JLL

NEWLY DEVELOPED 30-YEAR SECURED INFLATION LINKED INVESTMENT OPPORTUNITY

TRAVELODGE

LOUGHTON

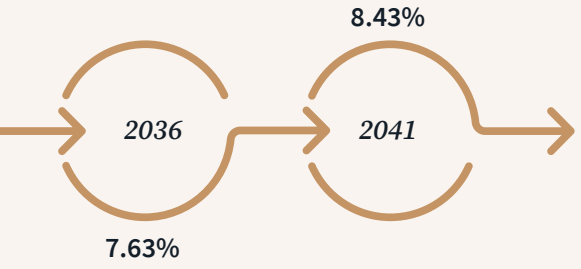
1 LANGSTON ROAD, LOUGHTON, IG10 3SD

Investment Highlights

*An exceptional opportunity to acquire the **freehold interest** of a **brand-new Travelodge**, securely leased to **Travelodge Hotels Limited** on a **30-year lease,** in an undersupplied **micro-market** with no competing pipeline.*

- Secured for 30 years to Travelodge Hotels Limited, a £1.04bn turnover operator and the UK's second-largest hotel brand, at a passing rent of £990,000 per annum. Rent reviews occur every five years, linked to CPIH with a 1% floor and a 4% cap, locking in income growth for three decades.
- Built to modern specification by The Barnes Group Limited, with practical completion scheduled for November 2026, resulting in an institutional-grade asset with full build documentation.
- A 100-room hotel finished in Travelodge's newest premium design, featuring SuperRooms, a striking new reception and the brand's 85 Bar Café concept, positioning the asset at the forefront of the Travelodge estate.
- Just off the M11 with easy access to the M25, and a 5-minute walk from Debden Underground Station, with direct Central line links into the City and West End.
- A rare foothold in a structurally undersupplied micro-market, with no comparable hotels within a two-mile radius and no competing pipeline, cementing Travelodge Loughton's position as the only branded hotel offering within the market.

*We are instructed to seek offers in excess of **£14,850,000** (fourteen million, eight hundred and fifty thousand pounds). A purchase off the passing rent will reflect a NIY of 6.25% assuming purchaser's costs of 6.80%.*





