

Bloc Hotels completes the purchase of strategic development site in central Glasgow

Submitted by: Bloc Hotels
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Bloc Hotels announces it has completed the purchase of 21, West George Street, Glasgow. The former cash counting and storage facility, known as Dale House, will be developed into a landmark hotel in the heart of the city.

The prime location is directly opposite Queen Street Station – currently benefiting from a £120 million redevelopment. The site has full planning consent to replace the existing 1980s building with a seven-storey hotel and retail space.

Bloc Glasgow will be a few short steps from Glasgow's historic George Square and thriving retail destination, Buchanan Street. Bloc's designers, in conjunction with innovation partners, will develop a high-tech, smart hotel that matches the aspirations of the area.

The group's critically acclaimed designer hotels in Gatwick Airport and Birmingham's Jewellery Quarter have already proved a hit with business and leisure travellers. Construction is underway on the 25-storey flagship Bloc Grand Central hotel next to Birmingham New Street Station.

This latest addition to Bloc's portfolio has been purchased from LGIM Real Assets, a division of Legal & General Investment Management. JLL advised Legal & General on this acquisition.

Dominic Mayes, Property Director at Bloc Hotels commented: "We are really excited to have acquired this site and look forward to delivering Bloc Glasgow to this extremely vibrant part of the city. The property is in a prime location, directly opposite the recently redeveloped Queen Street Station, where the number of people using the station is set to increase by 40 per cent, reaching 28 million by 2030. This is another defining moment in the company's ambitious growth strategy, as we continue to expand into key gateway locations."

Craig Westmacott, Senior Fund Manager for Legal & General commented: "Since being listed for sale, Dale House has generated considerable interest from developers, investors and owner-occupiers for a variety of different uses. Having strategically secured valuable hotel consent on the site, we are pleased to have now sold the asset to Bloc Hotels, who will develop their hotel brand on this important Glasgow city centre location. The sale brings to a conclusion a successful asset management strategy which has generated attractive returns for our investors."

Kerr Young, Director, JLL commented: "Glasgow remains a target location for a large number of hotel operators. We continue to see good traction across the UK from a number of well capitalised new and expanding hotel concepts and are delighted to have been instrumental in bringing Bloc Hotels to Scotland.

"We received in excess of 20 offers for the site and that is testament to the quality of the location and the opportunity it presents."

About Bloc Hotels.

Bloc Hotels develop, own and operate high quality, short stay hotels in prime locations. It's smart design and construction techniques create compact, perfectly-formed rooms. The Bloc model delivers a value-driven guest experience by focusing on details that matter. By applying spatially efficient design, Bloc delivers exceptional real estate investment returns and continues to go from strength to strength with a well-funded pipeline of construction projects underway.

It owns and operates the 245-bedroom Bloc Gatwick and 105-bedroom Bloc Birmingham Jewellery Quarter. The 227-bedroom Bloc Grand Central development is currently under construction.

About LGIM Real Assets.

LGIM Real Assets is a division of Legal & General Investment Management (LGIM), one of Europe's largest institutional asset managers and a major global investor. LGIM manages £1.1tn in assets (as at 30 June 2019), working with a range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors. LGIM Real Assets, headed up by Bill Hughes, has AUM of £33.4bn (as 30 June 2019) and is one of the largest private markets investment managers in the UK. Investing in both debt and equity and across the risk/return spectrum, the platform actively invests in and manages assets across commercial, operational and residential property sectors, as well as infrastructure, real estate, corporate and alternative debt. By bringing these capabilities together under one platform, the business is able to offer its clients enhanced outcome-focused strategies and diversification benefits, with deep sector understanding across a broader investment universe. Taking a long-term view in order to future proof its investments, the business continues to lead the industry in ESG performance, considering all environmental, social and governance issues at asset level as well as portfolio level.

About Legal & General Group.

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1.1 trillion in total assets under management at 30 June 2019, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pensions de-risking, life insurance, workplace pensions and retirement income. We have also invested over £22 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.

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