

Fleurets

a fresh approach



EAST ANGLIA 2009 - A STRONGER MARKET THAN WAS EXPECTED

The year started quite slowly but this is what we expected to happen. We were convinced that this trend would continue throughout the year implying that property values would fall as a result of the inactivity. Vendors who needed to sell would have to drop their prices in order to attract the few buyers that were still in the market. Gloomy property news articles in the media for the East Anglia region and nationally were further fuelled by the lack of availability of funding from the banks and the significant uncertainty in the debt market. However, surprise, surprise! Just two months into the year and the licensed leisure market in East Anglia took off – literally! although the marketplace was very different than previous years. There were plenty of willing and able buyers around. Investors showed an appetite for pubs in particular and 61% of freehold pub purchases were self – funded (100% cash – no mortgage/loan required). Also, many pubco tenants around the region were provided with the opportunity to purchase their pubs from their landlords and many did just that. The average of the freehold sale prices achieved in East Anglia by Fleurets was the highest in the whole of the UK.

The demand for leasehold opportunities fell dramatically and the average price fell from 0.23 of turnover to 0.15. Also, there were less transactions than in previous years. It is interesting to note, however, that 90% of the leasehold deals done were new lettings and private landlords who changed from being owner operators to investor landlords owned 55% of those properties!

Hotel sales in East Anglia were identical to the previous year although the average price of a fully licensed hotel had fallen to £747,750, down 33.3% on the previous year. Demand in the region remains strong but the majority of hotel purchasers require funding and we therefore urge banks to take a close look at the part they are to play in the hotel sectors recovery.

Notable hotel sales in the region include the Carlton Manor Hotel, Carlton Colville, Suffolk, an elegant fully licensed AA 3 star business with 14 en-suite bedrooms and the Pier Hotel, Gorleston on Sea with 20 bedrooms, sold for the second time by Fleurets within four months.

Sales of upmarket freehold freehouses included three famous riverside pubs, The Butt & Oyster Pinmill on the River Orwell, Maybush Waldringfield on the River Deben, both in Suffolk and the Peterboat Leigh on Sea, a landmark Essex pub overlooking the Thames Estuary.

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Carlton Manor Hotel, Carlton Colville, Suffolk – freehold hotel sale



Peterboat, Leigh on Sea, Essex – freehold pub sale

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Butt & Oyster, Pinmill, Suffolk – freehold pub sale.