

MARKETING HISTORY

**FORMER ADMIRAL MANN PH
9 HARGRAVE PLACE
ISLINGTON
LONDON
N7 0BP**

6TH NOVEMBER 2017

AG&G

**Chartered Surveyors
Licensed Leisure Property Specialists**
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CHARTERED SURVEYORS • LICENSED LEISURE SPECIALISTS

6th November 2017

Dear Sirs

**RE: FORMER ADMIRAL MANN PH, 9 HARGRAVE PLACE, LONDON, N7 0BP
("The Property")**

I write in connection with your request for AG&G to provide a summary report on our marketing activities undertaken in respect of the above property and to provide commentary on the proposed alterations to pub.

Woodham Properties Limited acquired the Property in September 2014 and I understand that a summary of AG&G's marketing activities is requested to assist a planning application.

It is necessary to advise that AG&G are not planning consultants, but are very experienced in selling and letting licensed premises. This report is provided to supply background details on the Property and a summary of the marketing processes undertaken by AG&G.

AG&G was founded in October 2000 by three chartered surveyors, Anthony Alder, James Grimes and David Gooderham specialising in property matters within use classes A3 (Restaurants and cafes) and A4 (Drinking establishments) of the Town and Country Planning (Use Classes) Order 1987.

By way of background AG&G work for some of the UK's largest pub and property companies such as Enterprise Inns, Punch Taverns, Greene King, Mitchells & Butlers, Land Securities and British Land to name just a few. For further information about AG&G and to view a list of some of our Clients it is recommended that you to visit our website: www.agg.uk.com.

AG&G have transacted on over 400 pubs since 2009 within Greater London.

I am an Associate Director at AG&G having joined the Company since 2008.

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THE PROPERTY

The property dates back to the 1880's and is built on three storeys over a basement. In its recent past the Property was owned by McMullen's, a well-known brewer and pub company based in Hertfordshire which was established in 1827. However, I am advised that they made the decision to place the pub on the market, largely due to its poor trading history across a number of years and lack of potential revenue growth, and that it was sold after being closed in September 2014. Please see letter within Appendix 1.

I understand Woodham Properties Ltd have sought to improve the property by conversion of ancillary space and by an extension to the pub floor area. After an appeal dismissal, the amended scheme now includes a commercial kitchen to be situated in the basement. We have reviewed the proposed plans layout plans and it is considered that installing a trade kitchen could assist pubs potential to draw-in customers with a food offer.

BACKGROUND

AG&G were instructed to market the Admiral Mann on the 8th February 2016. We advertised the Admiral Mann inviting offers for the freehold interest without quoting a guide price on the particulars to attract interest. The advertised accommodation consisted of the ground floor, basement and the upper floors.

The Admiral Mann had a marketing plan designed to create as much exposure as possible to every kind of operator. Sales particulars (copy attached within Appendix 4) were sent to all appropriate parties registered on AG&G's database which resulted six parties viewing the property. These applicants consisted of anyone looking in London generally as well as known operators who are acquisitive in London.

Unfortunately, following the viewings we did not receive a single offer for the pub with the main feedback being concern over its off-pitch location off the main road and its size and lack of kitchen facilities. No enquires were received from the nominating parties to the ACV.

MARKETING HISTORY

After reviewing the file we can confirm the following:-

1. Details were circulated to selected parties registered on AG&G's database opted in to receive freehold vacant possession pub opportunities such as the Former Admiral Mann, N7.

AG&G's database comprises of circa 15,000 registered to receive details of pub opportunities. AG&G's database has a broad range of applicants including parties seeking properties in use classes: A1 (Shops), A2 (Financial and Professional Services), A3 (Restaurants and Cafes), A4 (Drinking Establishments) and A5 (Hot Food Takeaway).

AG&G's database includes: corporate pub operators, numerous independent individual and small multiple pub/bar operators, regional brewers, national convenience store operators as well as a number of drive-thru fast food operators.

