

Frogmore secures £14.4m Oaknorth loan for Southwark hotel

By Kasmira Jefford - Friday, May 12, 2017 9:26

Frogmore is to submit plans to build a new hotel in Southwark after securing £14.4m of funding from specialist bank OakNorth to acquire the site.

The cleared site is located on Ufford Street next to the LeSoCo College less than a 10 minute walk from both Waterloo and Southwark stations and is in close proximity to other popular attractions, including The Young Vic, The Old Vic and The London Eye, making it an ideal spot for tourists.

There are a number of hotel projects and schemes currently under construction in Southwark - Hilton's Hampton, Marriott's Autograph, and Park Plaza's Art'otel. However the area still has one of the lowest levels of hotel bedroom supply amongst key Central London boroughs, Oaknorth said.

[Plans for the new hotel comes after Frogmore sold the South Place Hotel near Moorgate in March for around £67m to Chinese Investors.](#)

Jo Allen, chief executive of Frogmore, said: "Southwark has been experiencing a shortage in hotel room supply for several years. In Kensington and Chelsea, there are three times as many hotel rooms. In Westminster, there are more than seven times. Our hope is that we can secure planning permission to build a hotel here and help fill this gap with a new 275 bedroom hotel on the site.

"It was a pleasure working with OakNorth on this deal – we're no strangers to securing debt finance for large-scale projects, but this experience was one of the simplest and most stress-free transactions we've concluded."

Ben Barbanel, head of debt finance and Damien Hughes, property finance director at OakNorth Bank, said: "Southwark's regeneration in recent years has put this south London borough on the map and made it a prime location for homes; international tourism and business.

"We're very proud to have been selected by Frogmore for this deal – the business has an incredibly strong track-record spanning more than five decades. Frogmore's last project in the hotel space – the South Place Hotel – was a huge success and we have no doubt that this one will be too. We look forward to working with Frogmore on future projects and hopefully celebrating their planning