

Our Ref: AMT/lr/M-816915
24 November 2009

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TO WHOM IT MAY CONCERN

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Regulated by RICS

I write in connection with the above property which is owned by Marston's Plc and has been on the market via ourselves.

My understanding is that the last tenant was evicted by Marston's having breached his tenancy obligations in respect of both the paying of rent and purchasing obligations. We do not have details of his personal finances or circumstances but such breaches of tenancy obligations are frequently symptomatic of a failing business.

This presumption would also be given weight by the beer volumes which have been provided to us by Marston's. These suggest that beer volumes had fallen markedly as follows:-

2005	175 Barrels
2006	134 Barrels (down 24%)
2007	44 Barrels (down 68%)

The 2007 figure should be treated with some caution given the comment earlier about the buying of stock and possible periods of closure but the trend would unquestionably appear to be downwards.

Following the termination of this tenancy Marston's themselves tried to let the property for use as a pub whilst keeping it open and trading via an agency. The letting campaign was unsuccessful and the agency agreement ceased in May 2008 when the property closed for business. It has not re-opened since.

Just prior to this (February 2008), we were instructed to market the freehold interest whilst continuing to advertise the Leasehold/Tenancy option. Fleurets are a nationwide company who specialise wholly and exclusively in the sale and valuation of public houses and other licensed property. We act on behalf of most of the major pub owning companies and despite the recent economic downturn have remained very busy in recent months with the vast majority of our business being conducted in the 'lower end' of the freehold market which has thankfully remained pretty active.

This is precisely the sector I would place The Bakers Arms in yet despite 21 months worth of extensive marketing which has included very heavy mailshooting (we have specifically targeted more than 10,000 parties); 483 specific requests for details, 9 viewers, 2 failed sales; 1 notable price reduction (from £275,000 to £199,000) and advertising in the trade press and on our company website, we have struggled to achieve a sale.

Of the interest we have had, the majority has been for alternative use (primarily residential conversion). Pub operators have generally dismissed it for a combination of the following reasons: it's small size and limited trading areas; lack of trade kitchen; level of external smoking area; amount of work required to bring up to modern requirements; it's 'off pitch' position; limited amount of car parking; level of competition and generally limited trading potential.

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As a company we feel we are as well, if not better positioned than anybody to market such properties and are comfortable that we have made every attempt to find a suitable purchaser. Twenty one months on though, including a period where a joint agent was brought on board to add fresh input, we have been unsuccessful and have come to the conclusion that the likelihood of the Bakers Arms re-opening and re-establishing itself as a viable licensed business is regrettably very limited.

Yours faithfully

A handwritten signature in black ink that reads "Andy Tudor". The signature is written in a cursive, flowing style.

Andy M Tudor