2. Postal mailout of sales details to the nearest 40 estate agents.
3. Postal mailout of sales details to the nearest 40 pubs.
4. Numerous parties inspected the property externally prior.
5. AG&G conducted 6 viewings at the property.

In our experience the above represents an extensive marketing campaign which would have provided widespread notice of the Property's availability.

OVERVIEW OF MARKETING CAMPAIGN

Despite the open marketing campaign, no offers were received for the property.

It is disappointing when a pub closes, particularly when it may have once provided focus for a local community. It is however considered that fundamental shifts in demographics and working patterns, together with wider economic factors, have impacted community demand and focus towards many local pubs, causing this pub to become unviable as an on-going business.

It is considered that the licensed property market within the immediate area generally continues to experience difficult trading conditions, in line with other consumer-led markets, largely due to wider economic conditions, smoking ban, tax on beer and competition in terms of the price of alcohol in supermarkets. It is however never really known if a pub is unsustainable until it has been fully exposed to the market and potential pub operator purchasers.

Improving the offer of the pub to include a food offer should increase its appeal to local customers.

CONCLUSION

It is our opinion that due to wider economic factors and the shift in demographics within the local area the subject premises as laid out is unattractive to pub operators, a fact borne out by AG&G, specialist pub agents, received no offers or lines of interest from any pub/bar operators.

We believe that a change in the offer to include kitchen facilities on-site, and thereby diversifying the income stream is the best hope of a viable business being returned to the site.

Yours faithfully

Panayiotis Themistocli BSc (Hons) MRICS
Associate Director

AG&G

Leisure Property Specialists

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APPENDIX 1

LETTER FROM PREVIOUS OWNER (McMullen)



McMullen & Sons, Limited
The Hartford Brewery
28 Old Cross
Hertford
SG14 1RD

Tel: 01992 584811
Fax: 01992 500729
Fax: 01992 500212 (Retail)
www.mcmullens.co.uk

11th September 2014

Dear Sirs,

Re: Admiral Mann, 9/9a Hargrave Place, Holloway, London, N7 0BP

The Admiral Mann Public House has been in the ownership of McMullen & Sons Limited since its purchase by the company in 1923. Even before the purchase, McMullens ran the pub under Tenancy from the previous owners.

By virtue of the small size of the building, the pub has always been run as a Tenancy since before 1923, other than for a period of 15 years between 1985 and 2000 when the Company ran the pub as a Managed House following major investment in the site. During this period of management however, barrelage dropped from 366 barrels a year in 1985 to 222 barrels in 1999 so it was decided to put the pub back to Tenancy which is how it has been run up to its closure in August of this year.

The last Tenant prior to closure had been at the pub for some 10 years and during that period barrelage dropped further from 217 barrels in 2004 to 150 barrels in 2014, with the majority of the fall in trade between the 5 year period 2009 and 2014 when the Tenant lost over 30% of its trade.

A pub in this hidden location has severely been hit for many reasons with declining trade not just over the last 5 years but over a period of almost 30 years. With all the Government interference in the Tenanted model, costs have risen substantially yet the rent has remained static questioning the whole viability of the site. For the Government to suggest that owners must reduce rents further only exacerbated an already volatile income stream subsequently resulting in the closure of the pub.

The Admiral Mann is not a large PH and its use was contained to the ground floor only. The basement was used for storage, and the upper floors were solely for the accommodation of the tenant. As such the building could not be used to serve the community beyond acting as a drinking establishment. The limited space within the ground floor area and the open layout (being incapable of providing a meaningful enclosed meeting space) occupied by the existing use provides very little scope for any significant community/meeting space function.

McMullens however still remain proud of their heritage which goes back to 1827 and remain committed to brewing beer and retailing through its Tenanted and Managed Houses. Regretfully, Government interference has put a question mark over many Public Houses throughout the Country and this coupled with the weakening of the tie has led to many closures nationally which has left the owners with no alternative other than to sell for alternative use.

As a Company, we still look at every possible option to continue trading, but with trade falling continually over the last 30 years and despite attempts to revive sales, we were faced with no option other than to sell the Admiral Mann as it was no longer a viable asset to the company. This decision was not made lightly but the capital from the sale will be used to invest in the remainder of our estate as well as to buy and build new pubs with growth potential where Government interference is not envisaged.

