

FOR SALE

**An exciting opportunity to acquire a
Unique Boutique Hotel, Bar & Brasserie**



VELVET HOTEL, BAR + RESTAURANT
2+3 Canal Street, Manchester, M1 3HE

Find out more at www.g-s.co.uk

- ✚ High Quality Boutique Hotel – located close to Piccadilly Station
- ✚ Manchester City Centre location
- ✚ 36 individual en suite letting bedrooms
- ✚ Separate Bar & Brasserie style restaurant
- ✚ Recently refurbished
- ✚ Established business, with strong trading performance



INTRODUCTION

Graham + Sibbald & Knight Frank, are delighted to offer for sale, on an exclusive basis, the freehold interest in the property known as the Velvet Hotel, Bar & Brasserie.

The business trades as Velvet Hotel, Bar and Restaurant, operating as a high quality Boutique hotel, with brasserie style restaurant and bar. The current business was first established in 2009.

LOCATION

The property is situated fronting Canal Street, close to its junction with Minshull Street, in Manchester City Centre. Richmond Street runs to the rear of the Property.

Canal Street forms part of Manchester's Village, which incorporates the areas around Canal Street, bounded by Whitworth Street, Princess Street, Aytoun Street and Bloom Street. The Village is recognised for its vibrant night-time and leisure scene, which for many years has catered to a wide-ranging audience.

The Village comprises a variety of mixed-use development, with the primary focus being on bars and restaurants, primarily situated along Canal Street. The cobbled street has limited vehicular access, running parallel to the Rochdale Canal and provides external seating areas, during peak periods, this area is fully utilised as part of the nightlife scene.

The surrounding area comprises a mix of uses including commercial, secondary retail and leisure operators. The Malmaison Hotel, Holiday Inn Manchester, Motel One and the Doubletree by Hilton are located nearby.

The recently completed Kampus Scheme, located on the opposite side of the canal, has created a mixed-use scheme including 533 residential apartments in 5 buildings, cafes, bars, restaurants, shops and commercial space.

Piccadilly railway station and Charlton Street Coach Station are within a short walk of the Property.



THE PROPERTY

The Property provides a restaurant, bar, 36 en-suite letting bedrooms and ancillary accommodation as summarised below:

RESTAURANT

The basement restaurant is accessed via an entrance to the right side of the building, via a flight of steps leading down from Canal Street. The Restaurant operates as Velvet Restaurant, offering a modern brasserie style fit out, having been refurbished in 2019.

The accommodation comprises a seating area to the front, providing approximately 80 covers, with a timber bar servery to the rear and customer WCs and lift lobby to the left side. Screened off to the rear of the bar servery is a fully equipped commercial catering kitchen, together with ancillary dry store and staffroom.

The accommodation is well appointed, comprising a mix of tiled and timber flooring, papered and painted brick walls and exposed beam and plaster ceiling finishes.

BAR

The ground floor bar area is accessed via a separate entrance from Canal Street, located to the left side of the building, via a small flight of steps. A small entrance lobby provides access into the main lounge bar, with split level seating area to the front and a central timber bar servery to the rear.

Customer WCs are located to the rear of the bar. To the rear of the lounge bar is a lobby providing access to the beer cellar and stores, together with double doors leading onto Richmond Street.

The accommodation is well appointed and finished in a contemporary style, with carpeted and timber flooring, painted plasterwork walls and ceilings.

The restaurant and bar effectively comprise two separate trading areas, although internal access is provided between the two floors via a spiral staircase to the rear right corner of each floor.



HOTEL ACCOMMODATION

The 'Boutique Style' Hotel has been developed to a 4-star standard, with each room being individually finished. All of the rooms have a high-end design lead specification in keeping with the bar and restaurant, having bespoke furnishings and fittings to each room, enabling the Property to effectively compete with other boutique hotels in the city centre.

The original four upper floors were converted to a boutique hotel in 2008, comprising 19 double en-suite bedrooms, including, 3 'Balcony King Rooms', the latter of which are situated at the front of the Property, with the balcony overlooking Canal Street, 3 duplex suites known as 'Penthouse King Rooms' developed within the roof void, having a bed deck at mezzanine level.

The adjoining building was acquired in 2021 allowing the creation of a further mix of 'Velvet King Rooms', signature suites and 3 bespoke luxury suites including The Velvet Suite. The original bedrooms were also refurbished with the addition of new bathrooms in 2022.

