



LOUNGES

**LANDLORD PACK**

Summer 2021



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**“Like all the  
comfort of home  
but better...  
...unless you have  
a chef and a bar  
in your lounge”**

# OUR STORY

Lounges was founded in 2002 by a trio of long-standing friends, Dave Reid, Alex Reilley and Jake Bishop. The motivation was simple and selfish: they wanted somewhere to drink themselves.

Having spent years in the restaurant and bar trade—not to mention just as many propping up the bars in Bristol (all, of course, in the name of research)—they decided it was time they did their own thing.

An empty opticians on North Street, Bristol seemed to fit the bill. It had planning permission, was just about big enough and in reasonable condition. The 'shell' included a kitchen so they accepted that they would be doing a bit of food, and after a few months of sort-of-not-knowing-what-they-were-doing, The Lounge opened in August 2002.

They liked it a lot and so did a lot of other people. They pondered whether they should open another one, maybe on Gloucester Road, and in what was an absurdly short space of time they did, and Loungers was born. The rest, as they say, is history...

## WHAT'S THE DEAL?

A Lounge is a neighbourhood café/bar that combines elements of a restaurant, the British pub and coffee shop culture, all with an independent vibe

Today there are over 140 Lounges in city suburbs and traditional town centres

Lounges continues to grow at a rate of 25 sites a year, having only reached around a third of its potential scale



# PERFORMANCE

Lounges is owned and managed by Loungers plc, an award-winning hospitality business established in 2002 with annual net turnover of more than £200m.

The Group, which also owns the complementary Cosy Club brand, is the fastest-growing all-day operator of scale in the UK and has consistently outperformed the wider UK hospitality sector over the past three years.

Lounges has no single competitor; instead it competes with every element of the trade of a pub chain, coffee shop, or restaurant, whereas each of those operators only competes for a part of Lounges' sales. This differentiation has enabled the Group to deliver significant and consistent like-for-like sales out-performance.



## CONSISTENTLY OUTPERFORMING THE UK HOSPITALITY SECTOR

Market cap circa **£300m**

EBITDA **+22.7%**

Revenue **+21.9%**

Net debt **£35.4m**

LFL sales **+4.5%**

Liquidity **£7.1m**

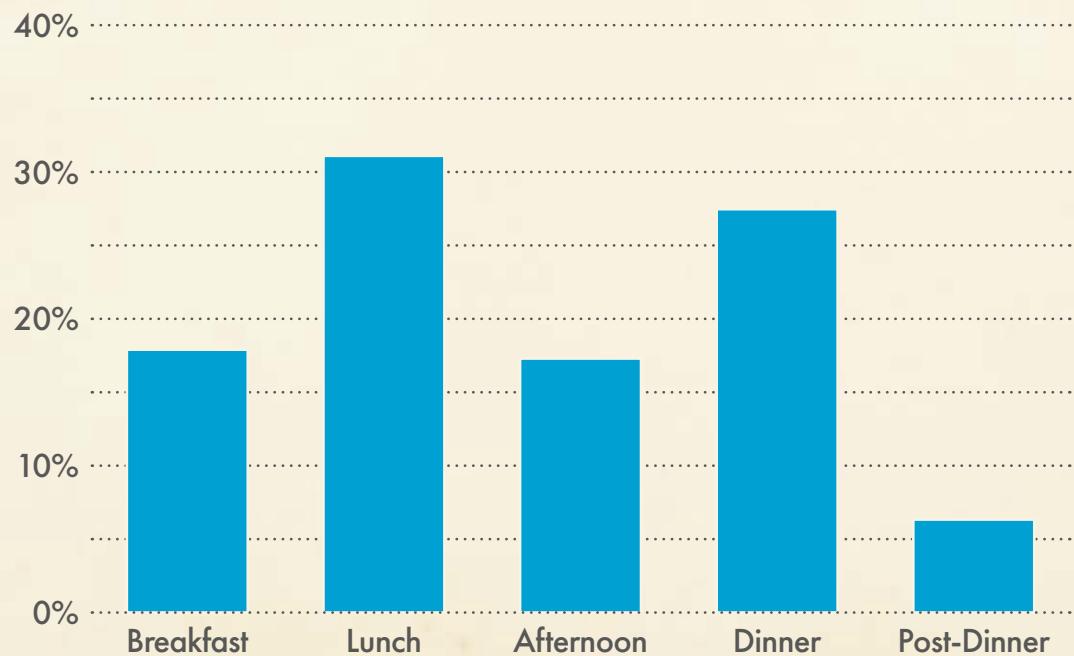
Year ended 31 December 2020



## A home from home throughout the day

Lounges offers all-day dining, with the same menu served from 9am to 10pm every day. Sales are well diversified across all day parts and all days of the week. This adaptable offer drives repeat custom and maximises trading efficiency.