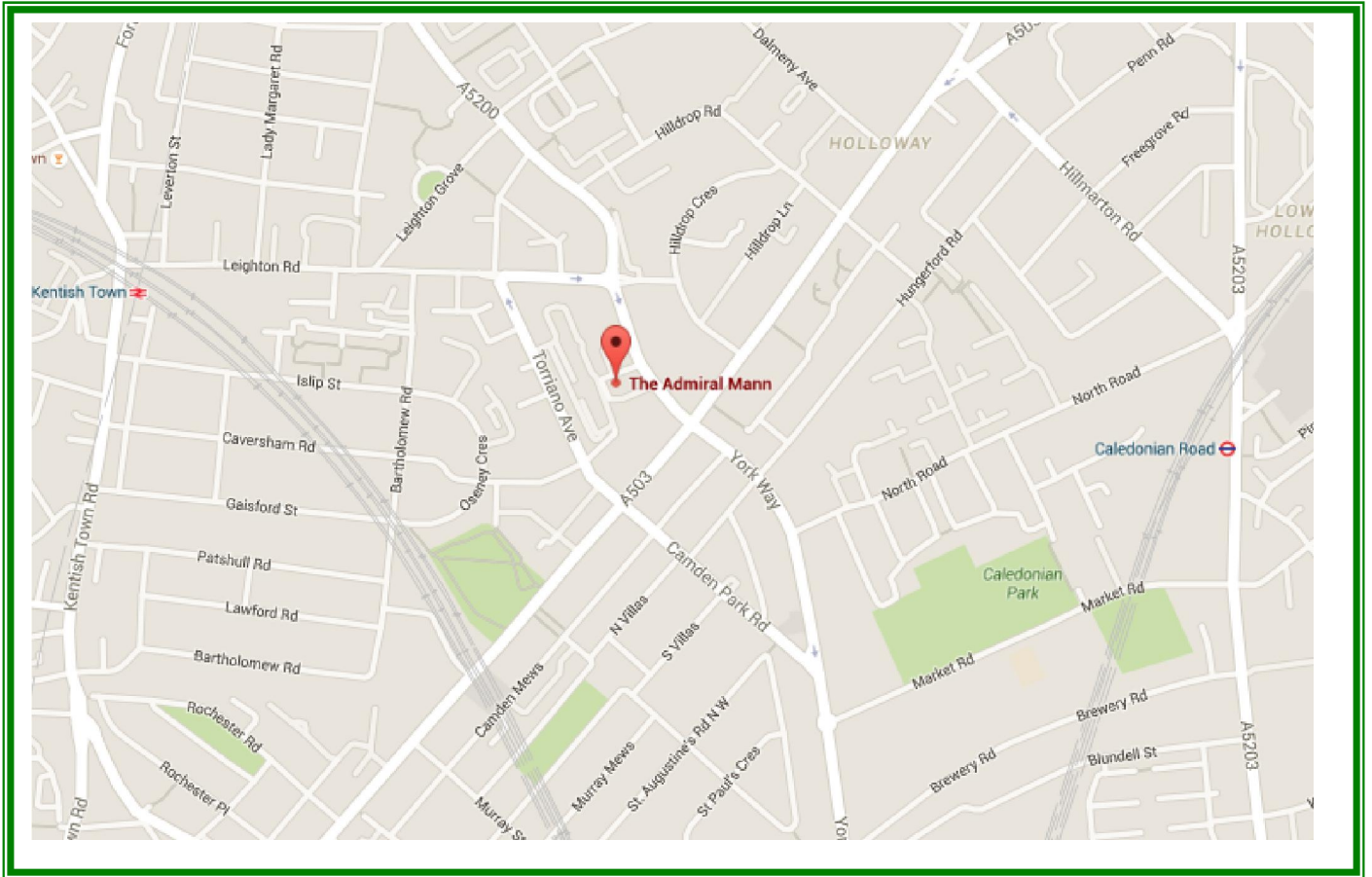
Yours Faithfully

A handwritten signature in black ink, appearing to read 'Andrew Newbury', with a long horizontal stroke extending to the right.