All of the bedrooms are fully air conditioned, incorporate a minibar and have free Wi-Fi and a digital flat screen TV. The split-level penthouse suites are equipped with a dining table, sofas and a staircase leading up to a 'bedroom space'.

ROOM TYPE	NO.
Superior King	13
Cosy King	5
Premium King	6
Signature Balcony	3
Signature Duplex Penthouse Suite	3
Signature Suite	5
Signature Velvet Suite	1
TOTAL	36







ANCILLARY ACCOMMODATION

Two separate hotel entrances are provided; one fronting Canal Street, which leads to the hotel reception, and office and a rear entrance to Richmond Street. The rear entrance is also utilised to provide disabled access and there is lift access and a fire escape staircase between the basement, ground and upper floors. A central staircase provides access between each of the upper floors of the building. There is a linen store on each floor.

EXTERNAL AREAS

The building fully occupies the available site area and there are no external areas to the Properties. There are five car parking spaces provided within the ground floor of No.3 Canal Street, accessed off Richmond Street.

Manchester City Council has granted Velvet a licence to place tables and chairs externally on the cobbled areas and carriageway on Canal Street (as per the other licenced units fronting the street). The licence stipulates that the overall area to be occupied is to be a maximum of 15 metres long and 4.6 metres wide (69 sq. M overall).



SERVICES

We understand that mains electricity, water and drainage are available to the Property, although we have not made any enquiries of the respective service supply companies.

We understand that the Property is heated by gas central heating boilers and has air conditioning throughout. Buyers should make their own enquiries regarding the services and plant.

The basement and upper floors of the hotel (No.2) are served by a passenger lift with a capacity of 440kg/ 5 persons. No.3 also has a passenger lift serving basement and all upper floors.

FIXTURES, FITTINGS + EQUIPMENT

We are advised by the vendor that all loose contents, fixtures and fittings necessary for the operation of the business are owned outright and will be transferred as part of the sale.

THE BUSINESS

The business comprises an established “Boutique” hotel, bar and restaurant. The restaurant is understood to have been trading on site since 1996, with the upper floor bar opening in 2005. The hotel officially opened on 1 April 2009, following an initial ‘soft opening’. The most recent extension and refurbishment was completed in 2022.

The hotel has evolved over the years and operates as a high end boutique-style establishment, trading at effectively a 4-star level, focusing on high levels of service, design-led fit out and style. The hotel and bar trade as Velvet, together with the restaurant as a single operational entity.

Accounts information can be provided to interested parties on receipt of a signed Non-Disclosure Agreement (NDA).

TENURE

Freehold

ENERGY PERFORMANCE CERTIFICATE (EPC)

The property has the following energy performance certificates:

Velvet, 2 Canal Street - rating 98 (D)

