

Marketing Report

Former Littlehampton Indoor Market, High Street, Littlehampton, West Sussex, BN17 5EE



3rd January 2020

Michael Jones & Company Commercial Department

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Holly Nicol
Construction Project Manager South
The Hyde Group
Telecom House
125-135 Preston Road
Brighton
East Sussex, BN1 6AF

3 January 2020

Dear Holly

Marketing Report, Former Littlehampton Market, High Street, Littlehampton, West Sussex, BN17 5EE

Further to your recent correspondence I would confirm that you have requested that we provide a marketing summary for the above-mentioned commercial property.

For clarity you have asked us to consider what marketing has been undertaken to date, feedback from this and to provide you with a report outlining this.

1. Credentials of Michael Jones Commercial

Since Michael Jones & Co was formed in 1991, we have been committed to provide the highest standard highest standard service and are now highly regarded as a leading property agency across East and West Sussex.

Our success is built on employing an experienced team of professionals who aim to exceed expectations at all times, we also invest heavily in our marketing both in the local arena as well as online and are actively involved in supporting initiatives to help support local business communities.

Being one the leading independently owned agencies with an expanding network of offices within West Sussex means we are able to serve every type of business across the Southeast.

2. Background of Instruction

The property is owned by The Hyde Housing Group and forms part of the re-development of the former Littlehampton Indoor Market site.

The site which is situated between Surrey Street and Terminus Road was developed out in 2013/2014 by Martlet Homes (as the association was then known) following the grant of planning consent in 2011.

Michael Jones Commercial were instructed in March 2017 by The Hyde Group to market the ground floor commercial premises on the basis of finding a suitable commercial tenant. Terms being offered were a new lease, for a length of lease to be agreed.

3. Property Description

The building comprises of a newly constructed retail/office premises of approximately 3,300 sq ft (GIA) all on a ground floor level.

The property is located in a visible and prominent location within Littlehampton town centre on the junction of Terminus Road, High Street and Arundel Road. The property has an extensive 36ft frontage and is offered as a 'shell and core' finish.

Littlehampton mainline railway station is less than 200 yards from the property. Nearby occupiers include Sainsbury's, Littlehampton United Church and Arun Tyre & Exhaust.

4. Interest & Feedback

We felt it was important to include a brief summary of the property characteristics which have limited the appeal of the subject property to the commercial market.

- The subject property forms part of a mixed used development together with 52 residential flats above
- There is no allocated parking to the subject property and no immediate roadside parking to the front and located on a mini roundabout.
- Limited loading and unloading accessibility.
- Due to the depth of the property and its configuration with the residential above (access core and soil pipe stacks) it limits the prospect of easily splitting the property into two or several smaller commercial units.
- Whilst forming part of the town centre the subject is located "out on a limb" outside of the main pedestrianised shopping precinct.
- The property sits within a mainly residential buildings both to the west, north and south. These include Antonio Court and Progress House. Such proximity to residential limits the commercial appeal to occupiers and limits potential for change of use and/or change in hours of use.
- The property is approximately 200 yards east of Littlehampton mainline railway station and is on route for pedestrians walking into the main town centre and shopping precincts.
- Nearby occupiers include MOT & Exhaust Centre, Chinese Takeaway, Embroidery Shop and two funeral directors.

5. Marketing

Following instructions from our clients to bring the property to the open market in March 2017, it has been advertised on a brand new lease to be agreed. The property was marketed at a guide rent of £40,000 per annum exclusive. This equates to a modest rent of £12 per sq ft plus rental incentives to be agreed.

In order to remain flexible as part of the marketing we do not fix the lease term and accordingly simply advertise a new full repairing and insuring lease with a term to be negotiated and agreed.

We prepared marketing details (see copy enclosed) and in order to encourage parties to contact us with the potential for either retail and office use in order to appeal to a wide as possible audience. We also included up to date photos and floorplan.

In terms of the reach of the marketing of these premises we targeted all tenants and uses from offices, retail, trade counter, care agencies, estate agencies, medical and health centre's, financial advisors etc.

