

PORT • HALL

ESTATES

BLOK -74-

Sales Brochure

Blok 74 (74 Middle Street) Brighton
Pure Accommodation Business
Opportunity To Acquire The Freehold Interest

A modern hotel room with a rustic yet sophisticated design. The room features a prominent brick wall on the left, a wooden ceiling with exposed beams, and a large window on the right. A bed with white linens and a patterned pillow is in the foreground. A small table with two orange chairs is positioned near the window. The text "Automated boutique hotels with a focus on great design, comfort and technology" is overlaid in the center.

**Automated boutique hotels with a focus on
great design, comfort and technology**

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-74**



Situated at 74 Middle St, Brighton BN1 1AL the property is Grade 2 listed and features 11 en-suite studio guest units ranging in size from small doubles up to a studio apartment sleeping 6.

<https://blok-74.co.uk/>

Introduction

This unique site was developed by the current owners with a vision of modernising traditional guest houses/hotels to meet the changing needs of guests and provide a robust long-term investment. Taking operational influence from the serviced apartment/Airbnb market, they have created a highly systemised, self check-in, Aparthotel-style business model which has proven to be one of the fastest growing sectors in the short-stay market.

Self service accommodation has boomed throughout the UK in the last few years with many guests now valuing independence and convenience over traditional bed and breakfast offerings. The onset of the pandemic acted as a catalyst in changing the way people travel, with travellers increasingly prioritising more private, self-contained spaces. One Broad Street which started operating in 2018 was ahead of the curve and naturally met this demand, successfully navigated Covid and remaining profitable throughout the pandemic. Blok-74 opened its doors in 2021 and instantly benefited from the staycation boom.

The trend for self-check in accommodation has remained and many existing small guest houses across the UK have now followed suit by repurposing to a room only model. However unlike Blok-74 many of these properties do not have the infrastructure and technology to safely and efficiently manage an unmanned hotel operation.

The site was renovated specifically with this model in mind and meets the stringent building regulations and fire safety standards required by the council for such operations. The property has a sprinkler system, monitored fire alarm, CCTV and digital door lock systems which would all be extremely costly and challenging to retrofit to any building.

From an operational perspective, the added levels of self-containment in the boutique-style studio rooms and the automated remote management processes, have removed many of the inefficiencies present in traditional hotels, such as onsite reception, restaurants and staff/owner accommodation. This not only results in increased revenue, but also reduces overall running costs

The streamlined operations are centralised and managed by a small offsite team, providing scales of economy. Housekeeping is outsourced to a third party contractor and a trusted pool of tradespeople carry out maintenance. There is 24 hour security/key holder via an independent contractor who can be at site within just a few minutes if needed. A modern suite of operational software integrates seamlessly to provide high levels of automation. This includes a PMS with built in channel manager and guest communication platform, digital locks software and dynamic revenue management which can all be managed remotely.

This highly systemised structure has been created by the current owners, allowing them to maintain a lean business that does not require their day to day involvement and ensures an attractive proposition for any prospective buyers looking for a highly automated guest model.

