

## Basis of Public House Statistics



As you may be aware Fleurets publish yearly statistics to outline the changes in values to Public Houses across the country. Due to the uncertain economic times we all are currently finding ourselves in we have been asked to produce a 6 month Update of our Survey of Prices.

We are pleased to meet this request and have produced this document to briefly outline the changes over the last 6 months. The figures used are a record of what Fleurets have had on the market and actually sold within the last 6 months, from 1<sup>st</sup> October 2008 to 31<sup>st</sup> March 2009. We have divided our statistics into, a) Freehold Freehouses (those with the benefit of accounts) and Bottom End Disposals (those without the benefit of accounts). In addition, we have then broken-down and analysed the data into regions (North, Central & South).

## Prices & Multiples at a glance



### Bottom End (closed and /or without accounts)

	Bottom End Prices			Bottom End Multiples		
	2007	2008	+ 6 months	2007	2008	+ 6 months
North	£223,913	£204,721	£186,332	1.52	1.37	1.33
Central	£327,663	£287,954	£334,071	2.33	1.90	1.48
South	£409,550	£250,000	£189,688	2.09	2.50	1.89
National	£319,774	£290,440	£278,936	2.00	1.94	1.50

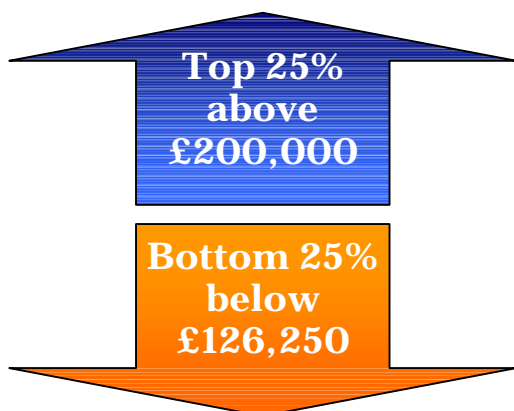
- » Prices have seen a fall from £290,440 to £278,936, resulting in circa 4% decline.
- » 90% of freehold sales in the past 6 months have seen closed pubs or those without the benefit of accounts.
- » This is the result of the high amount of corporate disposal instructions we have dealt with.
- » Many have been sold for alternative use.
- » Bottom End multiples on average have seen a significant fall from 1.94 x turnover to 1.50 x turnover.
- » Indicating buyers are getting better pubs similar prices.

### Freehold (with the benefit of accounts/ goodwill)

- » With regard to the few Freehold pubs sold with the benefit of accounts we have seen an increase circa 20% to £645,000 on the figures reported for 2008.
- » Pubs with the benefit of accounts have seen a slight increase in multiples of turnover, to 1.98 x turnover.
- » Most experienced operators of “good quality” pubs are simply not going to market at present.

## National Freehold Picture

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- » Inter-quartile range is £126,250 to £200,000.
- » The top 10% of sales were above £327,500.
- » 10% of sales were below £99,000.

## North

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- » The last 6 months has seen Bottom End sales fall from £204,721 to £186,332 resulting in a 9% fall.
- » This is over twice the decline seen on a national level.
- » Bottom End multiples remained stable with only a 3% decline compared to the 22% fall nationally.

## Central

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- » Bottom End sales have seen a turnaround since the 2008 figures. The last 6 months has seen average prices rise 16% to £334,071.
- » As a consequence on average figures are surpassing those reported in 2007.
- » Bottom End multiples have fallen inline with the national average.

## South

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- » Compared with the 2008 figures Bottom End sales have experienced a 24% fall in price.
- » Bottom End multiples have fallen by 24% to 1.89 x turnover, although still significantly above the national average .