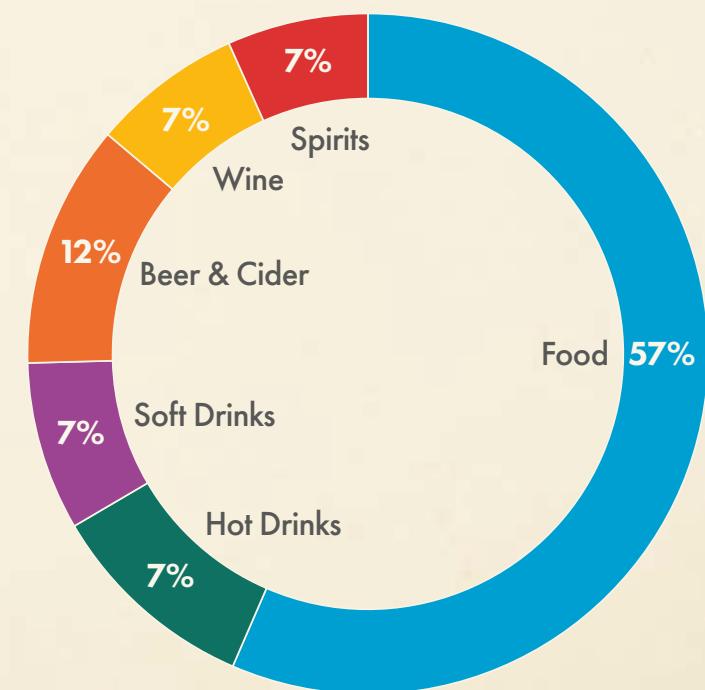
### SALES BY SESSION



## Resilient and consistent out-performance

Our like-for-like sales have consistently and significantly out-performed the Coffer Peach Business Tracker. This is primarily driven by volume rather than price.

### SALES MIX



# CUSTOMERS

A Lounge is a homely, relaxed and slightly eccentric place, offering quality, value-for-money casual dining and drinking. That means we attract a diverse customer base from breakfast and coffee, to lunch and afternoon tea, through to delicious evening meals.

The concept is informal, resulting in a rolling customer base that adds vibrancy and drives neighbourhood footfall from morning to night. In our customers' eyes, Lounges has no direct competitors: 72% of our guests regard Lounges as a unique proposition—in near equal parts coffee shop, café/bar and restaurant.

We pride ourselves on serving as the hub of our local community. This, combined with our inherently flexible format, has cemented the position of the Lounge as a place to go for many occasions. Customers use us to fulfil different needs across the day, whether that is time to unwind alone or indulging in an evening meal with friends or family.

The distinctive décor and uplifting atmosphere are the key elements of each Lounge that attract people to us—along with the quality of food and our friendly, welcoming staff, of course.

## WE EXCEL AT KEY OCCASIONS THROUGHOUT THE DAY



A regular coffee  
to catch up  
with friends

*Time out alone  
with something  
to read*

A relaxing drink  
with a partner

A quick bite or  
lunch with friends

An evening off  
from cooking

The cornerstone  
of a shopping  
or cinema trip

A weekend  
breakfast with  
the family



### Uniquely appealing for a whole host of occasions

Four-fifths of our customers live locally and seek out Lounges for its relaxed feel, good atmosphere and warm welcome. The brand's broad appeal also makes it a popular destination for local workers.

