

TRAVELODGE

GATWICK CENTRAL

Povey Cross Road. RH6 0BE

LONG LET, UNCAPPED RPI LINKED HOTEL INVESTMENT





INVESTMENT SUMMARY

- **Prominent budget hotel in an excellent location** fronting Gatwick Airport on a large **c.4.74 acre** site.
- **Fully refurbished in 2021** into the new Travelodge Plus standard, the Property comprises **400 en-suite bedrooms**, together with a restaurant and bar, and 250 on-site car parking spaces.
- **Gatwick Airport** is the UK's best-connected airport by rail and handled **c.42.7 million passengers in 2025** with planned capacity **growth to 75 million passengers by 2038**.
- **Robust hotel submarket fundamentals**, with RevPAR growth of **4.31% per annum** (2019 – 2025) and is forecast to continue increasing by **3%+ in 2026 and 2027**.
- Long let to **Travelodge Hotels Limited** on a full repairing and insuring (FRI) basis, at a passing rent of **£3,013,848 per annum**, equating to **£7,535 per room**, with **23.1 years** unexpired (assuming Landlord option to extend exercised).
- The lease benefits from **five-yearly, upward-only uncapped RPI-linked rent reviews**, with the next review due on 10 July 2026.
- Estimated rent at next review in July 2026 is **£4,181,253 per annum**, equating to **£10,453 per key**.
- Held **long leasehold** with **c.971 years unexpired** at a rent of **£1,000 per annum** with no reviews.

Offers are sought in excess of £54,000,000, subject to contract and exclusive of VAT, reflecting an attractive net initial yield of 7.25%* assuming purchaser's costs of 6.80%.

The investment offers an estimated running yield of 8.40% in 2031.

An SPV sale is also available. Further details are available upon request.

*Pricing based on rent to topped up to the estimated rent in July 2026.

PRIME UK AIRPORT



M23

Gatwick Airport Railway Station

SOUTH TERMINAL

NORTH TERMINAL

HORLEY RAILWAY STATION

PREMIER INN
GATWICK (A23)

NORTHGATE CAR PARK
(Multi storey car park
proposed)

A23

HORLEY

TRAVELODGE
GATWICK CENTRAL

HOLIDAY INN
GATWICK

Povey Cross Road



Direct buses to and from the Airport:

North Terminal → Travelodge GC c.5 mins

South Terminal → Travelodge GC c.10 mins

LOCATION & SITUATION

LOCATION

London Gatwick Airport is a major international airport near Crawley in West Sussex, located approximately 28.5 miles south of Central London and serving as the UK's second busiest airport.

Occupying approximately 674 hectares (1,670 acres), Gatwick is a key UK hub for long and short-haul European travel and ranked the seventh busiest in Europe, handling 42.7 million passengers in 2025.

The airport is set to benefit from significant investment with proposals to reposition the Northern Runway enabling capacity increases to an estimated 75 million passengers by 2038, reinforcing Gatwick's role as a critical infrastructure asset.

Gatwick benefits from exceptional connectivity as the UK's most rail-connected airport, with direct services to over 120 stations, including high-frequency trains to London Victoria every three minutes and a journey time of approximately 30 minutes. Road access via the M23/A23 also provides efficient links to Central London, the South East and the national motorway network.



