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AGREEMENT BETWEEN LEGAL & GENERAL, THE WELSH RUGBY UNION AND RIGHTACRES IS SET TO TRANSFORM ONE OF CARDIFF'S OLDEST AND MOST ICONIC BUILDINGS

Legal & General announces that it has agreed to fund the restoration of one of Cardiff's oldest and most iconic buildings into central Cardiff's most luxurious hotel. The former Post Office building on Westgate Street is being transformed in a venture between the Welsh Rugby Union, Legal & General and Cardiff based property development company, Rightacres Property.

The scheme is being funded by Legal & General, on behalf of Legal & General Retirement Institutional, as part of its ongoing investment into the regeneration of Central Square. The refurbishment will be undertaken by RAP and the WRU.

The new luxury hotel will undergo a significant transformation and will be known as The Westgate Hotel. The development will restore, preserve and enhance the building's historic features to include 165 bedrooms, fifteen VIP suites, two restaurants, a luxurious rooftop spa with outside Jacuzzi as well as meeting facilities and a ballroom for 400 guests.

In 1860, Cardiff's population was 50,000 but the rapid growth into a commercial centre as a result of increased trade through coal and the docks meant that Cardiff's postal service had to grow too. In 1880 the Post Office employed 86 people and delivered 2,800 parcels but by 1919, 1,626 people dealt with 60,000 parcels, with two million letters processed every week.

Described as one of Cardiff's architectural gems, the building was designed in 1893 by Sir Henry Tanner, Chief Architect of Her Majesty's Office of Works and opened in 1897 as part of Queen Victoria's Diamond Jubilee celebration. The 'Renaissance' style building was the first building in Cardiff constructed of Portland Stone. The Civic Buildings in Cathays Park followed the same theme.

The development will also include the former Inland Revenue building, later known as the County Court, originally constructed in 1904, again with Portland Stone to its Westgate Street façade, but in a style more flamboyant than the former Post Office building. The building is currently owned by the WRU.

Tom Roberts, Head of Strategic Investment at Legal & General said: "We are delighted to be funding what is widely regarded as the best hotel site in Cardiff and entering into partnership with the WRU and RAP. It is a unique opportunity to create a rare long income cashflow while facilitating the development of a new market-leading hotel in one of the fastest growing capital cities in Europe and top UK cities with the added advantage of being adjacent to the Principality Stadium. There are also clear benefits to having a hotel of this quality alongside our substantial current investments in Central Square."

Martyn Phillips, Chief Executive of the WRU, said: “Principality Stadium is internationally recognised as an iconic destination for rugby, other sports, music and other live events by fans from around the world. Developing this new hotel will allow us to diversify and supplement our current Stadium-based hospitality and conference offering with the additional revenue generated through this business re-invested back into the game at all levels.”

The Westgate Hotel is in close proximity to both Principality Stadium and the 1.5 million sq ft Central Square regeneration project which was also led by RAP and Legal & General.

Paul McCarthy, Chief Executive of RAP said: “There is no doubt that central Cardiff has been missing a luxury hotel for a long time and this is a special opportunity to bring activity and vibrancy back into the iconic Post Office building.

Given that this project involves the restoration of an historic building, each guestroom will have its own unique layout with distinct features including the original turrets, eaves, windows and skylights.”

Subject to planning and listed building consent, construction work will begin in June this year with the Hotel scheduled to open in December 2020.

Notable features of the Hotel will include:

- The original 1887 entrance hall with marble mosaic dragon floor
- Roof top destination restaurant
- 15 VIP suites
- Ballroom for 400 guests
- Roof top spa

- Ends -

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Notes to editors

LGIM Real Assets

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