



RICS Pub Benchmarking Survey

Summary of Q2 2017 results

Lease lengths: The average new lease length edged up to eight years in the second quarter of 2017.

Final Rents: The average rent on a new lease was £ 37,691pa (with the four quarter rolling average shown in chart one at £35,219).

Projected Turnover: The average projected turnover of the leased pub was £396,207 pa (with the four quarter rolling average shown in chart two at £390,565).

Rent as % of projected turnover: The average rent on a new lease was 9.1% of projected turnover (with the four quarter rolling average shown in chart three at 8.9%).

Wet share: On average the wet share of turnover on new leases was 73%.

Dry share: On average the dry share of turnover on new leases was 24%.

Other share: Other shares of turnover on new leases was 3% on average.

Part tie: On average 28% of new leases have a part tie.

Full tie: On average 58% of new leases have a full tie.

No Tie: On average 14% of new leases were free of tie.

Chart one: Average final rent - regional breakdown
Last four quarter rolling average, £pa



Chart two: Projected annual turnover- regional breakdown
Last four quarter rolling average, £pa

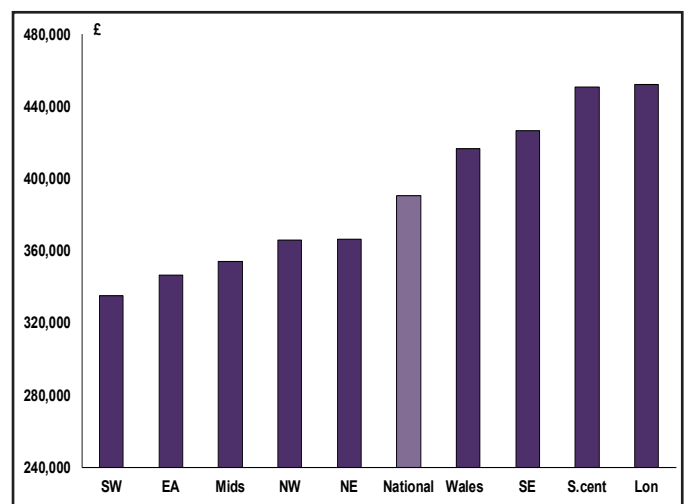
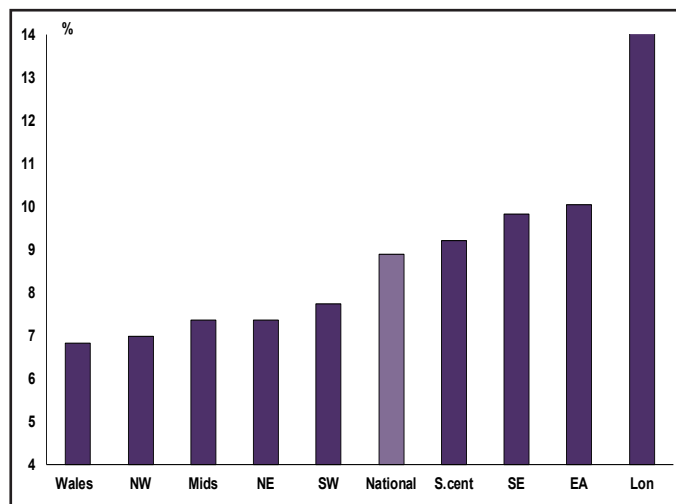


Chart three: Rents as % of projected annual turnover - regional breakdown. Last four quarter rolling average, %



	National averages - not seasonally adjusted											
	Total number of leases	Lease length (years)	Final rent (£pa)	Projected turnover next 2 years (£'s)	Rent as % of projected turnover	% of projected turnover			Nature of wet tie			
						Wet share	Dry share	Other share	Part	Full	None	
Q2-2016	233	7	30,926	366,646	8.1	73	24	3	40	54	7	
Q3-2016	146	7	34,788	410,986	8.6	72	26	2	45	45	10	
Q4-2016	177	7	37,487	392,016	9.5	72	25	4	30	57	13	
Q1-2017	255	7	30,911	363,050	8.4	73	24	3	36	54	11	
Q2-2017	241	8	37,691	396,207	9.1	73	24	3	28	58	14	

Percentages may not sum to 100% due to rounding

Regional data breakdown

	Total number of new leases									
	Wales	SW	SE	S.cent	NW	NE	Mids	EA	Lon	National
Q2-2016	5	31	18	18	34	55	42	26	4	233
Q3-2016	4	23	11	14	14	41	23	11	5	146
Q4-2016	3	21	16	10	16	42	44	13	12	177
Q1-2017	7	40	24	30	27	69	31	22	5	255
Q2-2017	13	22	23	29	43	47	41	16	7	241

	Average lease lengths									
	Wales	SW	SE	S.cent	NW	NE	Mids	EA	Lon	National
Q2-2016	5	5	5	5	6	7	6	6	15	7
Q3-2016	5	6	10	8	5	5	7	8	10	7
Q4-2016	5	5	11	8	5	5	6	7	14	7
Q1-2017	5	5	8	8	6	6	5	5	18	7
Q2-2017	5	5	9	10	6	6	5	7	16	8

	Average rents - £									
	Wales	SW	SE	S.cent	NW	NE	Mids	EA	Lon	National
Q2-2016	21,400	24,771	23,500	27,274	26,153	27,106	29,819	23,808	74,500	30,926
Q3-2016	36,125	24,292	45,273	34,531	25,625	25,544	34,413	36,591	50,700	34,788
Q4-2016	30,723	24,666	42,383	45,700	24,031	30,112	25,360	38,654	75,750	37,487
Q1-2017	24,986	26,895	34,319	39,190	27,204	23,110	23,242	25,627	53,625	30,911
Q2-2017	22,307	27,804	42,626	46,713	25,236	29,250	20,969	36,953	87,357	37,691

