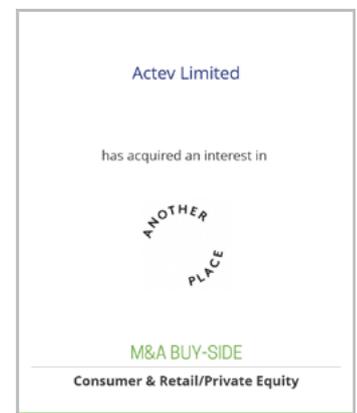


ACTEV CHECKS INTO BOUTIQUE HOTEL GROUP

Deal snapshot

- Actev Limited (Actev) has invested in Another Place Ltd (Another Place), supporting the existing management team and shareholders in their strategy of buying and building a collection of specialist-destination hotels. Financial details have not been disclosed.
- Another Place is a new hotel collection from the team behind Cornwall's Watergate Bay Hotel. The hotels in the Another Place collection will follow the Watergate Bay model of providing guests with a resort-style experience reflecting the locations in which each hotel is set.
- Actev is the family office of Gavyn Davies OBE and his wife Baroness Nye, who have experience in supporting and investing in family and owner-managed businesses across the consumer, leisure and retail sectors. The firm's investment philosophy is to work with exceptional management teams and to support them by providing capital for growth. Actev is supporting the team's strategy of initially rolling out six hotels under the Another Place brand in the UK, with the aspiration of growing into Europe and North America.



What our client said



Baroness Sue Nye, Director, Actev Limited, UK

"We chose to work with Smith & Williamson because of their reputation among owners of independent businesses. Their existing relationship with the Watergate Bay team was invaluable and helped build trust between all parties right from the start."

Our role in the transaction

Smith & Williamson, a UK member firm of Oaklins, advised the buyer throughout the process, from the origination and analysis of the opportunity through to negotiations with the management team and other shareholders.



Market trends and deal drivers

- Throughout Europe, the market continues to be driven by consolidation among the larger hotel chains, which are seeking to widen their portfolios across geographic markets to diversify exposure to local markets.
- Growing competition from online apartment-sharing startups, including Airbnb, is another factor driving hoteliers into deals.
- This is evidenced by the predicted growth in domestic expenditure on hospitality and leisure between 2013 and 2017, which is forecast to increase from US\$66.2 billion to US\$83.6 billion, and overseas spending from US\$13.4 billion to US\$17.8 billion in the same period, excluding flights. (Sources: *Office of National Statistics and Visit Britain*).

M&A valuation aspects

- The UK hotel market continues to be an attractive destination for domestic and international investors who are targeting quality-branded assets with the ability to generate steady and stable income streams.
- Multiples are driven by the yields demanded by investor groups, and ranges are typically within 8.0–12.0x. However, there is an oversupply of independent hotels at the lower to middle range of the market (under US\$24 million), which means investors are being selective, with access to markets with good demographics being a key consideration.

Oaklins industry specialist



 **Brian Livingston**, Managing Director, Smith & Williamson, UK

“In the UK, regional hotels are on average performing better than those in London, with increasing revenues driven by demand both from domestic vacationers (staycationers), who are opting for domestic holiday opportunities over travelling abroad, as well as from overseas tourists, where the weaker pound has made the UK a more affordable and accessible place to visit.”

OAKLINS HAS CLOSED 151 DEALS IN CONSUMER & RETAIL IN THE LAST 5 YEARS

Oaklins is the world's most experienced mid-market M&A advisor, with 700 professionals globally and dedicated industry teams in 40 countries worldwide. We have closed over 1,500 transactions in the past five years.