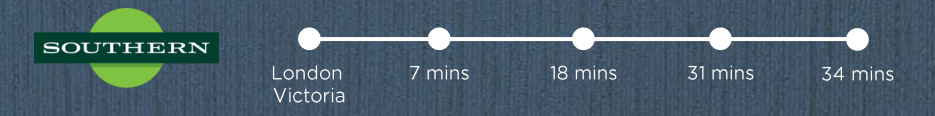
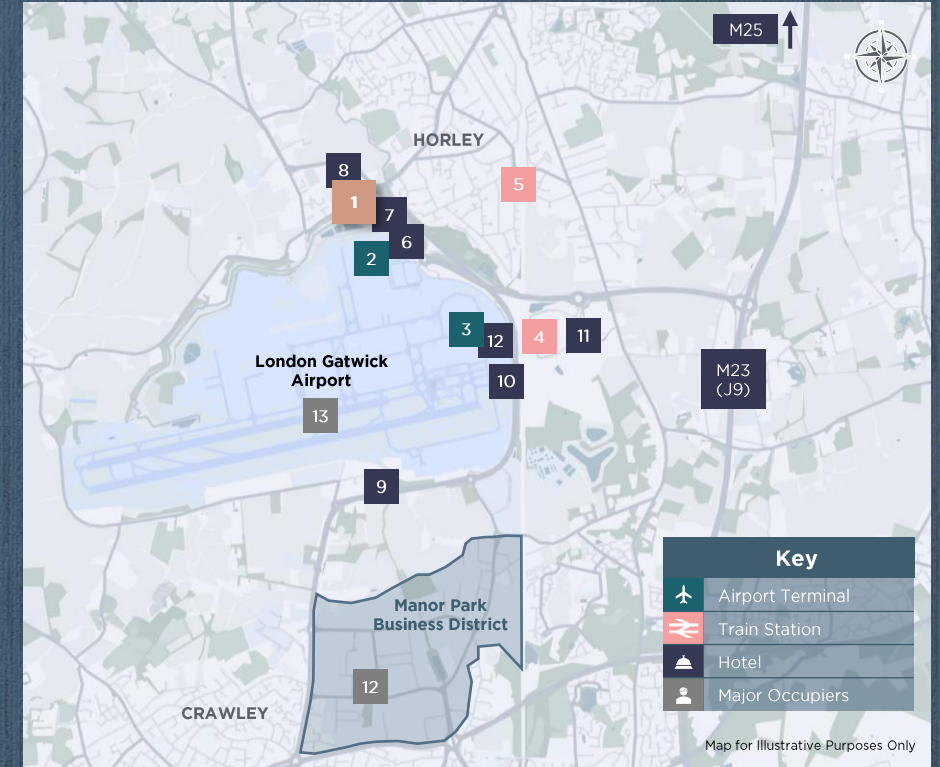
SITUATION

The subject property is strategically positioned adjacent to the northern boundary of Gatwick Airport with easy road access via the A23. The hotel is located approximately 2.5 miles west of Junction 9 of the M23 motorway, offering access to Central London.

Gatwick Airport railway station is around a four-minute drive from the hotel and benefits from a direct shuttle bus from the hotel to the North and South Terminals.

No.	Destination	
1	Subject Property	
2	North Terminal	✈️
3	South Terminal	✈️
4	Gatwick Airport Train Station	🚆
5	Horley Train Station	🚆
6	Hampton by Hilton London Gatwick Airport	🏠
7	Premier Inn London Gatwick Airport	🏠
8	Holiday Inn London Gatwick Airport	🏠
9	Radisson Red Gatwick Airport	🏠
10	YOTELAIR London Gatwick Airport	🏠
11	Hilton London Gatwick Airport	🏠
12	Bloc Gatwick Airport	🏠
12	Manor Park Business District: Amazon, Thales, Virgin Atlantic, Nestle.	👤
13	SEGRO Park Gatwick (Cargo): British Airways, Swissport, Royal Mail.	👤

STRATEGIC LOCATION ADJACENT TO THE AIRPORT



GATWICK AIRPORT GROWTH

The £2.2 billion Gatwick Northern Runway project was granted consent in September 2025 and will unlock the next phase of growth, underpinning long term passenger growth and hotel accommodation demand.



UK's second-busiest and Europe's seventh-busiest airport, handling **42.7 million passengers in 2025**, providing a deep and resilient demand base.

One of the **busiest single-runway airports globally**, supporting high utilisation levels and consistent year-round activity.