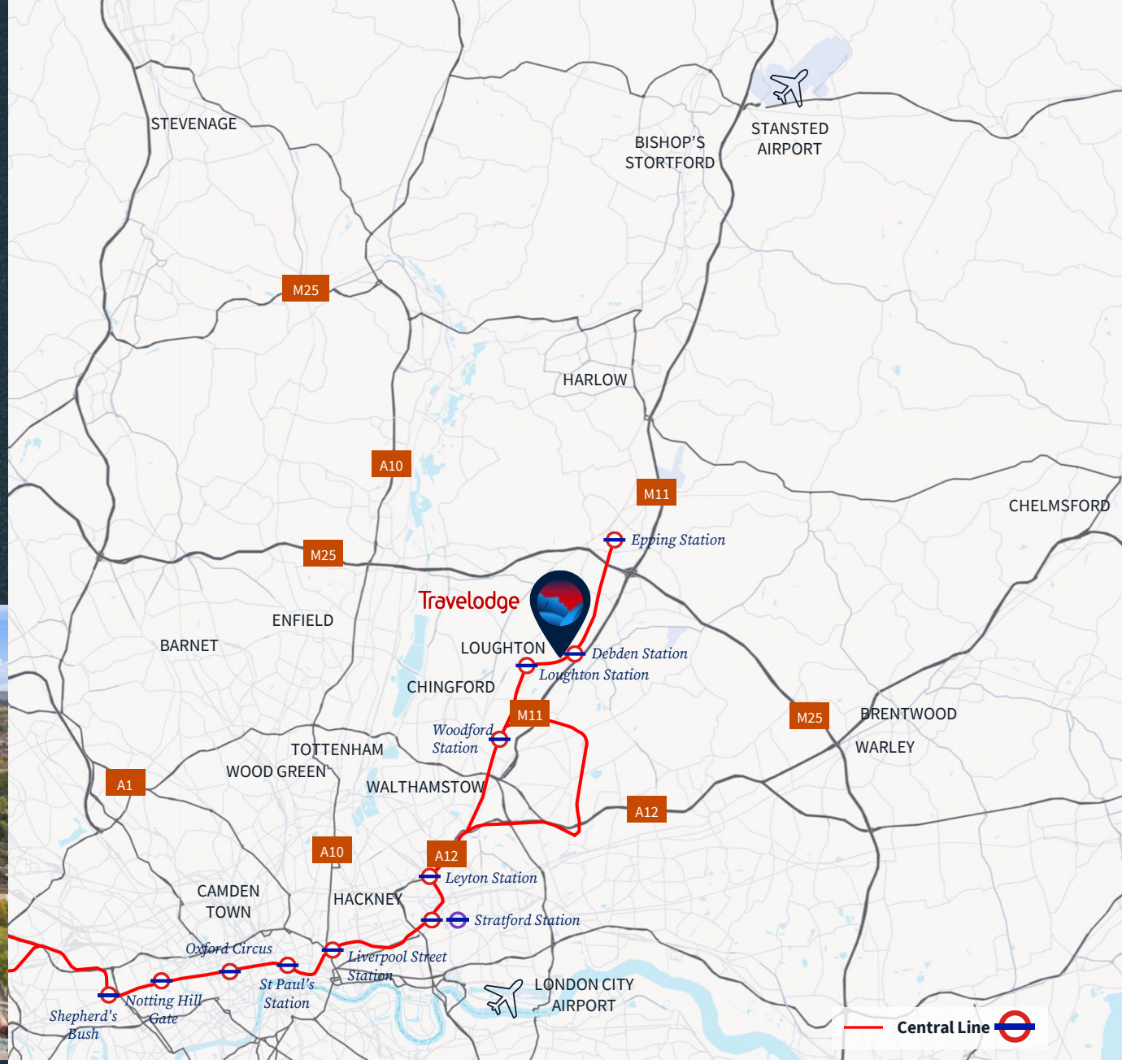
*CPIH inflation assumed to be 2% per annum

Location

- Loughton is a prominent commuter town in the Epping Forest district of Essex, located approximately 13 miles (21km) northeast of Central London and within the M25 London orbital motorway. The town offers a unique dual appeal with excellent connectivity to Central London via Debden and Loughton Underground stations. This location enables the hotel to capture diverse demand from corporate travellers using the M11/M25 corridors, leisure guests visiting London or exploring the Epping Forest.

- The hotel sits within an established commercial corridor, with Langston Road home to the Prospect Business Park and Epping Forest Shopping Park, while Oakwood Hill Industrial Estate lies close by. Debden is home to the Bank of England's banknote printing works, where all current Bank of England banknotes are printed, employing c.200 people. This established corporate base supports business and supplier visits, while Epping Forest and the Central line to London drive leisure demand.





Connectivity & Accessibility

Rail Connectivity

- Debden Underground station (Central line) is a 5-minute walk from the hotel, placing guests on a direct line that spans the breadth of London, from the City (St Paul's, Bank and Liverpool Street) through to the West End (Oxford Circus, Bond Street and Marble Arch), with onward connections reaching west London. This gives the hotel genuine east-to-west access across the capital on a single line.
- The Central line also reaches Stratford in approximately 20 minutes, one of London's busiest and most connected transport hubs, offering excellent connectivity via the Jubilee line, DLR, Overground and Elizabeth Line. Stratford is also a source of demand in its own right, with Westfield Stratford City, London Stadium and the V&A East Museum all drawing visitors.

Road Connectivity

- Travelodge Loughton is conveniently situated just off Junction 5 of the M11, providing excellent road links to the M25 London Orbital Motorway, with a straightforward route to London Stansted Airport (c.35 minutes) and Cambridge (c.1 hour).
- Strong connections to the M11 and M25 make the hotel a practical base for business visitors and suppliers across north London and Essex, with 187 tenants across 47 office and industrial properties within one mile of the hotel alone, as well as a convenient option for leisure guests visiting Epping Forest and the wider region.







