000 people in the main hall during its use as a Methodist place of worship. Following its conversion into a nightclub in 1991, the significant building totalling a Gross Internal Area of 90,417 sq ft (8,400 sq m) currently comprises the original large central hall and 19th Century organ with a range of subdivided rooms and service areas, together with ground floor retail shops fronting Corporation Street, Ryder Street and Dalton Street.
PLANNING OVERVIEW

The Property lies within the Steelhouse Conservation Area and the administrative area of Birmingham City Council. Full planning permission and listed building consent was granted by Birmingham City Council in March 2018 for an extensive and transformational redevelopment under the reference: 2017/10299/PA as follows:

“Listed Building Consent for new 3 storey roof top extension; insertion of new decks, balconies, partition walls and other works; new shopfronts to nos. 204 to 206 and 224; opening up of historic fabric; removal of raked seating; part retention part removal of existing tracery windows; repointing, cleaning and repair of existing terracotta and brickwork where required and repair of some existing shopfronts in order to facilitate the proposed change of use to hotel and apart-hotel, retention of use of ground floor units for flexible retail uses and use of basement as nightclub”

Scheme Summary:

147 bedroom hotel together with extensive facilities including a ‘Gastro Hall’, a rooftop terrace bar, three meeting rooms, open communal work space, street facing café, basement multi-purpose room / nightclub and ancillary facilities.

75 unit apart-hotel

Retention of 7 retail units

Three storey roof extension and construction of an additional mezzanine level to create a new fifth, sixth and seventh floor.

The full planning application and consent are available in the secure data room and the public planning portal.

CGI of consented scheme - Source: ICA
CONSENTED SCHEME OVERVIEW / A HOTEL & HOSPITALITY DESTINATION

Central Hall Birmingham has an implementable planning permission for a new mixed use scheme totalling 150,404 sq ft (13,973 sq m). Details on the schedule of areas can be found on the dataroom.

HOTEL
Arranged over seven storeys, the consented scheme provides a 147 bedroom hotel, which will serve as a significant hospitality destination providing extensive food and beverage (F&B) facilities including the renovation of the existing Central Hall into a high quality 4,628.5 sq ft (430 sq m) “Gastro Hall” serving as the Property’s focal F&B outlet from the second floor. A new mezzanine on the fourth floor is proposed for a new ‘Organ’ bar overlooking the Gastro Hall whilst the three storey roof extension will house the proposed rooftop terrace skybar which includes a VIP room in the Property’s distinctive tower. Units 208 - 210 Corporation Street will also be converted into a 1,162.5 sq ft (108 sq m) hotel café at ground floor benefiting from direct street frontage to Corporation Street and with 2,142.0 sq ft (199 sq m) in the basement.

Additional facilities will also include three meeting rooms and an open space reception with communal working space at ground floor as well as a basement nightclub / multi-purpose room and ancillary facilities.

The Hotels’ main entrance will be located directly under the tower on Corporation Street whilst Unit 216 Corporation Street will be converted into a secondary dedicated F&B outlet with access for non-hotel visitors to the Gastro Hall, mezzanine and rooftop bars. The basement nightclub / multi-purpose room will benefit from a separate access off Dalton Street.

APARTHOTEL
The scheme arranged over levels basement to five provides 75 one bedroom aparthotel units. The open plan ground floor reception and lobby creating the entrance will be located off Ryder Street.

The aparthotel benefits from being primarily a rooms revenue generating business, with relatively low cost margins and stable occupancy levels.

RETAIL
Seven retail units over basement and ground floors will benefit from restoration of shop fronts and flexibility under Use Classes A1 – A5.
PROPOSED FLOOR PLANS

Basement

Ground

First Floor

Second Floor
PROPOSED FLOOR PLANS

Third Floor

Fourth Floor

Fifth Floor

Sixth Floor

For Indicative Purposes Only - Source: ICA
PROPOSED FLOOR PLANS

Seventh Floor - (Rooftop Terrace Bar)

For Indicative Purposes Only - Source: ICA
BIRMINGHAM HOTEL MARKET

Birmingham attracted a record high of 41.8 million visitors in 2017, 1.1 million of which were overseas visitors and demonstrating a 57% growth in the last five years – more than any other major UK city aside from Edinburgh and making the City the UK’s fourth most visited destination.

This is the result of a vibrant leisure and culinary scene boasting five Michelin restaurants, the most of any city outside of London, and a rich cultural reputation with institutions such as the City of Birmingham Symphony Orchestra and the Birmingham Royal Ballet. Visitor numbers have increased 29.7% over the last 10 years to 2017 and the visitor economy contributing a record £7.1 billion in 2017, up 9.2% on the previous record set in 2016.