Highly diversified airline and route network, serving 200+ destinations globally

Leisure-led passenger mix and higher proportion than Heathrow, supporting stable year-round demand for budget accommodation.



The Northern Runway project is estimated to add **£1 billion p.a** into the economy and create **14,000 jobs**.



Strong long-term growth outlook, with capacity expected to rise from to **75 million passengers by 2038**, underpinning occupier trading performance.



Constrained hotel supply and high barriers of entry around the airport, underpinning long-term income security and pricing resilience.

DESCRIPTION

Travelodge Gatwick Central is a prominent budget hotel, comprehensively refurbished and strategically positioned to serve sustained airport-driven demand.



The Property comprises 400 en-suite bedrooms across ground and six upper floors together with a restaurant.



Extensively refurbished in 2021, with all areas modernised and now offering new Travelodge SuperRooms with enhanced room amenities, alongside newly designed Standard Rooms and the new Bar Café providing high quality communal areas for rest and food and beverages.



All bedrooms are fitted with air conditioning and the Property benefits from a compliant EPC rating of B (21).



The hotel also provides 250 on-site car parking spaces, which are currently operated by Horizon Parking on behalf of Travelodge. Seasonal parking charges apply from £11+ per 24 hours.



Furthermore, the Gatwick 24-hour Hoppa buses provide regular shuttle services to the North and South terminals providing easy guest access.



TENURE & TENANCY OVERVIEW

TENURE

The Property is held on a long leasehold interest for a term of 986 years, commencing on 21st March 2011 and expiring on 7th September 2997 providing c.971 years unexpired. The ground rent is fixed at £1,000 per annum, with no provision for review.

The site area amounts to approximately 4.74 acres. Indicative plan below.



TENANCY



The hotel is leased to Travelodge Hotels Limited on a full repairing and insuring (FRI) lease beginning on 10th June 2011 and expiring on 9th June 2046.

There is a Landlord option to extend for a further 36 months to 9th June 2049 and if exercised will provide 23.1 years unexpired.

The current passing rent is £3,013,848 per annum, equating to £7,535 per room. The rent is subject to five-yearly rent reviews linked to RPI uncapped.

At the next review in July 2026, the rent is estimated to rise to £4,181,253 per annum, equating to £10,453 per key.

COVENANT INFORMATION

Travelodge is the UK's second-largest hotel operator, with a portfolio of 630 hotels and more than 49,000 rooms, accommodating around 22 million business and leisure guests each year. Supported by a recognised brand, streamlined operating platform and a well-maintained estate, the company is strongly placed to deliver sustained growth within the budget hotel sector.

TRAVELODGE

Travelodge has continued to maintain its strong market share underpinned by significant investment into its development strategy. During 2025, Travelodge opened 21 UK hotels, materially expanding scale across both freehold (12 hotels) and leasehold (9 hotels) structures. The Group has now upgraded over two-thirds of its total room estate to the new-look product, a key driver of occupancy strength and competitive positioning, with UK occupancy materially outperforming the wider Midscale & Economy (M&E) segment throughout the year.

Building on these hotel openings, Travelodge has guided to the opening of a further six leasehold hotels in 2026, supporting ongoing network densification and earnings growth. This is complemented by a planned £100 million investment into the estate in 2026, focused on refurbishments, quality enhancements and conversions, reinforcing brand relevance and operational resilience.

The Travelodge Gatwick Central hotel was classified as Category B under the Travelodge CVA 2020.

D&B Rating: '5A3' which indicates a 'Fair' credit rating

FY2025 Net Profit recorded of over £160 million

Robust liquidity position with cash (31/12/25) £113.2 million

c.90% direct bookings demonstrating strength of brand

FINANCIALS

Travelodge's full year 2025 results demonstrate a resilient and cash-generative platform. Group revenue increased by 0.7% to £1.04 billion, supported by a strong second-half recovery, with UK like-for-like RevPAR up 1.8% in H2. EBITDA reached £161.2 million, underpinned by disciplined cost control and operational efficiencies, while year-end cash of £113 million evidences a robust liquidity position and balance sheet strength.