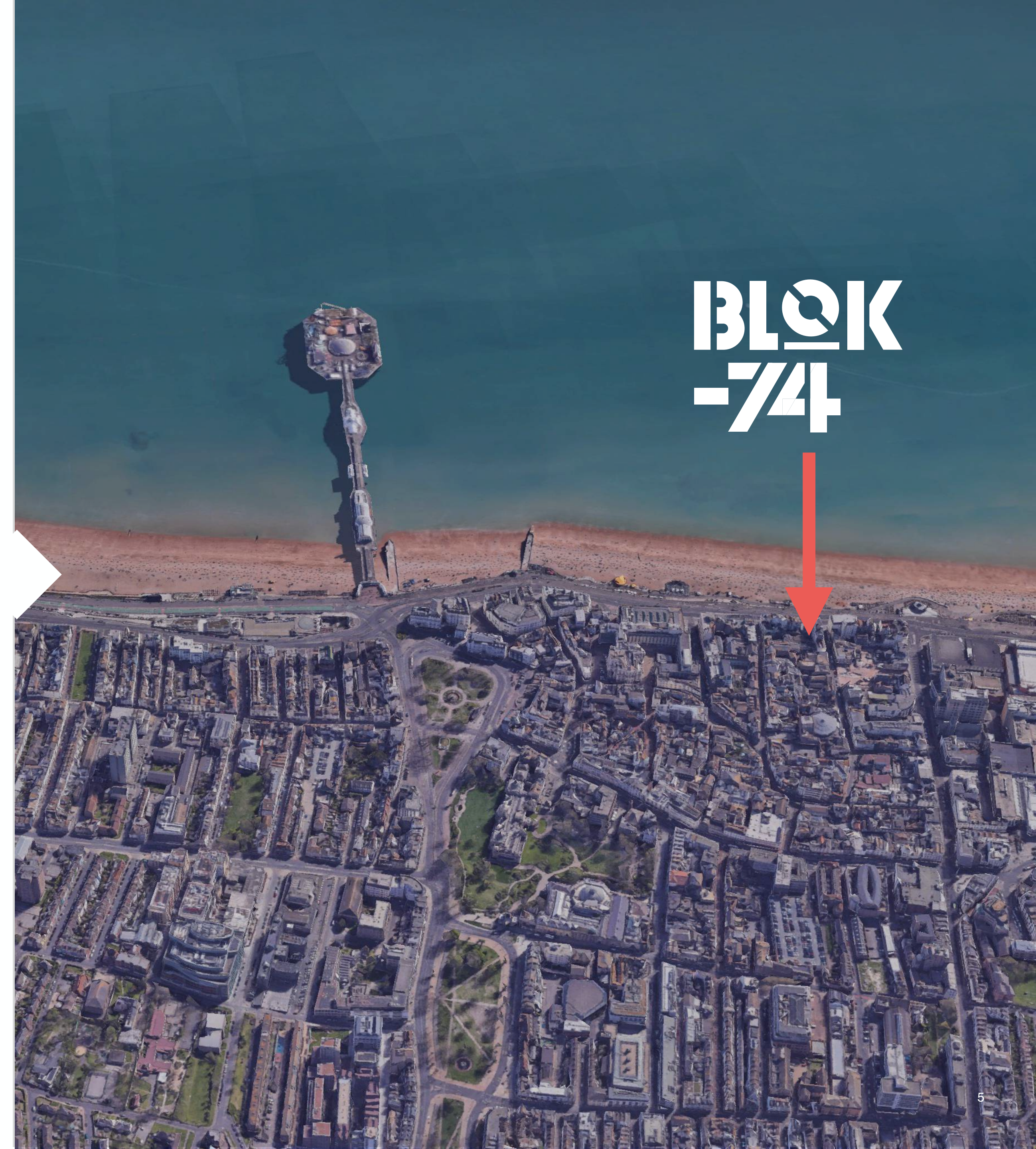
Prime Central Locations In Brighton

Often cited as the happiest place to live in the UK, Brighton is very popular with a wide demographic of visitors. Steeped in a diverse and cultured history with an array of impressive architecture, it remains distinct from other British seaside resorts as a year round destination.

Brighton has huge potential for attracting both leisure and corporate travellers. From social events & festivals to conferences & temporary contracts, there is constant demand for guests to stay within the city.

With over 3 quarters of visitors to Brighton being UK residents, there should be very limited impact from any reduction in overseas visitors. In fact there is likely to be further increase from UK based holiday makers as travel abroad becomes increasingly more expensive.

The majority of staying visitors to Brighton are on short breaks of 2-3 nights with most choosing hotels & B&Bs as their preferred accommodation.



