

Shepherds Meadow
Easton Bishop
Hereford
HR2 9UA

PRIVATE & CONFIDENTIAL

Mr T Baker
Batsford Farm
Rushlake Green
Heathfield
East Sussex
TN21 9QT

RCO 19122019

19 December 2019

Dear Mr Baker

Re: Tudor Close, Ferringham Lane, Ferring, West Sussex, BN12 5NQ

I write with regards to the above property, to provide you with a written update as to current proceedings.

Sidney Phillips were instructed on 13 April 2018 to market the Freehold interest of the property to the open market at an asking price of £950,000. At the time of instruction the property was not trading, however the opportunity has always been marketed for continued public house use. Research undertaken prior to inspection of the property for the purpose of a market appraisal provided details on the chequered trading history of the Tudor Close, with a chain of Tenants unable to make the business succeed.

The opportunity was subject to a price reduction to £895,000 on 3 May 2018. The marketing was temporarily put on hold between 29 October 2018 and 13 February 2019 whilst a Tenant was in situ operating the business. Marketing was relaunched on 13 February 2019, at a further reduced asking price of £780,000.

Since the date of instruction, Sidney Phillips have undergone a full marketing campaign, in order to fully expose the opportunity to the local and national market, which to date included:

- Entrance onto Sidney Phillips website:
 - o Returned in 9,637 searches on our website
 - o Details viewed 556 times on our website
- Regular E-marketing campaigns sent out to 4,354 registered buyers on our database.
- Sales details sent by post and email following direct enquiries.

- Entrance onto Daltons website from date of instruction.
- Entrance onto Businessforsale.com website from date of instruction.
- Entrance onto Zoopla.co.uk website from date of instruction.
- Entrance onto RightBiz.co.uk website from date of instruction.
- Entrance onto RightMove.co.uk website since 18 February 2019.
- Entrance onto Morning Advertiser website from date of instruction.
- Advertising in industry specific publications:
 - o Morning Advertiser
 - 7 May 2018
 - 18 June 2018
 - 20 August 2018
 - 25 March 2019
 - 8 July 2019
- Regular social media advertising via Twitter, Facebook and LinkedIn.

Attempts were made in February 2019 to advertise in the local press via an editorial however the article was not run. However, since the vast expansion of the internet since 2003, this is no longer deemed a cost effective or productive form of advertising in our industry.

By presenting this opportunity to the local and national market by the aforementioned methods, we have conducted 5 viewings from 5 applicants of the property to date. Feedback as below:

- Blackmun: Uncontactable following viewing.
- Tea: To make the business sustainable would need to exact previous Planning Permission for letting rooms which would push CAPEX required over £1m.
- Amirpashaie: Traditional pub business model not viable. Potential CAPEX investment too high.
- Ghorishi: Interest shown at reduced price, funding unavailable.
- Swindells: For C2 class use. Investigating planning.
- Despite presenting this opportunity to the local and national market by the aforementioned methods, no viewings have been conducted to date.

To date, two offers have been made by two separate parties at £650,000 and £750,000 however neither party were able to produce proof of funds or raise the finance required to proceed with the purchase.

Given the lack of appetite for lending in the leisure sector by lending institutes, it is highly unlikely that a commercial loan or mortgage could be secured to acquire the property.

Decline in business at the Tudor Close has been due to a number of contributing factors including rising costs; demographic shift towards eating and drinking at home for less money; public health concerns; smoking ban; recession and unemployment and more specifically the rising competition in a small community. Such factors have affected the industry as a whole, and those licensed premises which cannot adapt and compete such as the Tudor Close, are unsustainable in their current forms. The long term viability of the property for continued A4 use is questionable, not only as a result of the economic climate and consumers choosing to drink at home, but also due to the quiet location. It is in my opinion as a licensed property specialist that the Tudor Close should be considered for alternative use.

I trust the contents of this letter are sufficient for your purposes but please do not hesitate to contact me if you require any additional information.

Yours sincerely

SIDNEY PHILLIPS



Robert Cockayne LLB AssocRICS FAVLP

Regional Valuations Manager - London & South East