The Group benefits from an improved balanced portfolio between freehold and leasehold assets, while benefiting from improved asset quality and diversification. Together with the Spanish portfolio's c.22% revenue growth and early 2026 overall revenues tracking around 3% ahead of the prior year, Travelodge presents a compelling proposition for long-dated, inflation-linked income backed by a scale operator with sustained growth momentum. Financial summary provided below:

(£000's)	FY25*	FY24	FY23	FY22
Revenue	1,044.3	1,080.0	1,016.5	896.1
Profit / (Loss)	-	96.9	147.2	71.5
Net Current Assets (Liabilities)	-	494.7	372.4	222.8

Source: Income Analytics. * Provided from Travelodge FY25 trading update dated 25th March 2026



Source: Travelodge.co.uk

GATWICK HOTEL PERFORMANCE & COMPETITION

Travelodge Gatwick Airport is situated within the robust Gatwick Airport submarket and serves as the only Travelodge within a three-mile radius to the UK's second busiest airport.

PERFORMANCE

Following the post-COVID recovery in international passenger demand and strong performance across the hospitality sector, hotels in the Gatwick Airport submarket recorded a 33.3% increase in RevPAR between 2019 and 2024, supported by robust ADR growth of 40.2%. In 2025, occupancy levels finished high at 85%, just a 1% point off 2019 levels whilst ADR at £86.44 represented a 29% increase on 2019, resulting in a RevPAR of £73.58.

Travelodge Gatwick Central sits within the Midscale & Economy (M&E) sector of the submarket. Notably the M&E properties in Gatwick Airport Submarket have led the recovery, with RevPAR and ADR growth of 41.8% and 43.0% respectively over the same period, highlighting strong demand for budget accommodation.

Furthermore, CoStar forecasts continued growth, with RevPAR expected to increase by approximately 3% year-on-year in both 2026 and 2027 with further long-term potential upside with the delivery of the Northern Runway.

SUPPLY & PIPELINE

There are currently no hotels in the pipeline within the Gatwick Airport submarket, alongside constrained supply particularly, providing support to future performance.