Key features of the automated hotels



**Digital keycode
entry**



**Superfast
WiFi**



**Kitchenette
facilities**



**Luxury
Sleep**



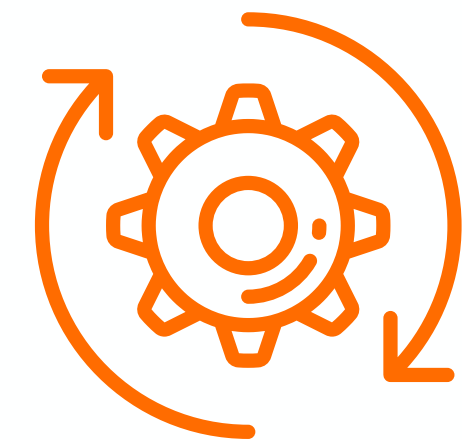
**Bespoke interior
design**



**Private
bathrooms**



**Automated
operations**



**Advanced security
& sprinkler system**

BLOK -74

Overview



Blok-74

Property Overview

The property is an 11 key all en-suite hotel arranged over 5 floors. It is located in the centre of Brighton and is a stone's throw from Brighton Beach. This Grade 2 listed building underwent extensive refurbishment by the current owners to high quality finish. The property provides 11 self-contained studio units, including a 6 guest studio apartment at basement level.

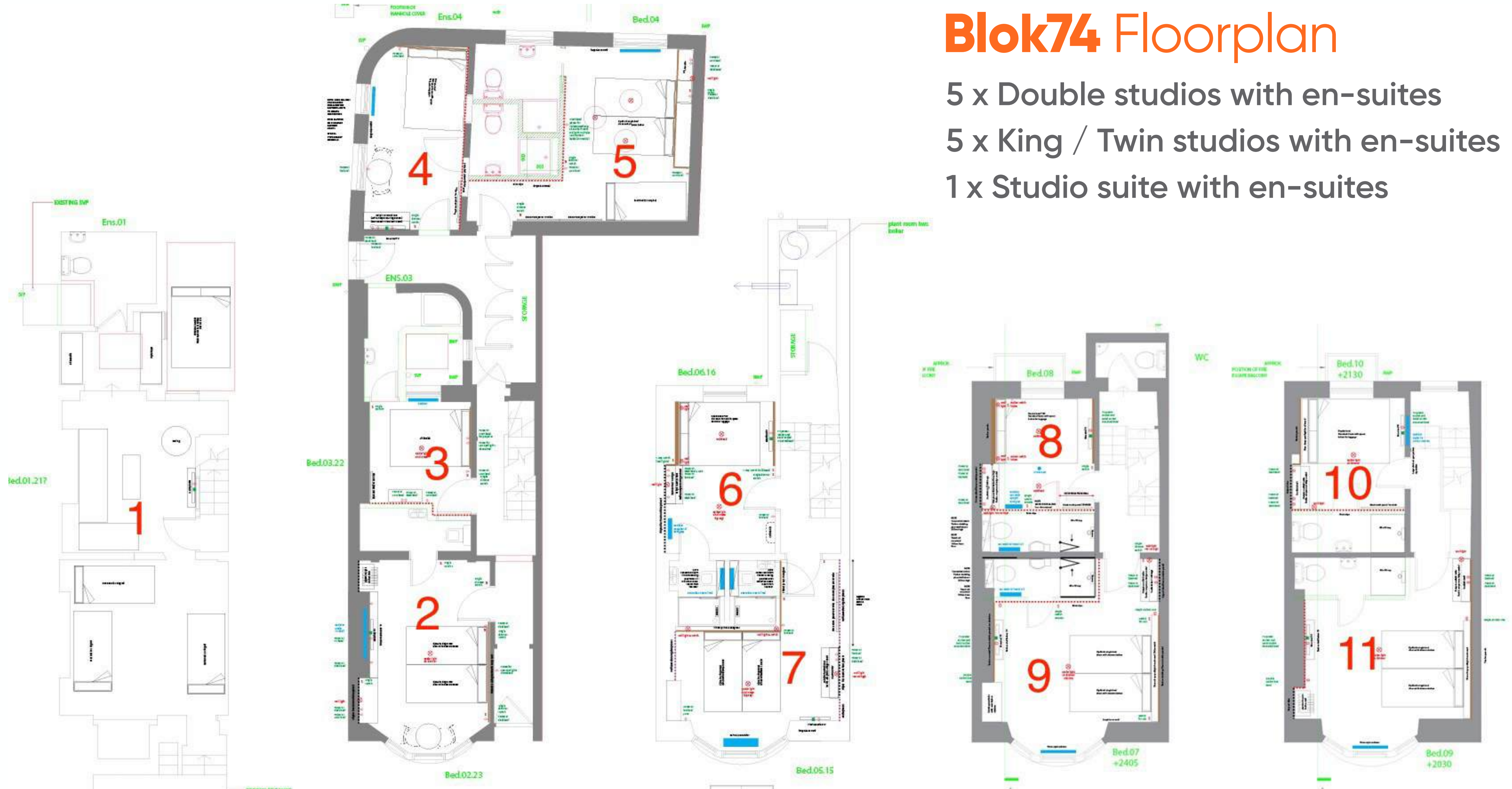
The rooms have been uniquely designed by an award winning creative team and incorporate biophillic design elements, industrial styling and reclaimed furniture. The guest units also feature mood lighting, open storage, high quality beds, smart TV's and extra facilities such as fridge, microwave and Nespresso coffee machine.

