Property Week

JR Capital buys Travelodge in Chertsey

01-11-2017 | Editor

JR Capital has bought a Travelodge Hotel in Surrey from Colliers Capital for £7.2m, in a deal reflecting a net initial yield of 4.75%.

The freehold property is located on Guildford Street in Chertsey and is occupied by Travelodge on a lease with an unexpired term of 22 years and uncapped RPI-linked rent reviews.

An upcoming review in 2019 offers a reversionary yield of more than 5%.

John Collier-Wright, founder and chief executive of JR Capital, said: "The hotel is well located in the town centre, directly between the train station and high street, and a short drive from a number of key tourist attractions including Thorpe Park.

"This deal fits our strategy of buying long indexed linked income secured to well-known covenants, with a strong underlying land value."

Colliers acted for the vendor. Avison Young acted for JR Capital.