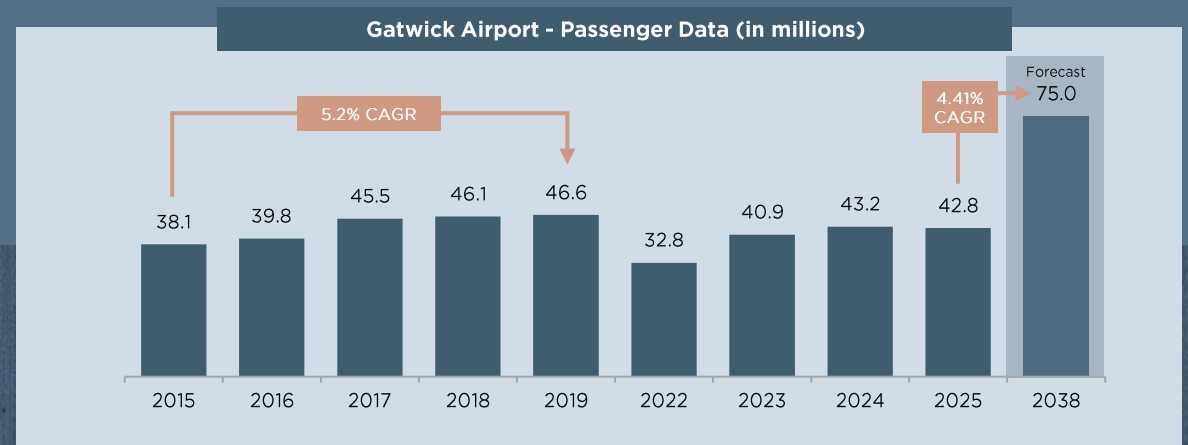
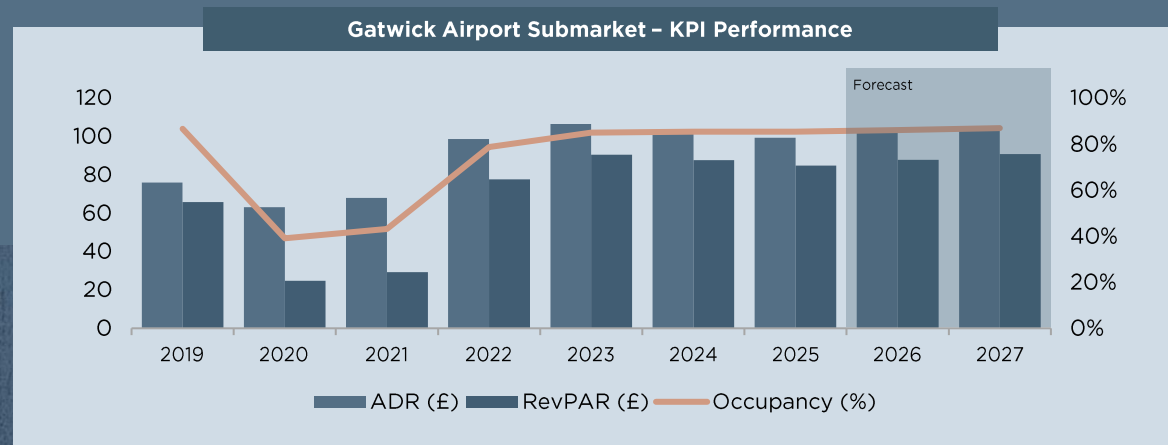
COMPETITION

The sub-market comprises 53 operating hotel properties containing around 6,668 rooms. Branded competition is limited in the M&E segment in immediate vicinity to the airport terminals, with only two Premier Inn properties: Premier Inn London Gatwick Airport North Terminal and Premier Inn London Gatwick Airport A23 Airport Way. Other branded hotels in the vicinity are positioned in higher classifications and include operators such as Hilton, Radisson, and Marriott.

The Travelodge Gatwick Central therefore serves as one of the closest and well-connected budget hotels to the airport.

PASSENGER NUMBERS

Gatwick experienced a strong increase in passenger volumes in 2017, driven by the expansion of long-haul routes to Asia and North America. The Airport has experienced a sustained recovery in recent years, underpinned by the return of international travel and strong leisure demand with passenger numbers rebounding to in excess of 40 million annually, reflecting Gatwick's role as a leading European short- and long-haul hub. Backed by the Northern Runway project, Gatwick Airport is projected to handle up to 75 million passengers by 2038, implying a CAGR of 14.6%, presenting upside in future hotel accommodation demand.



Source: CoStar, Gatwick Airport

OTHER INFORMATION

EPC

The Property has an EPC Rating of B (21).

DATAROOM

Access to the project dataroom room is available upon request, please contact the team.

VAT

The Property has been elected for the purposes of VAT. It is envisaged that the sale will be structured by way of a Transfer of a Going Concern (TOGC).

ANTI-MONEY LAUNDERING (AML)

A successful bidder will be required to provide information to satisfy the AML requirements when Heads of Terms are agreed.

Savills Operational Capital Markets

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PROPOSAL

We are instructed to seek offers in excess of **£54,000,000**. A purchase at this level reflects a Net Initial Yield of **7.25%** based on the topped up rent at next review (July 2026), assuming standard purchaser's costs of 6.80%.

The investment offers an estimated running yield of 8.40% in 2031.

An SPV sale is also available. Further details are available upon request.

CONTACT

For further information and to arrange viewings, please contact:

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