Scaffolding digitally removed to show anticipated appearance upon completion of works

Local Demand Drivers

- The hotel sits within an established commercial corridor on Langston Road, anchored by the headquarters of national construction and development companies including Galliard Homes, Higgins Group and Kier Group. Sterling House, an adjacent business hub, houses 39 tenants, including Day Webster (270 employees), and professional service providers Access International Security and CLC Facilities.
- Loughton Business Centre is home to various energy, construction and manufacturing occupiers including Count Energy Distribution and Moore's Construction. A new self-storage facility is under construction adjacent to the hotel, while Prospect Business Park and Oakwood Hill Industrial Estate host established corporate occupiers.

Galliard Homes

7 minutes' walk from the hotel. Headquartered at Sterling House, Langston Road. A residential developer operating across London and the Home Counties.



Kier Group

4 minutes' walk from the hotel. Regional office at 2 Langston Road. Kier Group plc is a UK property, residential, construction and services group.





AERZEN Machines

9 minutes' walk from the hotel. UK headquarters at Aerzen House, Langston Road, including the UK workshop and rental depot serving customers across the UK and Ireland. Part of the Aerzen Group, which employs over 2,000 people worldwide.



Epping Forest

c.3 miles from the hotel. London's largest open space, covering 2,400 hectares and managed by the City of London Corporation, with around 4.2 to 4.8 million visits a year.

Bank of England Printing Works

4 minutes walk from the hotel. Debden is home to the Bank of England's banknote printing works, where all current Bank of England banknotes are printed under contract by De La Rue. The site employs c.200 people.



Essex Data Centre

4 minutes' walk from the hotel. Part of a planned £2 billion UK AI initiative by Nscale. The Loughton site is due to become the UK's "largest AI supercomputer".



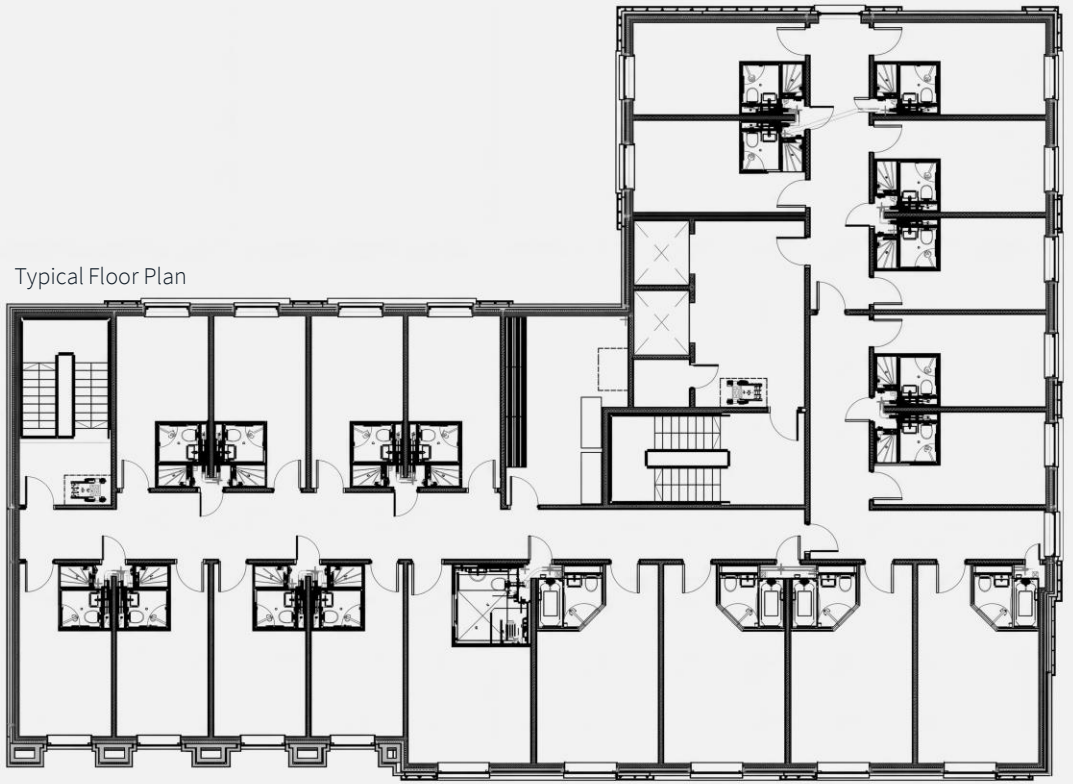
Description

A brand-new hotel, constructed to the highest modern specifications to ensure full regulatory compliance and minimal future capital expenditure.

