



COMMERCIAL PROPERTIES COMMITTEE

Practice Note 18

REVALUATION 2005

Valuation of Licensed Clubs

1.0 INTRODUCTION

This practice note deals with subjects which are entities in themselves and are registered as a Licensed Club.

The subjects will be identified by the presence of bar "facilities" and may also contain kitchen, toilet and perhaps some ancillary dual purpose accommodation as the day to day running may be carried out by club members. The more extensive subjects could contain a number of Bars, Committee Rooms, Boardroom, Offices, Function Hall, Games Room and possibly a Quiet Room.

Typical examples of these are listed below ;

- a) British Legion Club
- b) Football Supporters Club
- c) Knights of St Columba and Hibernian Club
- d) Masonic Lodge
- e) Miners Welfare and Social Club
- f) Political Constituency Club
- g) Snooker Club
- h) Sports Club (without ancillary sporting facility)
- i) Workers Social Club

2.0 BASIS OF VALUATION

The valuation of Licensed Clubs is on the Comparative Basis. Valuers should use discretion in determining whether or not to make an addition to the value to reflect the commercial nature of any club.

3.0 RECOMMENDED RATES

In the absence of local evidence, the Recommended Rates as detailed below, which exclude car parking, should be applied to the Gross External Area of the property. Properties should be classified into one of the undernoted types and the final rate applied direct to NAV making suitable adjustment where necessary for particular features.

Type	Class	Rate per sq.m. to NAV
1	Located in or close to high value areas within a town or a city, where there will be competing users.	£50.00 - £60.00
2	Located in a secondary area within a town or a city with a moderate commercial value.	£35.00 - £45.00
3	Located in an area of low commercial value.	£25.00 - £30.00

4.0 ADJUSTMENTS

(a) Storey Allowance

Floor	Reduction Factor
Ground	100%
First	90%
All other floors	At valuers' discretion.

(b) Quantum

An allowance for quantum should be granted in accordance with the undernoted table:

Area	Allowance
600 sq.m. - 650 sq.m.	Nil - 5%
651 sq.m. - 700 sq.m.	5% - 10%
701 sq.m. - 1,000sq.m	10% - 12.5 %
1,000 sq.m and over	At valuers' discretion

(c) Deductions for Age and Obsolescence

The recommended scale of deductions for Age and Obsolescence is noted below. However, subjects of this type have frequently been improved over the years and it may be appropriate to apply a restricted allowance for Age and Obsolescence.

Year	Allowance	Year	Allowance	Year	Allowance	Year	Allowance
2005	0.00%	1991	9.00%	1977	23.00%	1963	37.00%
2004	0.50%	1990	10.00%	1976	24.00%	1962	38.00%
2003	1.00%	1989	11.00%	1975	25.00%	1961	39.00%
2002	1.50%	1988	12.00%	1974	26.00%	1960	40.00%
2001	2.00%	1987	13.00%	1973	27.00%	1959	41.00%
2000	2.50%	1986	14.00%	1972	28.00%	1958	42.00%
1999	3.00%	1985	15.00%	1971	29.00%	1957	43.00%
1998	3.50%	1984	16.00%	1970	30.00%	1956	44.00%
1997	4.00%	1983	17.00%	1969	31.00%	1955	45.00%
1996	4.50%	1982	18.00%	1968	32.00%	1954	46.00%
1995	5.00%	1981	19.00%	1967	33.00%	1953	47.00%
1994	6.00%	1980	20.00%	1966	34.00%	1952	48.00%
1993	7.00%	1979	21.00%	1965	35.00%	1951	49.00%
1992	8.00%	1978	22.00%	1964	36.00%	1950	50.00%

Allowances in excess of 50% should not be granted unless the property is in its original state, with no evidence of improvement or refurbishment.

(d) Car Parking

Car Parks should be valued in line with local evidence.