

DEALS

Capilon buys vacant Paddington hotel site for 80-room scheme

31 May 2024 By [Lewis Berrill](#)

Capilon Hotels Group has purchased a nine-storey, grade II listed, vacant hotel in Paddington to convert into a new 80-room boutique venue.

The deal for the vacant site in Westbourne Terrace, bordering Hyde Park, was facilitated by a £19.5m co-loan from digital bank OakNorth and real estate funding specialist ASK Partners.

Capilon, which is partnered with Prima, a Singapore-based private equity real estate company, specialises in property investment, development and management, with a focus on central London hotels. Since launching in 2004, the group has operated and developed 11 hotels across the capital, such as The Blandford Hotel in Marylebone and The Judd Hotel in Bloomsbury.

“This new site, situated on Hyde Park’s doorstep, embodies this approach perfectly, and will be an excellent choice for those visiting the capital for business or pleasure,” a spokesperson for the company said.

Ben Hall, chief executive officer at Prima, said: “The strategic acquisition of this prime property not only signifies our focus on the resilient London hotel market but also positions us in one of London’s most attractive growing sub-markets. We’re confident this institutionally structured deal, coupled with the benefits of using a Singapore VCC investment structure will provide our investors with a unique risk-adjusted opportunity to invest into the United Kingdom’s real estate market.”

Lucas Anglin, associate director of debt finance at OakNorth, added: “With the capital’s hotel market set for significant investment going forward, the firm is in a perfect position to capitalise on this tailwind.