3 Canal Street – rating 67 (C)

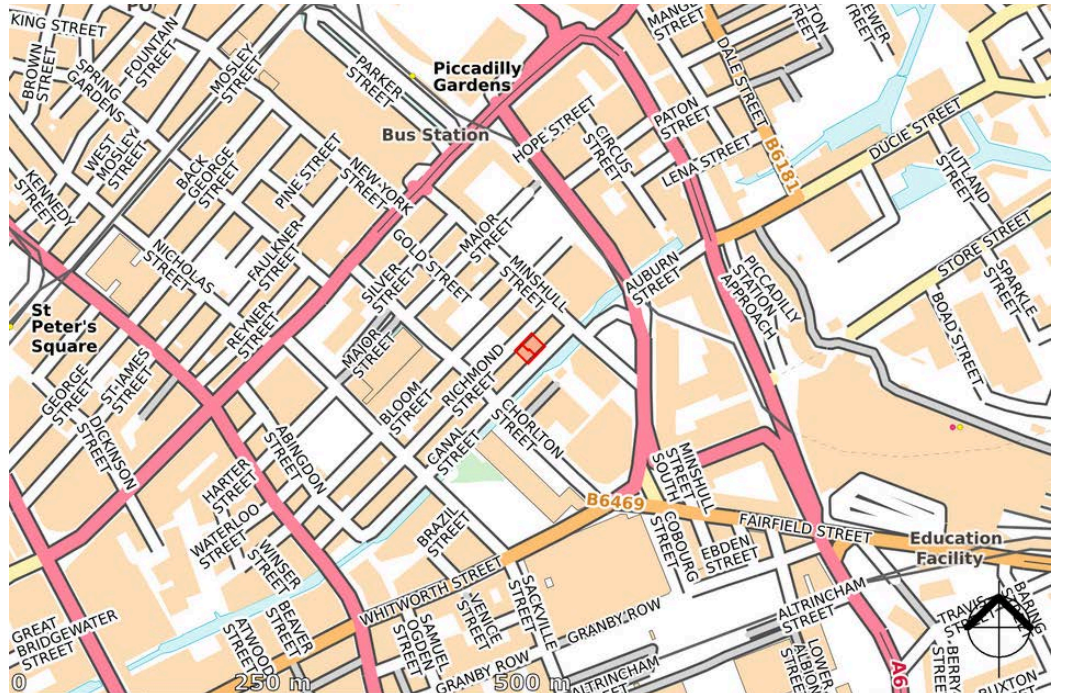
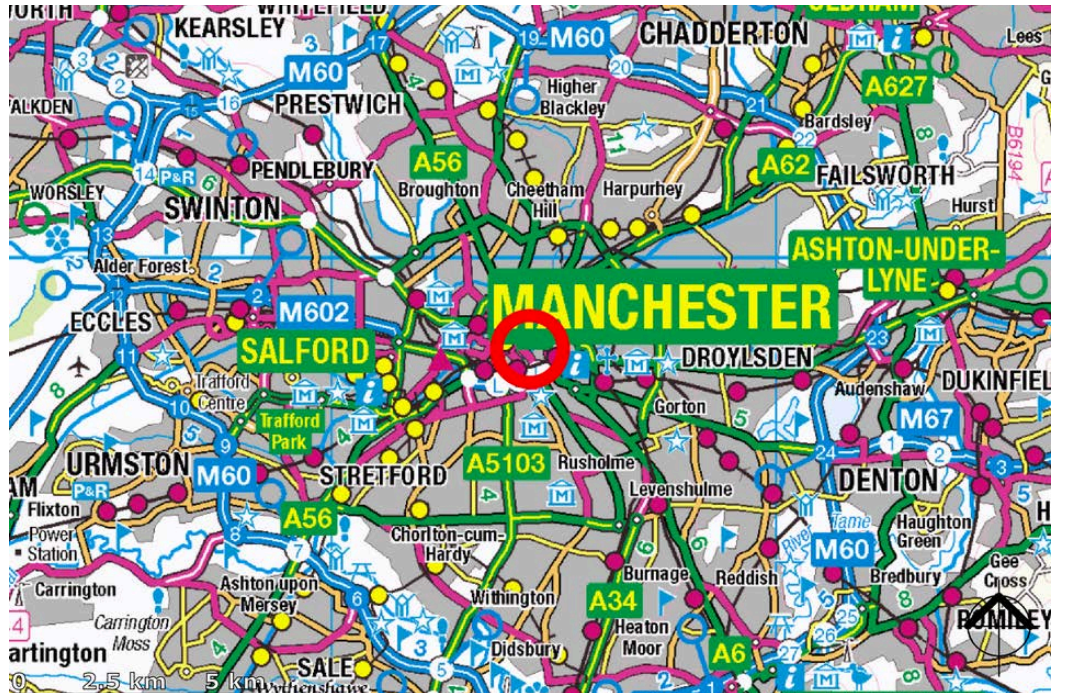
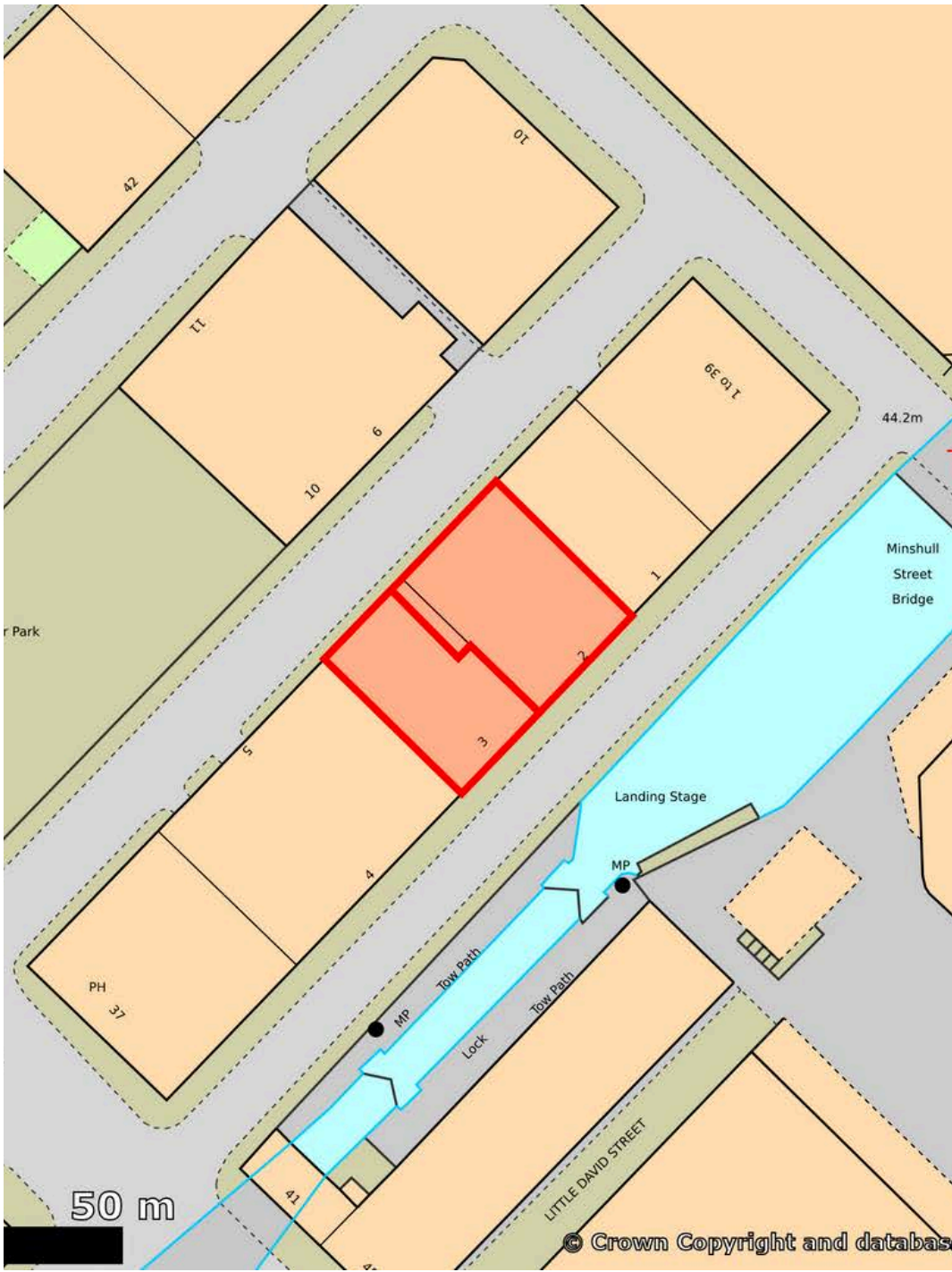
FIRE RISK ASSESSMENT