Andrew Newbury
Property Director

APPENDIX 2

LOCATION PLAN

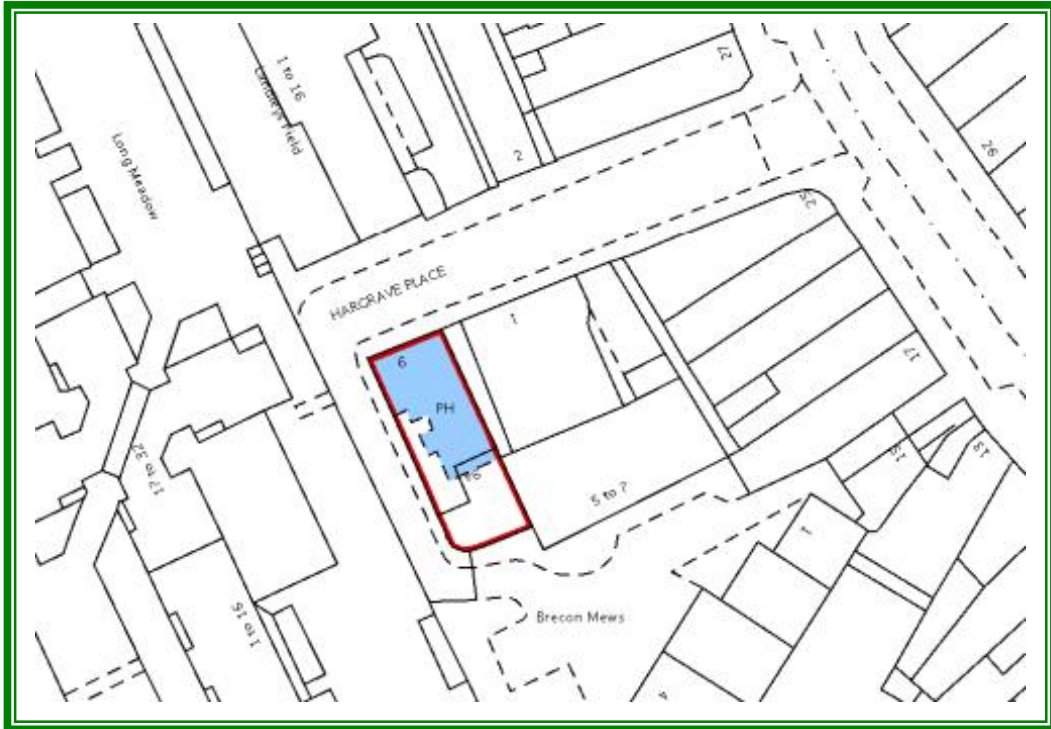


THE ABOVE LOCATION PLAN IS NOT TO SCALE AND IS PROVIDED FOR INDICATIVE PURPOSES ONLY.

Note: This plan is based upon the Ordnance Survey Map with the sanction of the controller of HM Stationery Office. Crown Copyright reserved. This plan is published for convenience of purchasers only. It is for indicative purposes only, its accuracy is not guaranteed and is expressly excluded from any contract. © Crown Copyright ES 100033218.

APPENDIX 3

TITLE PLAN



THE ABOVE SITE PLAN IS NOT TO SCALE AND IS PROVIDED FOR INDICATIVE PURPOSES ONLY.

APPENDIX 4

PHOTOGRAPH



APPENDIX 5

AG&G PARTICULARS

LOCATION

The property lies between Holloway and Kentish Town approximately 5 kilometres (3 miles) north of London's West-End. It fronts Hargrave Place circa 50 metres east of Brecknock Road (A5200).

Kentish Town rail/tube station and Caledonian Road tube station are all within 10 minutes walking distance which provide frequent services into central London.

A location plan is attached.