The building has fire safety, security and functionality at the forefront with integrated sprinkler system, monitored fire alarm, CCTV and digital smart locks. Unique door codes are generated for each booking and sent to guests automatically, providing both security & convenience. High-speed radio wave Wifi with multiple access points ensures complete coverage, allowing high quality streaming in every room across multiple devices.

There is a range of bedroom types across the building including: 5 double units, 5 King units with zip & link beds allowing for conversion between king and twin setup and 1 apartment suite across the whole of the basement which can can sleep up to 6 people.

Blok74 Floorplan

5 x Double studios with en-suites
5 x King / Twin studios with en-suites
1 x Studio suite with en-suites





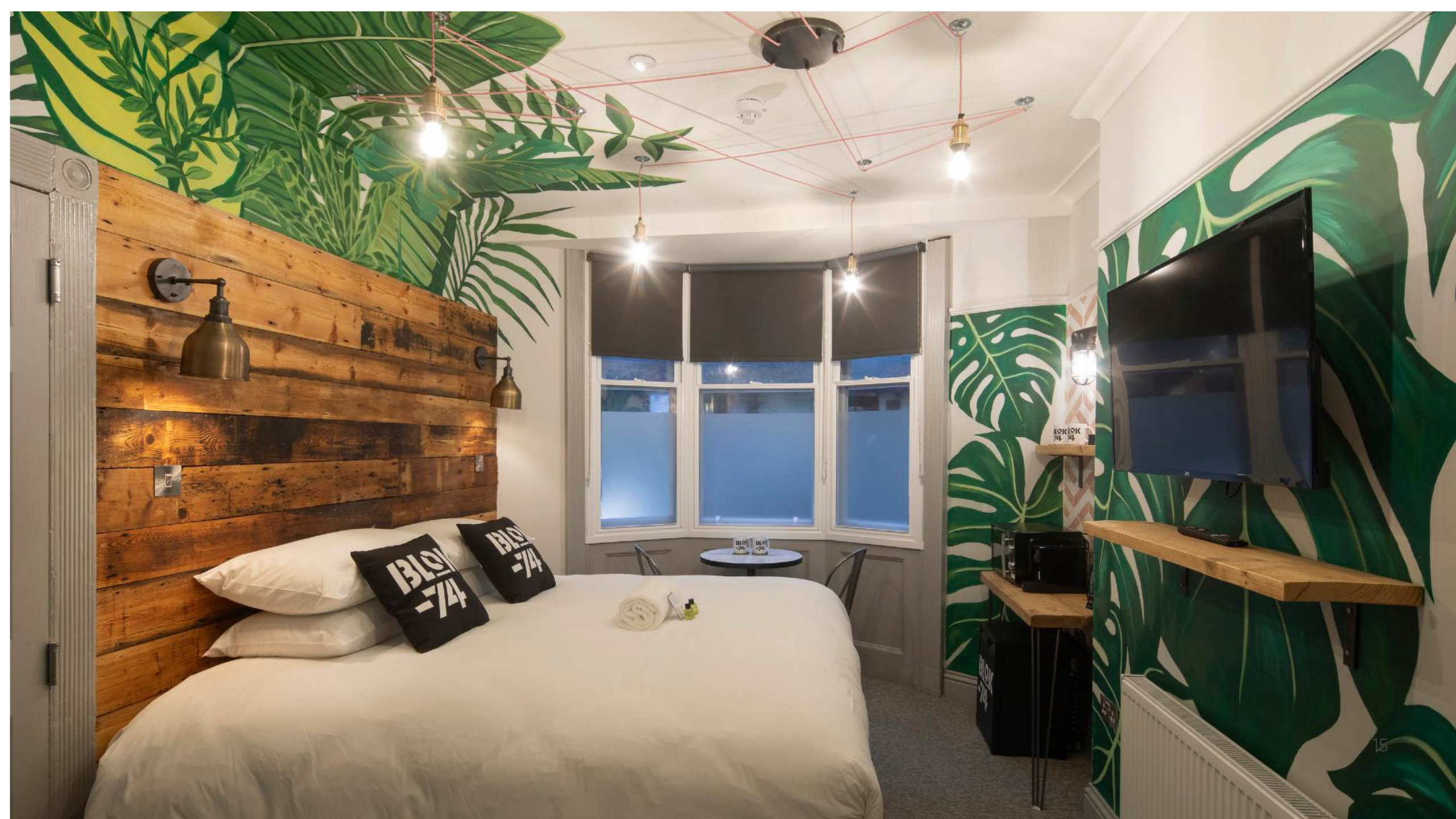


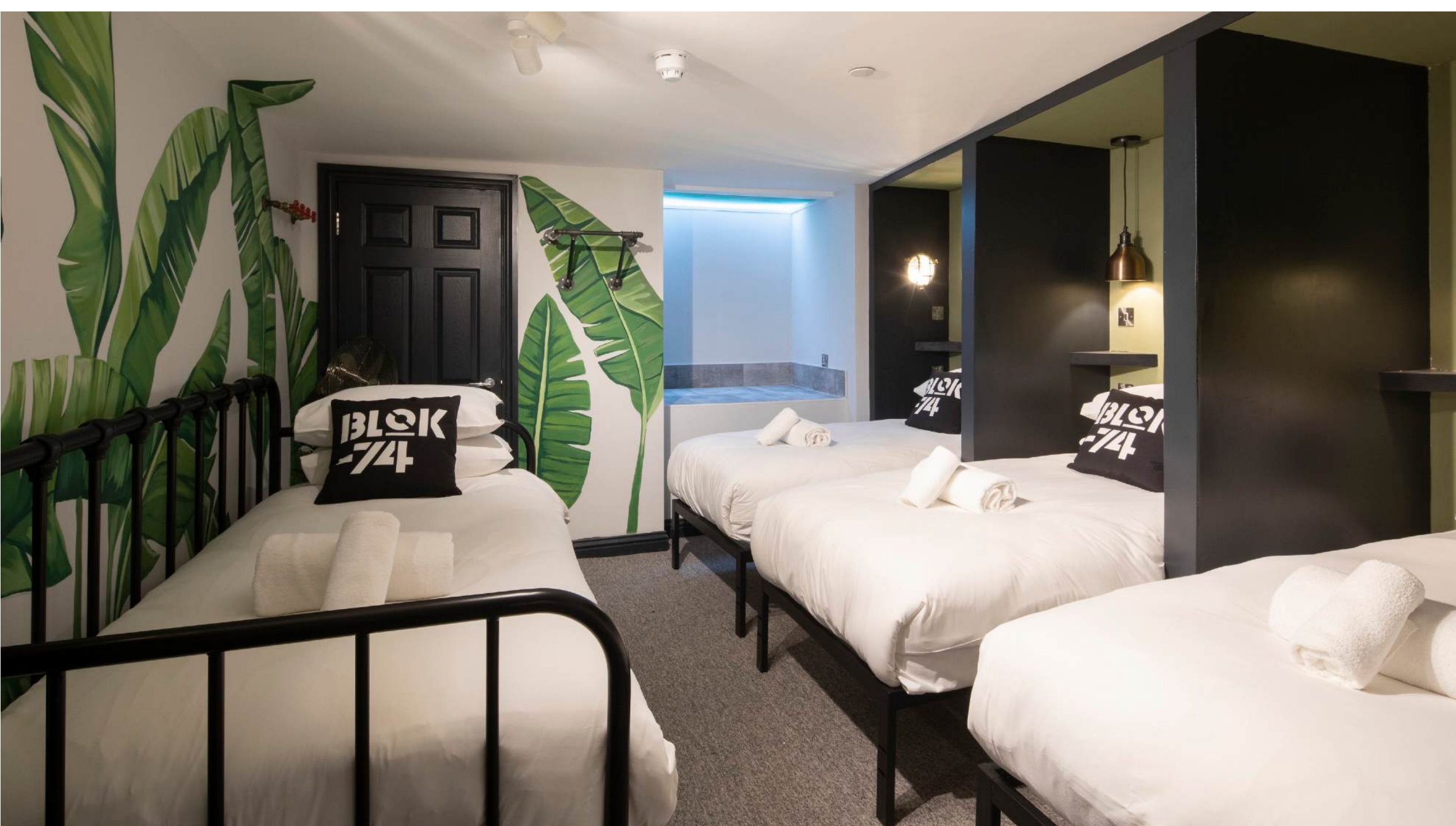
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Sale Information