An up-to-date fire risk assessment is available within the data room.

BUSINESS RATES

The business rates are payable to Manchester City Council. We understand that the rateable value for the year commencing 1st April 2023 to present is - £78,000.





PLANNING

The property has a valid consent for its current use under Use Class C1 in terms of the Town & Country Planning (Use Classes) Order 1997 – buyers should make their own planning enquiries.

LICENSES

The business operates with the benefit of a premises licence.

DATA ROOM

Further information including historical trading data and property information, is held within a dedicated online data room. Access will be provided to seriously interested parties following receipt of a signed Non-Disclosure Agreement (NDA), which is available from the Joint Agents.

ANTI MONEY LAUNDERING

Under HMRC and RICS regulations and the Criminal Finances Act 2017, as property agents facilitating transactions, we are obliged to undertake AML due diligence for both the purchasers and vendors (our client) involved in a transaction. As such, personal and or detailed financial and corporate information will be required before any transaction can conclude.

To arrange a viewing please contact:



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ASKING PRICE/SALE STRUCTURE

Offers are invited for the freehold interest in the property which is being sold by way of an asset sale of a full service going concern hotel business.

VAT

All prices quoted and offers made shall be deemed to be exclusive of VAT and VAT will be payable at the prevailing rate where applicable. Prospective purchasers should consult their accountant / solicitor for professional advice in this respect.

VIEWING ARRANGEMENTS

Viewing arrangements are strictly via a prior appointment through the vendor's joint sole agents, Graham + Sibbald or Knight Frank.

Under no circumstances should any party make a direct approach to the business, staff or management of the hotel.



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Date published: June 2025

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