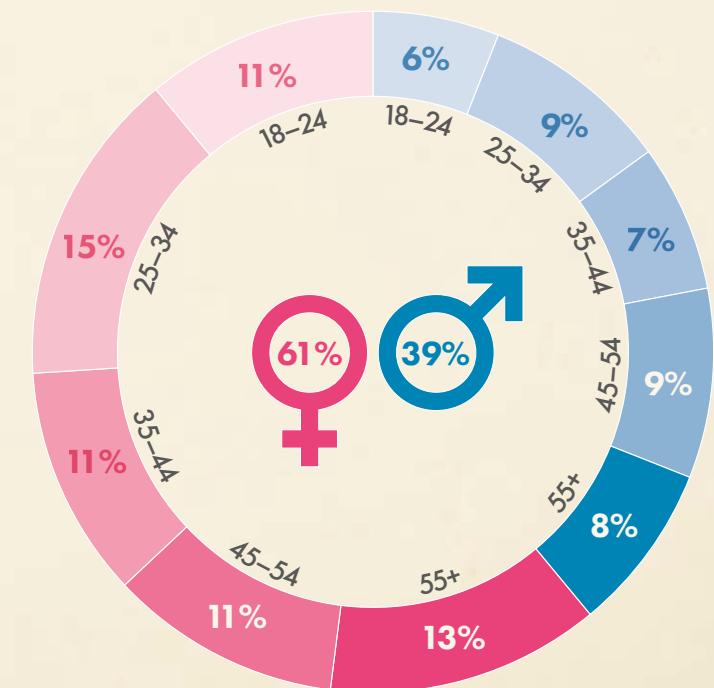
#### TYPICAL USAGE OCCASION



### Broad, nationwide demographic appeal

We offer something for everyone regardless of age, demographic or gender and operate successfully in a diverse range of site types and locations across England and Wales.

#### DEMOGRAPHIC PROFILE



# FOOD

Our menus reflect our personality. We take food really seriously, using the best fresh produce in really creative dishes, but we also make sure our menus are about pleasure, indulgence, and fun—a bit like us.

Everyone is welcome in a Lounge, so we look after every taste from fresh, zingy salads to massive burgers with all the trimmings. We spend a lot of time working on exciting new dishes but we'll always be somewhere you can go for classic British food like a cracking bacon butty too.

We know that if mum and dad are going to enjoy themselves, then the kids need to be happy, so our proper kids' menu features healthy, indulgent and fun dishes.

We've been providing complete vegan and gluten-free menus since 2003. We take pride in ensuring that they are packed with variety, flavour and comfort food classics.

The word is getting out: our overall menu won 'Best Vegan Menu' and our Chocolate Torte won 'Best Dessert' at the recent PETA vegan food awards.





# DRINK

We rather like a drink at Lounges and have recently completed an exciting overhaul of our drinks offering. From delicate herbal teas to fabulous cocktails, if it's liquid, we stock it.

We pride ourselves on coffee in particular, using a high-quality blend of Central American and Kenyan Arabica beans, which is medium bodied, clean and fruity.

Soft drinks include freshly squeezed juices, smoothies, milkshakes, ginger beers, iced teas and our own lemonade.

Our wine list is small but beautifully formed, with whites, reds, rosés and prosecco all by the glass and bottle. We stock an appealing range of popular draught beers, as well as bottled beer and ciders.

Last but by no means least, our cocktails include all the established classics and some particularly fiendish concoctions dreamt up exclusively for Lounges.



