

Marketing Report



The Hop Poles
2 Mount Pleasant Road
Alton
Hampshire
GU34 1NG
DECEMBER 2020
(Updated March 2021)

Introduction

1. This report briefly lays out the marketing strategy of the Hop Poles in Alton throughout Vail Williams' marketing period of 15 months following instructions from Enterprise Inns.
2. We will discuss the interest received throughout this marketing period.

Background

1. The Hop Poles located within the market town of Alton provides close proximity to the A31 into Guildford as well as being circa 51 miles into London.
2. Located just 0.8 miles from Alton Station that provides direct trains into London taking approximately 1 hour.
3. The Hop Poles is a Grade 11 listed public house with a side extension namely added in the 1980's towards the rear of the property.
4. Internally the bar is laid out across the majority of the ground floor space with a small prepping kitchen behind.
5. The extension to the rear of the building consists of both men / women's toilets with a separate access into the pub garden.
6. The 1st floor consists of five habitable rooms as well as two interconnecting bathrooms.
7. The site itself is over 0.16 acres including a small garage and parking for approximately 6 cars.

Barrelage Numbers

1. Please see below some trade numbers from the previous few years. These have been provided by my client Enterprise Inn's.
2. It is extremely important to note the last two years - FY18 / FY19 were operated by Beacon Pub Partners who work closely with Enterprise Inn's. They provide deep discounts hence the higher barrelage.

Year	Volume	Rental Inc
FY15	176	37
FY16	62	25
FY17	59	3
FY18	199	3
FY19	160	0

Marketing Strategy

Vail Williams have been marketing the pub and surrounds for approximately 15 months following vacant possession of the pub. We were the sole agents instructed on the sale going forward however local estate agents were contacted with the possibility that they would have someone in their books.

1. Boards were erected on the front elevation of the pub where the most traffic & footfall would be outside of the property with the sole letting agent details included.
2. We prepared in house marketing particulars with a sale price of offers in excess of £500,000 (excluding VAT). This was later reduced to offers in the region of £450,000 following abortive negotiations with another party as well as a negative effect on the market due to Covid-19. The property was competitively priced compared to other licenced premises for sale in the area.
3. The Property was marketed on the Vail Williams website as well as further online portals such as Rightmove, Estates Gazette, Zoopla & Property Link. The property was kept online throughout the marketing period of 15 months and we were therefore receiving few enquiries throughout this period.

4. The Property was sent to over 100 developers within Vail Williams in-house database.
5. In marketing the property, it was noted that alternative uses may be permissible via a change of use. The premises were therefore marketed to as wide a client base as possible, including publicans, alternative community uses and developers.

Interest

1. We received circa 45 enquiries throughout the process as well as 15 viewings. I imagine that 85% of these enquiries have been for the potential conversion of the existing pub into residential.
2. There were three open days held as well as a number of private viewings. The vast majority of enquiries, circa 85% were from developers rather than publicans or other persons/businesses seeking premises for alternative community uses. The two or three publicans that did view the premises had the opinion that the kitchen area was too small however all of them commented on the bad reputation the pub had over the past few years and how hard it would be to shake that opinion of the locals. There were no offers from any publicans that viewed. There was no interest from any other occupier, including alternative community users, except residential development.
3. We were previously under offer to a private individual at £532,000 in January 2020. Negotiations later fell through due to timescales not being met. The individual was looking to re-develop the site for residential.
4. We continued to market the property during the negotiations with the suggested purchaser.
5. Due to Covid and the existing market / lack of interest into the property the building price was reduced to offers in the region of £450,000. It was suggested throughout the marketing process that this would be a much more attractive price for potential purchasers.
6. An offer of £400,000 was then accepted from a company called DHSR and completed in December 2020.
7. Vail Williams valued this property to generate as much interest as possible throughout the marketing period of 15 months. It was not marketed to a specific or targeted client.
8. It is worth noting that on 10 + occasions local developers stated that the pub had a bad local reputation and 99% of the community would be pleased to see it go. It was also stated that due to the listing of the pub it would be difficult for many of the local developers to obtain planning. There was also a concern of the height of the ground floor bar area and how you would be able to utilise this space.

Conclusion

1. The Property has been marketed in excess of 15 months by Vail Williams who act on behalf of EI for a number of disposals across the South East.
2. Market conditions for pubs remain poor, with the additional factor of the Hop Poles local reputation the pub has been forced to close for over 15 months.
3. Covid-19 has played a big part in the marketing campaign and offers that have eventually come forward. We believe that the lack of publicans wanting to view is mainly due to the bad reputation that the pub has as well as the market for opening up a new pub in Covid-19 times.
4. We understand that the local market changed significantly in 2015 when The Ivy House was refurbished and opened by JD Wetherspoon. The Ivy House is 80 metres from The Hop Poles. Additionally, the Hop Poles had 3 different tenant landlords in as many years up until it closed. I think it is also worth noting that there are 17 pubs in Alton, of which 13 are within half a mile, so competition was very strong.
5. There was no surprise that 85% of the interest came from residential developers rather than publicans / alternate uses.
6. We did not receive any interest from any alternative community users/business. In our view and experience, this is likely to stem from the restrictions of the listed building status, the substantial investment that the building demands and the availability of alternative premises in the town centre.
7. With the price reduction and the lengthy marketing spell we are fully under the impression that the best marketing campaign has taken place with the contributing factors surrounding the tough climate in 2020.

Elliot McNish

Surveyor

For and on behalf of Vail Williams LLP