- The property comprises a brand-new, purpose-built 100-bedroom hotel arranged over ground and five upper floors, with practical completion scheduled for November 2026 and is available to book from the 7 December 2026. This marks another step in Travelodge's strategic expansion across the UK to meet the growing demand for affordable accommodation in key suburban areas.
- The building features a modern steel frame structure construction from ground to first floors, and light gauge steel framing (LGSF) from second to fifth floors, ensuring robust and efficient construction. As a modern new build asset, the property benefits from contractor's warranties and evidence of the fire compartmentation and cavity barriers required under fire safety Building Regulations.
- The hotel is equipped with Travelodge's newest SuperRooms which provide a fresh new design, LED lighting, blackout curtains, premium WiFi and a spacious desk and chair. Amenities include parking and an on-site F&B offering serving breakfast and evening meals.

Brand new product | *Air-conditioned* | *F&B on-site* | *Guest Parking* | *Staffed 24/7*

Typical Floor Plan



Room Type	*No.*
Double	75
Family	16
Family Super	4
Accessible	5





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Indicative SuperPlus Room





Tenure

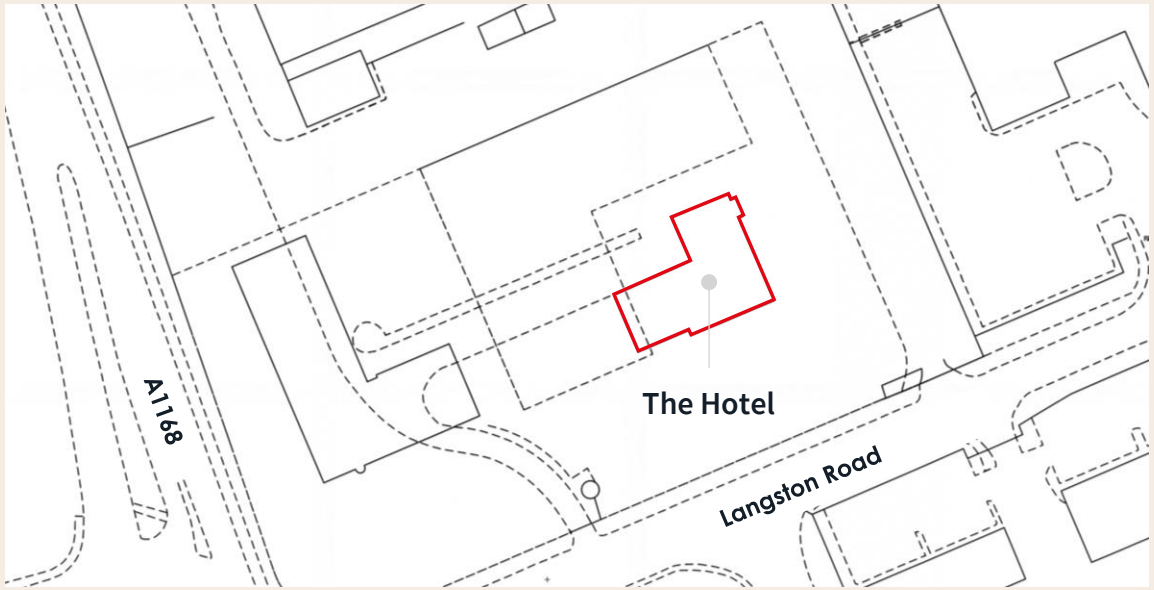
Tenure:

The subject property will be held freehold and transferred out of title number EX699926.

Occupational Lease Summary:

The hotel accommodation is let to Travelodge Hotels Limited (Company Number: 00769170) on a new 30-year FRI lease from lease recommencement.