Whilst the property does not split that easily we have taken a fairly broad approach to marketing and where possible indicated that sub letting would be possible subject to any required consents.

Our client was open for alternative commercial uses which were in keeping with the development such as a gym or educational uses.

6. Viewing Log

Applicant 1	Local weight training and fitness gym	Not suitable due to lack of parking.
Applicant 2	Local Accountancy Firm	Too large and too expensive on fit out.
Applicant 3	National Sandwich Business	Configuration not suitable
Applicant 4	Local Specialist Gym	Offered unacceptable lease terms and rent.
Applicant 5	Double Glazing Retailer	Not suitable location.
Applicant 6	Charity Shop	Not suitable location/not enough footfall.
Applicant 7	Charity Shop	Poor loading/drop off for donations

7. Marketing Summary

Since the property was originally released to the open market for letting the property has been widely available on various UK commercial property search portals as well as our own Michael Jones commercial web pages. The property has been emailed to applicants and interested parties throughout the marketing process and we have relaunched the property several times in order to re-engage with new and old enquiries.

We have also initiated and undertaken the following pro active marketing initiatives and summarise these as follows:

- 1) **Lettings Brochure** – from the outset of the instruction to the present time we have produced and provided interested parties with our inhouse designed lettings brochure. These are held electronically as a pdf and generally emailed to prospective parties and followed up with regular contact to establish the degree of interest and feedback.
- 2) **Online Advertising** – the majority of our applicant interest comes from the internet, either through our own Michael Jones website or through other websites that we subscribe such as Zoopla Commercial, Rightmove Commercial and Prime Location. The property has also been sent to the local inward investment organisations such as Arun District Council to include the Business Development Manager, Miriam Nicholls as well as Arun Business Partnership.
- 3) **Marketing Board** – since our instruction we have had a prominent marketing 'V' board advertising the property 'To Let'.

- 4) **Electronic Mail Outs** – the property has been emailed out to our inhouse database of 500+ businesses and applicants who are registered with us looking for commercial premises. We have also listed the property on The Estates Agents Clearing House (EACH) which is a commercial property
- 5) information service reaching all 11,500 + agents across the UK. This was circulated on the 13th March 2017 to 266 agents and on the 5th June 2017 to 463 agents and on the 1st July 2019 to 525 agents.
- 6) **Telephone Canvassing** – we have regularly undertaken telephone promotion to businesses and retained agents in an attempt to generate positive enquiries. All email enquiries have been followed up with telephone calls where possible.

8. Conclusion

Despite the proactive and targeted marketing campaign that has been undertaken by Michael Jones & Co we have been unable to find a suitable commercial tenant to operate from the property. On our client's instructions we have regularly encouraged interested parties to make sensible offers on the premises and the client has been mindful to accept the current market conditions and understand that ingoing operator would need to carry out a suitable fit out.

There remains a number of other shop units vacant and on the market in the main pedestrianized precinct of the High Street including; the former Hartley's wine shop at 1629 sq ft, the former Bunce hardware shop at 2828 sq ft and the former NatWest Bank at 1539 sq ft. These shops are arguably in more prime retail locations being amongst nationals such as Costa, The Works, Card Factory, Boots, Superdrug etc.

Accordingly, the client has been open minded to offer tenant incentives such as reduced rent or rent free period in order to assist with any ingoing tenant fit out costs. Likewise, we have been keen to stress general flexibility towards the lease terms i.e., encourage tenant break options.

Our general view from the feedback from the marketing is that the location and lack of parking/loading facilities has led to the limited amount of interest. With the continued struggles with retailers and general demise of the traditional High Street across the UK and given that there are other shop units available in the main pedestrianised precinct of Littlehampton High Street, which arguably offers more visibility and pedestrian footfall.

In conclusion it is our opinion that the client considers alternative uses for the property and would therefore recommend change of use to residential accommodation.

Yours sincerely



Steve Berrett
Director

For and on Behalf of Michael Jones & Co Ltd