Sale price

The site is being sold, with offers in the region of £1,350,000 sought for the freehold interest in the property and business.

Infrastructure & fire safety

The property benefits from integrated sprinkler systems, monitored fire alarms, and remotely accessible CCTV systems, meeting the stringent fire safety regulations required for remotely managed hotels. They also benefit from high speed wifi, full access point coverage and integrated digital door lock systems.

Websites & social media

The property is supported by marketing on highly branded websites, Instagram and Facebook channels.

<https://blok-74.co.uk/>

Trade

The streamlined room only business model and remote management support a profitable & scalable business. This provides buyers the opportunity to purchase with the existing systems and processes in place but is equally appealing to chain operators who can easily incorporate this property into their existing operations without the need to employ onsite reception staff, benefiting from the scales economy this offers.

The hotel has shown strong historical performance, achieving occupancy and ADR rates above location averages.

It's important to note that in 2024, the hotel did not operate to its full potential. This was due to technical problems during a change in central software systems that caused inventory distribution issues over the Spring & Summer months, with a knock on effect into the Autumn shoulder season. These matters have now been fully resolved and the business is showing strong occupancy and ADR figures for Spring/Summer 2025

The financials show 3 years of historical performance and conservative projections for the following 3 years.

Future Opportunities For New Owners

The current owners have structured the operations to limit their own involvement in the day to day management of the hotels and create a “hands-off” model. Whilst a key focus has been on systemisation and streamlining the business, in some areas they have chosen higher cost options to support their personal priorities and circumstances. This current structure will provide a very attractive proposition for many buyers, however we would also like to highlight some areas where we feel there is potential to make significant cost savings:

Housekeeping & Linen - Both of these services are outsourced to 3rd party contractors where costs are generally higher than direct arrangements. For ease of management the current owners also pay a fixed cost for a dedicated housekeeping supervisor who is employed by the 3rd party cleaning contractor. Savings could be made by restructuring this part of the operations to reduce the impact of 3rd party added margins.

Staffing Costs - The owners employ a general manager and have another 2 part-time contracted staff working on a total to provide 24/7 support for both hotel sites. These roles cover guest support, operations, marketing and admin. New owners can look to make savings in this area by minimising hours, utilising VAs or using their own team.

Software & Subscriptions - There are a number of software subscriptions in place to facilitate the remote booking & guest management as well as the owners admin and project management. Buyers may not require this full suite and those with existing operations could migrate the hotels to their own systems to make savings and centralise their operation for scales of economy.

OTA Channel Commissions- Whilst the owners have created high quality websites for each hotel with dedicated booking engines, they have chosen to focus mostly on OTAs for bookings to support their hands-off strategy. There is an opportunity for the new owners to increase direct marketing efforts to both leisure and corporate guests and reduce commission costs and increase the direct bookings.



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