

BACB

LONDON HOTEL GROUP

Financial relief to help the COVID-19 response

The COVID-19 crisis has caused severe economic ramifications for many UK industries, but few have been hit quite so severely as the hospitality sector. Despite being closed for public use during lockdown, a London-based hotel operator played its part in helping to curb the virus' spread and to help vulnerable people during these difficult times.

JOINING THE COVID-19 RESPONSE

London Hotel Group (LHG), which owns a number of hotels across the city, worked in close partnership with local authorities to keep the doors open on all of its hotels during March 2020 all the way through to the easing of lockdown in July 2020 to provide COVID-secure accommodation to key workers at London hospitals, homeless households and others in need as well as offering their facilities for use by local charities.

“Support from BACB - including easing of financial terms - greatly facilitated our capacity to help the NHS and councils as well as to offer aid to populations in need.”

Meher Nawab CEO
LONDON HOTEL
GROUP



REAL ESTATE
FINANCE

**MEHER NAWAB CEO
OF LHG, SAYS:**

“It has often been overlooked that many key workers have needed to live away from home to best limit the spread of COVID-19 to vulnerable family members and others. With this in mind, we wanted to ensure our dedicated staff and facilities could support local efforts to beat COVID-19.”

**DANIEL SEEBY, SENIOR
MANAGER AT BACB, SAYS:**

“Our aim is always to build long-term relationships with clients founded on trust, openness and flexibility. During these unprecedented times, we realised that we needed to react to help our clients, and we have done everything we can to help both LHG sites secure their financial positions.”

The Ibis Styles London Walthamstow worked with local authorities to offer key workers from the nearby Whipps Cross University Hospital temporary, COVID-secure accommodation, as well as a place of sanctuary to recuperate between shifts. The hotel is now working with the Greater London Authority to house homeless households.

Another site, the Clapham South Belvedere Hotel, collaborated with Streets Kitchen, a charity group that provides essentials including food and clothing to the homeless community. The south London hotel has been transformed into Streets Kitchen’s temporary south London hub – where the group could use the hotel’s kitchens to prepare meals for distribution to the local community.



HOW DID BACB HELP?

BACB provides real-estate financing solutions to two London hotels in the LHG portfolio: the Ibis Styles London Walthamstow; and the Clapham South Belvedere Hotel. While both hotels were open to key workers and volunteer groups, BACB agreed to waive the provision of covenant testing for Q2 and Q3 2020, as well as deferring interest payments for two quarters. For one property, BACB introduced an interest-repayment break during the same period. To ease the hotel’s financial recovery, a revised repayment timeline has now been established.

CHRIS BERRINGTON, HEAD OF REAL ESTATE FINANCE AT BACB, SAYS:

“In these bleak times, this is a success story about connecting key workers, charity groups, local authorities and businesses like LHG – all in the common goal of safeguarding public health and wellbeing. As a socially-responsible financier that strives to make a difference, we at BACB felt it wholly necessary to also play what small role we could to help.”

**For further information
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