Tenant	*Size*	*Unexpired Term*	*Rent*	*Rent per Key*	*Review Provisions*
Travelodge Hotels Limited	100 Rooms	30 years	£990,000	£9,900	5 Yearly CPIH (1%-4%) pa



Indicative Plan - Not to Scale

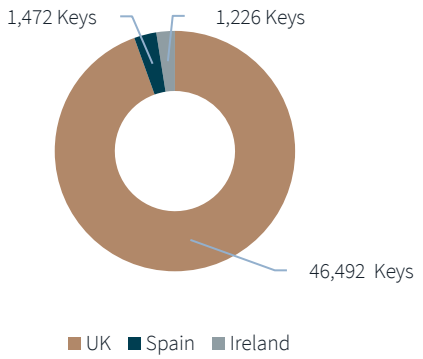
Travelodge Hotels Limited

Covenant Information

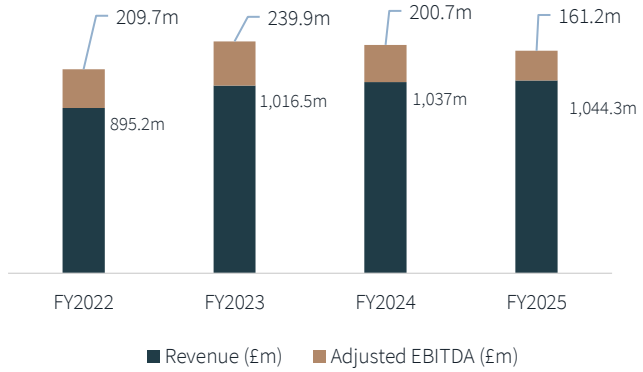
- Founded in 1985, Travelodge is the second largest hotel brand in the UK, with 632 hotels and approximately 49,000 guest bedrooms across the UK, Ireland and Spain. Travelodge operate in the midscale and economy ("MS&E") sector and are positioned as a low-cost operator, offering standardised, modern guest rooms at affordable prices to both business and leisure customers.
- Travelodge maintain a solid liquidity position, with cash of £104.4m at 30 June 2026, supporting continued investment in the estate and ongoing growth.
- Moody's rate Travelodge B3 and S&P B- (as of 2025). Travelodge Hotels Limited has a current D&B rating of 5A3, reflecting fair average risk.
- H1 2026 revenue grew 4.2% to £491.3m (2025: £471.3m), and group adjusted EBITDA increased to £47.9m (2025: £47.3m). Travelodge performed slightly ahead of its competitive segment, with occupancy significantly ahead.
- Growth was driven by new and maturing hotels, food & beverage (UK F&B revenue up c.8%) and Spain, where revenue grew c.22%.
- Over 75% of the room estate has been refitted to the new look, with the "85" Bar Café now in 117 hotels. Key demand drivers are showing strong signs of recovery driven by new and maturing hotels combined with food & beverage offerings.
- Three hotels have opened so far in 2026 across the UK and Spain, with five expected for the full year.

Source: Travelodge Group Financial Results for the Six Months ended 30th June 2026.

Distribution of Number of Travelodge Rooms by Location (as of 2026)



Travelodge Financial Performance (2022 – 2025)



Key Takeaways

Despite challenging market conditions in H1 2026, Travelodge made good strategic progress with the opening of three hotels and over 75% of the estate has now been upgraded. Travelodge continue to hold a solid liquidity position which positions the company well for the medium-term.