DESCRIPTION

The main building is an end of terrace property set out over three storeys above part basement beneath a parapet wall. There is a single storey flat roofed extension linking to a partially divided two storey former stable block at the rear. Internally the pub has the following configuration:-

Ground floor: Sub-divided into two bar areas and a set of customer wc's.

First floor: Provides a lounge, domestic kitchen, a shower room and a separate wc.

Second floor: Comprises two double bedrooms and a single bedroom.

Basement: Cold beer store with ancillary storage areas.

The property has the following approximate gross internal areas:

| | |
|-----------------|-----------------------------|
| Ground floor | 162 sq m (1,743 sq ft) |
| First floor | 96 sq m (1,034 sq ft) |
| Second floor | 64 sq m (688 sq ft) |
| <u>Basement</u> | <u>60 sq m (646 sq ft)</u> |
| Total | 382 sq m (4,110 sq ft) |

Using the Online ProMap measuring system it is calculated that the total site area extends to approximately 200 sq m (2,150 sq ft).

A site plan and a set of floor plans are attached, please be advised that the floor plans are not to scale and are provided for indicative purposes only.

NB: The site area set out is based on measurements taken using the ProMap measuring system and is for guidance purposes only and no reliance should be placed on this when making any offer to purchase either expressly or impliedly and for the avoidance of doubt AG&G Chartered Surveyors will be not liable for any losses howsoever arising in law as a result of the bidder placing any reliance on such measurement. The successful bidder should state if they wish to undertake a measured survey prior to exchange of contracts to enable it to satisfy itself of the precise measurements.

PREMISES LICENCE

The property historically held a Premises Licence which permitted the sale of alcohol from 10:00am until midnight on Sunday to Thursday and from 10:00am until 1:00am on Friday and Saturday. It is not currently licensed.

LOCAL TAXATION

The property is listed as a public house and premises and has a rateable value of £17,000. The rateable value is assessed to £17,000 with effect from April 2017.

PLANNING

From verbal enquiries of Camden Council it has been established that the property is not listed by English Heritage as being of Special Architectural or Historical Interest but it is locally listed. It does not lie within a conservation area. The pub is listed an Asset of Community Value. During the initial six weeks moratorium period the local community group have not exercised their right to purchase the pub.

The Vendor has applied for various redevelopments and/or changes of use in the past two years, full details of which can be obtained from the London Borough of Camden. A summary of each application is set out below:-

| Camden Council Planning Ref No. | Description |
|------------------------------------|---|
| 2015/6922/P | Use of the first floor of the building at 9A Hargrave Place as a self-contained residential unit. GRANTED 21/01/2016 |
| 2015/4456/P | Demolition of building at 9A and partial demolition of 9 Hargrave Place and redevelopment of the site including a new 3 storey building to the rear; multiple storey rear extensions, basement extension, mansard roof addition and associated works to main building at 9; conversion of part of ground floor and upper floors from Public House (A4) to residential (C3) use and the creation of 5 residential flats (3x2 bed and 2x1 bed). REFUSED 10/08/2015 |
| 2015/1814/P | Use of the ground floor and basement as a retail shop (Use Class A1). REFUSED 18/05/2015 |
| 2015/0909/P | Partial Demolition and redevelopment of the buildings to create a mixed use scheme including retention of the existing PH, 6 residential flats and excavation works to the basement. WITHDRAWN 02/03/2015 |

Further information on the above mentioned planning applications can be found by following the below web link and searching using Camden Council's Planning Reference Numbers.

<http://planningrecords.camden.gov.uk/Northgate/PlanningExplorer17/GeneralSearch.aspx>

BASIS OF SALE

Seeking unconditional offers (+VAT if applicable) for the freehold interest with vacant possession upon completion.

VIEWINGS, OFFERS AND FURTHER INFORMATION The business is currently closed, all viewings are strictly by appointment only. Those requiring further information or seeking to arrange access for a viewing please contact either James Grimes or Panayiotis Themistodis of AG&G on Tel: 020 7835 7826 or Email: james.grimes@agg.uk.com or panayiotis.themistodis@agg.uk.com.