Serving as the international gateway to the heart of England, Birmingham International Airport welcomed 5.3 million overseas inbound passengers of a total 13 million passengers in 2017, representing a 11.5% increase year on year and the busiest in the Airport’s 78 year history. Edgbaston Stadium is currently host to the ICC Cricket World Cup and in 2022, the City will be hosting the Commonwealth Games further driving visitor demand and demonstrating the City’s growing appeal as an international destination.

Over the last five years, the Birmingham hotel market Revenue Per Available Room Rates have grown by 43.6% outlining its buoyancy whilst even taking into account an annualised growth rate of 4.6% of new supply per annum. Latest annualised Occupancy rates in 2018 of 76.3% and 85.2% respectively for Hotels and Aparthotels demonstrate the strength of the local market.

Since 2010, only two hotels have opened in the four or five star segment, whilst serviced apartments represent just 13.2% of the supply and with none expected in the active pipeline over the next three years. The proposed redevelopment of Central Hall into a premium hotel and aparthotel together with high quality F&B facilities in the centre of Birmingham will therefore provide a new destination offering at the quality end of the market.

Room Supply Vs RevPAR

Birmingham Hotel STR Analysis
BIRMINGHAM OFFICE MARKET

Birmingham is positioned as one of the fastest growing tech economies in the UK and is one of the UK’s major ‘digital hubs’, with over 6,000 tech firms employing some 38,300 people. During the first quarter of 2019, Birmingham saw total commercial investment volumes of £140 million, of which £50 million was office investment, accounting for 36%. In addition to the investment market, the occupational market has remained strong, with take up of 194,014 sq ft at the end of the first quarter 2019, 48% above the same period in 2018 and 51% above the long-term quarterly average. Coupled with this, Birmingham is undergoing significant office development both through pre-lets and speculative development, with one million sq ft of new supply due in the next two years, approximately 59% of which is let prior-to-practical completion, demonstrating the strength and confidence in the city’s office market.

BIRMINGHAM RETAIL MARKET

Birmingham is one of the largest UK retail centres in the UK with principle areas including New Street, Corporation Street and the Bullring. The city has a strong department store offering and is the only city in the UK outside of London that has prime retailers Harvey Nicholas, Selfridges, Debenhams and John Lewis present. The introduction of the Grand Central scheme above New Street Train Station has had a transformative impact on the city’s retail landscape boasting occupiers including All Bar One, Camden Food Co., Hotel Chocolat, M&S and Wasabi. The continued occupational demand has resulted in a low vacancy rate of 8.1% compared to the national average of 10.2%. This has supported Prime Zone A rental growth to around £320 per sq ft with rental values on Corporation Street achieving approximately £130 per sq ft with national occupiers including EE and Urban Outfitters whilst prime yields in the city centre are achieving between 4.4% and 4.6%.
**TENURE & TENANCIES**

The Property is held freehold and registered under the title number WM625749.

The Property is also subject to short term leases in place relating to the ground floor retail units.

The passing rent for the retail totals £102,875 per annum.

Full title and lease information is available in the secure dataroom.

---

**GENERAL INFORMATION**

**DATAROOM**

Further and more detailed information is available in a secure dataroom. For access please contact the sole selling agents for an NDA.

**SDLT**

Stamp Duty Land Tax (SDLT) will be chargeable.

**VAT**

The Property is elected for VAT.

**EPC**

Information available in the dataroom.

---

**PROCESS & OFFERS**

Savills are pleased to invite offers by way of asset sale for the freehold interest of Central Hall Birmingham, subject to the short term leasehold interests.

Each party is to bear its own legal costs in connection with the transaction.

**SUBJECT TO CONTRACT**

---

**CONTACTS**

For more information please contact one of our advisors below. No direct contact is to be made with the Administrators. Inspections and meetings will be arranged upon request and may be subject to approval.

**RICHARD DAWES**

Hotels

+44 (0) 207 409 8106

+44 (0) 7580 789 978

rdawes@savills.com

**JOHN GRIFFITHS**

Development

+44 (0) 121 200 4577

+44 (0) 7836 521 472

John.griffiths@savills.com

**PHOENIX CHOW**

Hotels

+44 (0) 207 409 8178

+44 (0) 7812 249 359

pchow@savills.com

**RACHEL HULL**

Development

+44 (0) 121 634 8423

+44 (0) 7967 555 465

rachel.hull@savills.com

**FRANKIE WOOD**

Hotels

+44 (0) 207 877 4778

+44 (0) 7976 743 759

fwood@savills.com

**GEORGE TRIMMER**

Development

+44 (0) 121 200 4580

+44 (0) 7970 643 172

gtrimmer@savills.com