Travelodge	FY2025	FY2024	FY2023	FY2022
No. Hotels	632	608	592	590
No. Keys	c.49,000	c.47,000	c.45,300	c.45,100
UK Occupancy	84.0%	84.2%	83.8%	81.8%
UK ADR (£)	67.88	68.47	70.53	64.31
UK RevPAR (£)	57.00	57.65	59.14	52.59
Revenue (£m)	1,044.3	1036.6	1,016.5	895.2
Adjusted EBITDA (£m)	161.2	200.7	239.9	209.7

Local Hotel Market

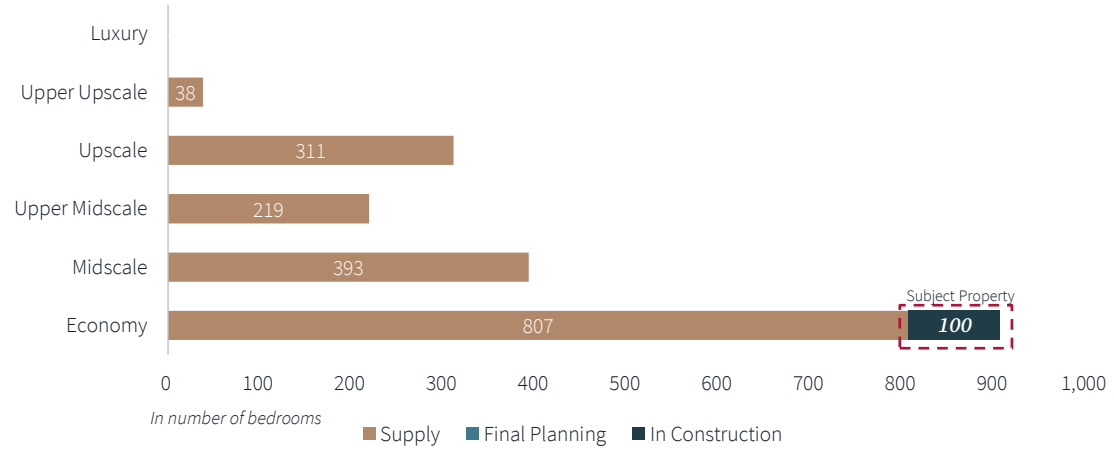
Loughton Supply & Pipeline

- There are 26 operating hotels offering in excess of 25 bedrooms within a 6-mile radius of the Travelodge Loughton demonstrating strong demand, with occupancy consistently above 79% from 2022 onwards.
- The micro-market of the subject property is scattered. It comprises 1,768 rooms across 26 properties. Of these, 58% of the supply consists of branded hotels, with each property having an average of 70 rooms. The majority of the supply is split between Economy, Midscale, Upper Midscale and Upscale. The respective splits are 46%, 22%, 12% and 18%. There are no hotels classified as luxury.
- The only project in the pipeline is the subject property (100 rooms, c.5.7% of the 1,768 existing rooms), which is set to open in November 2026. With only three hotels of 25+ rooms within 3 miles, these supply constraints enable future growth and preserve trading performance.