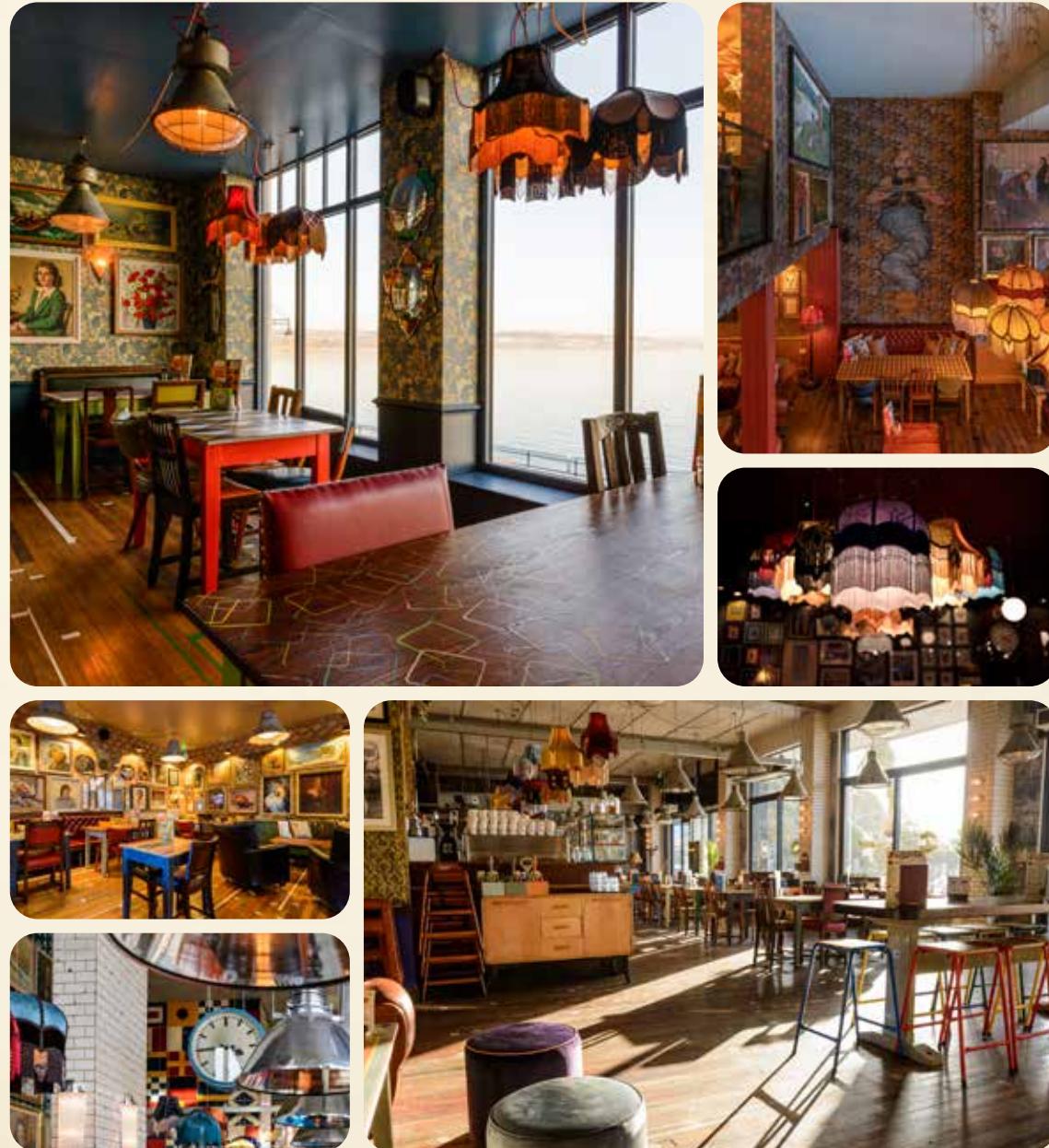


# DESIGN

**The design of a Lounge is characterised by informal, unique interiors with an emphasis on a warm, comfortable atmosphere, often described as a 'home from home'.**

The Lounge estate has a consistent look and feel but each Lounge is individually named and tailored to the site and local area, meaning that no two sites are the same.

Our resident interior aficionados bring out the soul of every site, with sympathetic design and murals that celebrate the history and spirit of each local community: think sinking into a battered old club chair under a tassel-y lampshade, overlooked by a huge Roaring Twenties painting and an old family photo of a smiling swimmer being smeared with lard on a crumbly wall with incredibly loud 1970s wallpaper.





# LOCATIONS

The Lounge brand is at home in suburban and town centre locations, often in conversions of former retail units. We have also had great success in former banks and restaurant sites, as well as quirky listed buildings.

Use Class E allows us to contribute to the rejuvenation of high streets with greater flexibility and without the need for A1 to A3 change of use consent.

Whether looking to convert an existing building or perform as an anchor in new developments, we favour sites with good outside areas, and are also interested in those near the coast, harbours or rivers.

In recent years we have opened 25 new sites a year, and will return to this run rate from 2021/22 onwards. Recent new site openings demonstrate the underlying potential scale of the Lounge brand. Our openings in Wells, Carmarthen and Chorley illustrate our ability to trade successfully in towns with relatively small populations across the country.

Wherever we open, Lounges is a brand that has hospitality and familiarity at its core, driven by an independent culture and a focus on the local community.

