

MARKETING REPORT

IN RESPECT

OF

FORMER POST OFFICE

3 STATION ROAD

DINAS POWYS

CF64 4DE



24 November 2016

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1.0 INTRODUCTION

Burnett Davies with Easton are a firm of Chartered Surveyors and Estate Agents whose principle office is based in the Village Square at 5 Station Road, Dinas Powys CF64 4DE.

Alex Easton MRICS is a Chartered Surveyor with close to 20 years' post qualification experience in both the residential and commercial property markets across the Vale of Glamorgan and Cardiff.

Burnett Davies with Easton were appointed by the property's owner, Vanessa Damiani, in April 2015 to sell or let the property.

A comprehensive and prolonged marketing programme has therefore been undertaken, without success, for a period of 19 months.

In light of the above, we understand that the owner is now exploring an alternative use and as a result, has requested that we produce a report outlining our marketing of the property and interest / demand generated.

2.0 THE PROPERTY

The end of terrace, two storey premises comprises a ground floor retail unit, with ancillary accommodation, which extends to the following areas:

- Open plan sales: 43.60 sq m (470 sq ft)
- Rear offices: 21.54 sq m (230 sq ft)
- Basement storage: 27.80 sq m (300 sq ft)
- Rear yard with 2 storey annex, extending to 32.34 sq m (350 sq ft)

Following the closure of the post office, the retail element has been vacant and marketed with vacant possession.

At first floor level, the property comprises a 2 bedroom, self-contained flat which has been occupied consistently under an Assured Shorthold Tenancy (AST).

3.0 MARKETING

In tandem with marketing at a local level from our office in Dinas Powys which occupies a prominent position in the village, we also marketed the former post office from Burnett Davies' Barry office and via the dedicated, commercial team in Cardiff.

In addition to its current use which falls within A1 (retail), as defined in the Town and Country Planning (Use Classes) Order 1987 (and subsequent amendments), the property was also advertised as being potentially suitable, subject to planning, for a number of alternative uses.

This included A2 (financial services), A3 (restaurant & café), B1 (office) and D1 (clinic or consulting rooms).

We tried therefore, from the outset, to broaden the property's appeal to the widest possible market.

In respect of the aggressive and comprehensive marketing strategy, a joined up approach was implemented by the three offices and initiatives undertaken included:

- A 5' x 4' marketing board was erected on the gable end of the building and a further, 5' x 4' board was placed in the shop window.

The signage read "A1 Retail Premises", "For Sale or To Let" and "suitable for a number of alternative uses, subject to planning".

- A set of comprehensive property particulars were produced setting out detailed information including areas, rates and planning guidance together with colour photography and full floor plans

A copy set can be found attached as Appendix 1.

- Extensive, targeted mailing exercises were undertaken by email and post.

Recipients included the following:

- The local authority and other public sector enablers
- Commercial agents active in the Cardiff and Vale area who might potentially be representing clients seeking similar premises in the area
- Relevant applicants held on our in-house databases seeking retail premises / office space
- Parties who made enquiries about the property
- Advertising was also undertaken at a local and regional level within the property pages of the Barry Gem and Western Mail.
- Website coverage including Rightmove, Zoopla, OnTheMarket.com and our own website.
- Window cards also promoted the availability of the property within Burnett Davies with Easton's Dinas Powys and Barry shopfronts.

In respect of terms, the freehold (for the property as a whole) was available at an asking price of £325,000.

Alternatively, the ground floor retail and ancillary accommodation was available by way of a new, flexible lease, on terms to be agreed, at a moderate annual rent of £10,000, exclusive of all other outgoings.

4.0 DEMAND

The above marketing generated little interest and over a c.19 month period and resulted in only a handful of viewings.

These can be found detailed below:

- 5 / 5 / 15 Dean Stewart (deli / coffee shop)
- 17 / 5 / 15 David Viera (confidential use)
- 22 / 5 / 15 Helen Maitland Evans (office use)
- 3 / 6 / 15 Ben Ford (office use)
- 8 / 9 / 15 Brinsons with client (investor)
- 18 / 9 / 15 John Jones (confidential use)
- 7 / 4 / 16 Rachel Roninson (deli / coffee shop)
- 7 / 5 / 16 Dr Scelebi (potential investment)
- 14 / 9 / 16 Green Willow Funeral Directors
- 13 / 10 / 16 Vicky Clarke (fertility clinic)
- 7 / 11 / 16 Robert Tyler (potential investment)

The above, limited interest, was typically from potential investors or 'start up' businesses with no trading history or indeed covenant strength.

In terms of uses, most, if not all, would have required a change of use...a common theme being A3 (café, deli or coffee shop) or office use.

This is interesting given that the village would appear to already be saturated with such operators given the existence of the following offering already positioned within, or on the fringe of the village:

- The Wild Blackberry deli
- The Plug coffee shop
- 3 public houses, namely The Star, Cross Keys and The Horseshoes
- The Huntsman restaurant
- Two fish and chip shops
- Three Chinese takeaways
- Three Indian takeaways

A single offer was received which proved to be completely unrealistic...

The interested party requested annual break options in their favour, a reduced rent and 3 month rent free commencing from their date of occupation.

In addition, they didn't want to make a contribution towards the service charge (in respect of the upkeep and maintenance of the building, common / shared parts and buildings insurance etc.).

Furthermore, they required a change of use to a clinic (D1).

5.0 CONCLUSION

Despite extensive marketing and advertising, the property failed to sell or let given sparse demand from retailers or office occupiers at a local level and no demand whatsoever from any of the national multiple retailers given the size of the unit and demographics of the village.

Our conclusion is that the situation is unlikely to change going forward, even if we were to continue to actively market the property and it would be sensible therefore to consider an alternative use.

In this regard, we believe a conversion of the ground floor for residential purposes would be sensible given the buoyant nature of the housing market and strong demand for apartments and houses in or on the fringe of the village square.

APPENDIX 1