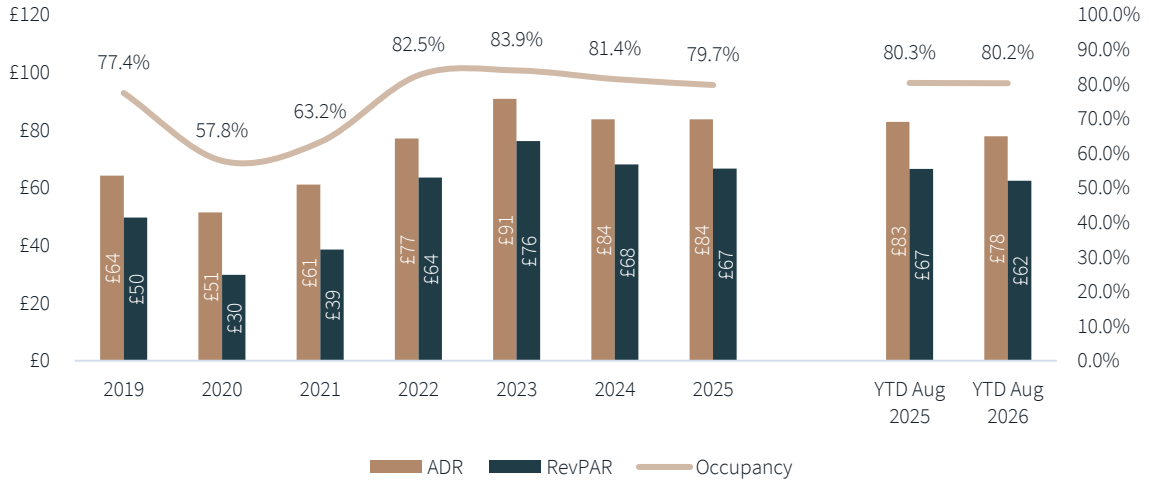
Loughton Demand Dynamics

- Demand is diversified, with corporate demand from Prospect Business Park, AERZEN and Oakwood Hill Industrial Estate and leisure demand from Epping Forest. Debden Underground (5 minutes' walk) and the M11/M25 link the hotel to Central London and Stansted.
- The 6-mile competitive set (26 hotels with 25+ rooms) rebounded sharply from the pandemic in 2022 and 2023. 2025 RevPAR of £67 is 34% above 2019 (a 5.0% CAGR), with ADR up 30% to £84 and occupancy 2.3 percentage points higher at 79.7%.
- YTD Aug 2026 occupancy is stable at 80.2% (YTD Aug 2025: 80.3%), but ADR is 6.0% lower at £78 and RevPAR 6.1% lower at £62. This likely reflects weaker demand at less prime-located hotels within the 6-mile radius; RevPAR remains 26% above 2019.

Micro-market supply & pipeline dynamics: 6-mile radius of the subject property



Loughton – 6-mile micro-market KPI evolution



Source: CoStar | Note: Micro-market defined as 6 miles from the subject property.

Hotel Comparables

Investment:

Ref. Year	Asset	Keys	Price(£m)	Price Per Key (£)	Encumbered By	UXT (Years)	Reported Yield
2026	**Travelodge, Twickenham**	111	£14.40m	£129,730	Freehold	26	5.16%
2026	**Travelodge, Nottingham Central**	114	£9.80m	£85,965	Freehold	16.5	6.77%
2026	**Travelodge Greenwich High Road**	104	£17.0m	£163,462	Freehold	25	5.25%
2025	**Travelodge Seafront Bournemouth**	110	£11.34m	£103,091	Freehold	27.0	6.75%
2025	**Travelodge, Slough**	156	£9.53m	£61,090	Freehold	23	6.25%
2025	**Travelodge, Caterham Whyteleafe**	60	£4.86m	£81,000	Freehold	22.5	6.50%
2024	**Travelodge, Edinburgh Central**	43	£6.96m	£161,860	Freehold	43	6.30%
2024	**Travelodge, Edinburgh Central Queen Street**	85	£11.1m	£130,588	Freehold	23	5.98%
2024	**Travelodge, Watford Central**	93	£8.95m	£96,237	Freehold	18	6.50%
2024	**Travelodge, Carrs Lane**	88	£8.00m	£90,909	Freehold	22	6.40%

Rental:

Ref. Year	Asset	Keys	Passing Rent	Rent per Key (£)	Rent Review
2025	**Premier Inn London Clapham**	88	£913,500	£10,400	5-yearly CPI (0% - 4%)
2025	**Travelodge Greenwich High Road**	104	£905,500	£8,700	Open RPI Review
2025	**Travelodge Beckton**	113	£845,000	£7,478	5 Yearly RPI (1% - 4%)
2025	**Travelodge Seafront Bournemouth**	110	£818,000	£7,436	5-Yearly RPI uncapped
2024	**Travelodge Chester Central Bridge Street**	112	£754,000	£6,732	5-Yearly RPI uncapped
2024	**Travelodge Watford Central**	93	£620,000	£6,667	5-Yearly RPI uncapped

Proposal

We are instructed to seek offers in excess of £14,850,000 (fourteen million, eight hundred and fifty thousand pounds). A purchase at this level will reflect a NIY of 6.25% assuming purchaser's costs of 6.80%.

VAT

The property is elected for Value Added Tax (VAT) and the sale is expected to be treated as a Transfer of a Going Concern (TOGC).

EPC

An EPC will be commissioned following practical completion.

VDR

A Virtual Data Room (VDR) is available to interested parties. Access to the VDR is available upon request.

AML

A successful bidder will be required to provide information to satisfy Anti-Money Laundering (AML) requirements.

CONTACTS

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