## WHERE YOU'LL FIND US

Strong market towns

Strong footfall

Suburban high streets

3,000–4,500 sq.ft



## **SOUTH EAST**

**Abingdon** Abbey Shopping Centre **PABLO**  
**Amersham** Hill Avenue **METRO**  
**Aylesbury** The Exchange **ROCOCO**  
**Banbury** High Street **PINTO**  
**Bicester** Sheep Street **TORINO**  
**Brighton** London Road **ALCAMPO**  
**Caversham** Church Street **ALTO**  
**Didcot** Orchard Street **BERRO**  
**Epsom** High Street **CABALLO**  
**Hove** Church Road **MODELO**  
**Lewes** Friars Walk **FUEGO**  
**Newbury** Northbrook Street **COBRIZO**  
**Orpington** High Street **PATO**

**Rustington** Ash Lane **ESTABLO**  
**Sittingbourne** Bourne Place **SENTADO**  
**Southampton** Admiral's Quay **MARITIMO**  
**Southampton** Portswood Road **TRAGO**  
**Southampton** Shirley Road **SANTO**  
**Southsea** Palmerston Road **PANERO**  
**Staines-upon-Thames** High Street **NOSTRANO**  
**Sutton** High Street **TIEMPO**  
**Watford** High Street **CASSIO**  
**Witney** Market Square **COMO**  
**Woking** Commercial Way **MARCIANO**  
**Wokingham** Central Walk **SEDERO**  
**Woodley** Crockhamwell Road **BOSCO**



# LOCATIONS



## SOUTH WEST

**Barnstaple** Green Lanes Shopping Centre **TARKO**

**Bedminster** North Street **THE LOUNGE**

**Bristol** Fishponds Road **PORTO**

**Chippenham** The Bridge **RIVO**

**Christchurch** High Street **ARCADO**

**Cirencester** Cricklade Street **TORO**

**Clevedon** Great Western Road **TEATRO**



**Dorchester** Brewery Square **VIVO**

**Exeter** Commercial Road **PUERTO**

**Falmouth** The Moor **PALACIO**



**Frome** Westway **CORDERO**

**Gloucester** Gloucester Quays Designer Outlet **PORTIVO**

**Horfield** Gloucester Road **TINTO**

**Keynsham** Market Walk **BONZO**

**Newquay** Bank Street **CONCHO**

**Newton Abbot** Queen Street **ORSINO**

**Oldfield Park** Moorland Road **VELO**

**Plymouth** Royal William Yard **SECO**

**Poole** Dolphin Centre **DELFINO**

**Portishead** High Street **IMPERO**

**St Ives** Wharf Road **TRETHO**

**Southbourne** Southbourne Grove **LUDO**

**Street** High Street **FONDO**

**Stroud** Stroud **CURIO**

**Tewkesbury** Church Street **ROSADO**

**Torquay** Abbey Crescent **VISTO**

**Trowbridge** St Stephens **VALEROSO**

**Truro** Princes Street **TRURO**

**Wells** High Street **FOSSO**

**Westbourne** Poole Road **CIRCO**

**Westbury-on-Trym** Canford Lane **GRUPO**

**Weston-super-Mare** Beach Road **BRUNELLO**

**Weymouth** St Thomas Street **NAUTICO**

**Winton** Wimborne Road **CONTO**

**Yate** West Walk **BOLERO**

## WALES

**Abergavenny** Frogmore Street **PORTICO**  
**Bangor** High Street **CLIO**  
**Bridgend** Adare Street **CORVO**  
**Carmarthen** The Guildhall **COFIO**  
**Monmouth** Monnow Street **ESTERO**  
**Mumbles** Oyster Wharf **CROESO**  
**Newport** Friars Walk Shopping Centre **DRAGO**  
**Penarth** Windsor Road **OCHO**  
**Prestatyn** High Street **TORELLO**  
**Roath** Wellfield Road **JUNO**  
**Swansea** Princess Way **ZINCO**  
**Whitchurch** Merthyr Road **FINO**

## EAST OF ENGLAND

**Biggleswade** Market Square **ROSSO**  
**Bury St Edmunds** Cornhill **EDMUNDO**  
**Hitchin** Brand Street **GRANELLO**  
**Huntingdon** High Street **OLMO**  
**King's Lynn** High Street **POCO**  
**Letchworth Garden City** Leys Avenue **CULTIVO**  
**Peterborough** Bridge Street **ARGO**  
**Southend-on-Sea** High Street **MOLO**  
**Sudbury** Market Hill **PRADO**  
**Welwyn Garden City** Howardsgate **POSTINO**  
**West Thurrock** Lakeside Shopping Centre **CASCO**  
**Witham** Newland Street **VALERO**