	Average projected turnover over next 2 years - £									
	Wales	SW	SE	S.cent	NW	NE	Mids	EA	Lon	National
Q2-2016	310,306	328,183	305,603	319,846	363,823	345,383	353,871	415,714	557,083	366,646
Q3-2016	490,708	345,582	538,671	409,120	384,313	376,798	465,540	354,907	333,238	410,986
Q4-2016	470,763	321,683	366,570	435,108	372,657	379,320	363,027	297,629	521,387	392,016
Q1-2017	354,600	338,454	342,811	483,187	374,863	318,489	296,750	322,477	435,816	363,050
Q2-2017	350,581	335,213	458,471	475,934	332,118	391,110	291,167	412,271	518,999	396,207

	Rent as % of projected turnover (average)									
	Wales	SW	SE	S.cent	NW	NE	Mids	EA	Lon	National
Q2-2016	6.9	7.5	7.7	8.5	7.2	7.8	8.4	5.7	13.4	8.1
Q3-2016	7.4	7.0	8.4	8.4	6.7	6.8	7.4	10.3	15.2	8.6
Q4-2016	6.5	7.7	11.6	10.5	6.4	7.9	7.0	13.0	14.5	9.5
Q1-2017	7.0	7.9	10.0	8.1	7.3	7.3	7.8	7.9	12.3	8.4
Q2-2017	6.4	8.3	9.3	9.8	7.6	7.5	7.2	9.0	16.8	9.1

Regional data breakdown

	Wet share, % of turnover									
	Wales	SW	SE	S.cent	NW	NE	Mids	EA	Lon	National
Q2-2016	68	70	73	69	73	78	79	75	77	73
Q3-2016	73	65	64	68	81	64	71	71	92	72
Q4-2016	56	61	74	64	78	74	74	83	80	72
Q1-2017	62	67	74	65	81	78	79	75	73	73
Q2-2017	68	74	77	63	75	72	78	62	87	73

	Dry share, % of turnover									
	Wales	SW	SE	S.cent	NW	NE	Mids	EA	Lon	National
Q2-2016	30	27	24	25	23	20	19	21	24	24
Q3-2016	27	32	33	31	18	32	27	26	5	26
Q4-2016	36	33	21	35	20	24	24	14	15	25
Q1-2017	33	30	23	33	14	20	19	22	25	24
Q2-2017	30	22	21	36	21	25	20	35	8	24

	Other share, % of turnover									
	Wales	SW	SE	S.cent	NW	NE	Mids	EA	Lon	National
Q2-2016	2	3	3	5	4	3	2	3	0	3
Q3-2016	0	3	3	1	1	4	2	3	3	2
Q4-2016	8	6	5	1	2	2	2	3	5	4
Q1-2017	5	2	2	2	5	2	2	3	2	3
Q2-2017	2	4	2	2	4	3	2	3	5	3

	Part tie, %									
	Wales	SW	SE	S.cent	NW	NE	Mids	EA	Lon	National
Q2-2016	80	30	78	56	26	44	26	38	25	40
Q3-2016	50	57	55	36	50	46	35	45	20	45
Q4-2016	0	33	31	20	0	36	39	31	25	30
Q1-2017	57	48	42	40	11	43	10	45	20	36
Q2-2017	31	18	52	17	30	21	22	50	29	28

	Full tie, %									
	Wales	SW	SE	S.cent	NW	NE	Mids	EA	Lon	National
Q2-2016	20	67	22	39	71	47	64	58	0	54
Q3-2016	50	39	9	50	50	54	57	36	20	45
Q4-2016	100	62	31	50	100	60	61	46	8	57
Q1-2017	43	50	38	40	78	50	84	50	0	54
Q2-2017	69	77	17	55	63	66	76	31	0	58

Information

RICS Pub Benchmarking Report

The Parliamentary Business & Innovation and Skills Select Committee recommended RICS help improve pub rental transparency by better dissemination of pub lease transactional information.

In an effort to improve pub rental transparency, RICS is working with pub companies to produce a quarterly report on lettings activity, using aggregated and anonymised records of actual lettings completed in each quarter.

The following pub companies contribute to the survey: Enterprise Inns, Punch Taverns, Marston's and Star Pubs (formerly Scottish and Newcastle).

Data is for England and Wales. Transactions are reported on a "willing lessor, willing lessee" basis, where the lessee is able to walk away if they do not agree the terms. This includes letting transactions and some lease renewals, but not rent reviews. The data is taken directly from the business plans and accounts of willing lessees and this survey is open to all pub companies to contribute to. For further information please email: economics@rics.org

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This survey is freely available at:

<http://www.rics.org/uk/knowledge/market-analysis/pub-benchmarking-survey/>



Confidence through professional standards

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We accredit 118,000 professionals and any individual or firm registered with RICS is subject to our quality assurance. Their expertise covers property, asset valuation and real estate management; the costing and leadership of construction projects; the development of infrastructure; and the management of natural resources, such as mining, farms and woodland. From environmental assessments and building controls to negotiating land rights in an emerging economy; if our members are involved the same professional standards and ethics apply.

We believe that standards underpin effective markets. With up to seventy per cent of the world's wealth bound up in land and real estate, our sector is vital to economic development, helping to support stable, sustainable investment and growth around the globe.

With offices covering the major political and financial centres of the world, our market presence means we are ideally placed to influence policy and embed professional standards. We work at a cross-governmental level, delivering international standards that will support a safe and vibrant marketplace in land, real estate, construction and infrastructure, for the benefit of all.

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