# LOCATIONS



## EAST MIDLANDS

**Bedford** Riverside Square **ALBERO**  
**Beeston** High Road **BENDIGO**  
**Buxton** Springs Shopping Centre **SACRO**  
**Chesterfield** Market Place **SORBO**  
**Corby** Corporation Street **PALETTO**  
**Derby** St Peter's Street **CARNERO**  
**Glossop** Howard Town Shopping Park **PICO**  
**Grantham** Isaac Newton Centre **CINCO**  
**Hinckley** The Crescent **TARRO**  
**Kettering** Old Corn Exchange **KINO**  
**Loughborough** Old Hospital Court **CENTRO**  
**Mansfield** Stockwell Gate **CAPO**  
**Market Harborough** Abbey Street **MERCADO**  
**Melton Mowbray** Sherrard Street **MONTERO**  
**Newark** The Buttermarket **TAMBO**  
**Northampton** Newland Walk **ZAPATO**  
**Rushden Lakes** Rushden Lakes Shopping Centre **LAGO**  
**Wellingborough** Market Street **CASTELLO**  
**West Bridgford** Central Avenue **PORTELLO**

## WEST MIDLANDS

**Evesham** Market Place **ORTO**  
**Harborne** High Street **ARCO**  
**Kidderminster** Riverside Walk **TAPPETO**  
**Kings Heath** High Street **LOCO**  
**Lichfield** Market Street **FARO**  
**Mere Green** Mere Green Road **RENATO**  
**Moseley** Alcester Road **SORRENTO**  
**Newcastle-under-Lyme** Ironmarket **CAPPELLO**  
**Nuneaton** Market Place **PIERO**  
**Rugby** Regent Street **BACCO**  
**Shirley** Parkgate Shopping Centre **DESCO**  
**Solihull** High Street **PARAMO**  
**Stafford** Staffordshire Place **VERSO**  
**Stourbridge** High Street **SOFFIO**  
**Sutton Coldfield** Birmingham Road **VERDO**  
**Sutton Coldfield** Birmingham Road **QUINTO**  
**Telford** Southwater Square **NOVELLO**  
**Wolverhampton** Dudley Street **LUPO**

## **NORTH WEST**

**Bury** The Rock **RACCONTO**  
**Cheadle** High Street **BREZO**  
**Chorley** Union Street **CALICO**  
**Chorlton** Wilbraham Road **BENITO**  
**Didsbury** Wilmslow Road **EXPO**  
**Heswall** Telegraph Road **OTTO**  
**Liverpool** Lark Lane **MILO**  
**Liverpool** Liverpool Waterfront **BRASCO**  
**Manchester** Oxford Road **NAVARRO**  
**New Brighton** Kings Parade **MARINO**  
**Oldham** Parliament Square **MOLINO**  
**Ormskirk** Moor Street **NORDICO**  
**Stockport** Redrock **BERRETTO**  
**Urmston** Eden Square Shopping Centre **BEVANO**  
**Warrington** Golden Square Shopping Centre **DORADO**  
**Wilmslow** Grove Street **UNICO**

## **YORKSHIRE AND THE HUMBER**

**Barnsley** The Glass Works **FALCO**  
**Hull** King Edward Street **PONTO**  
**Sheffield** Ecclesall Road **AMARO**  
**Stocksbridge** Fox Valley **ZORRO**



# CONTACTS

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*Responsible for the South West, the Home Counties, Wales, the Midlands, the North and Scotland*



## Property Manager

Hux Norman

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*Responsible for Norfolk, Suffolk, Cambridgeshire, Bedfordshire, Hertfordshire, Essex, Kent, Surrey and Greater London*



## WHAT WE'RE SEEKING

At least 3,500 sq.ft

Minimum internal width 8 metres

Strong suburban high streets and market towns

## WHAT YOU'LL GET

Strong plc covenant

Unique brand

Award-winning offer and draw

Market-lease terms

Significant capital investment in fit-out

A partnership for the future







# LOUNGES



TheLoungesCafeBar



theLOUNGERS



thelounges

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