



COMMERCIAL PROPERTIES COMMITTEE

Practice Note 10

REVALUATION 2005

Valuation of Railway Refreshment Rooms and Station Retail Units (Excluding those Occupied by John Menzies/W H Smith)

1.0 INTRODUCTION

This practice note applies to the valuation of premises which are found in Railway Stations and are valued on the Comparative Principle. A separate practice note exists for all John Menzies/W H Smith station retail units.

The types of premises covered by this Practice Note are as follows:-

1.1 Refreshment Room Single subject providing both liquor and food. In addition to a bar there will be a dining area and a "take away" food facility.

Usually found at mainline stations.

1.2 Public House Subject with Public House licence and providing liquor and bar meals only.

Usually found at main termini stations.

1.3 Restaurant Subject with no liquor licence and ranging from limited menu choice to cafeteria style.

Usually found at main termini stations.

1.4 Kiosk Retail unit with no area provided for the public – customers served directly on the concourse/street.

1.5 Site of A stance or site from which the vendor can operate a stall, barrow or locate a machine.

1.6 Shop Normal retail unit with walk-in provision for the public.

2.0 BASIS OF VALUATION

All subjects in this group should be valued using the Comparative Principle. Rents should be analysed in terms of Basic Principles Committee, Practice Note 1.

Before carrying out the valuation process it will be necessary to consider the unit of valuation.

In most situations this will be obvious, however in the provision of refreshment services, the same operation providing both liquor and food may be trading from different units within the station building and the question of unum quid/separate entries will require to be addressed.

2.1 Refreshment Rooms

Whilst these subjects will invariably be let, their valuation will be closely related to that of Public Houses.

2.2 Public Houses

These subjects will be valued on the Comparative Principle, with consideration given to any local comparative evidence.

2.3 Restaurants

The actual rent passing may be the best guide to annual value in the particular situation of a railway station but again, if local comparative evidence is available, a rate per square metre could be applied.

This rate may be derived from an analysis based on zoning or GIA depending on the nature of the comparative evidence.

2.4 Kiosks

Value will be based on actual rent or local comparative evidence if available.

2.5 Shops (Walk-in)

Valuation should be based on the actual rents passing or the rents of similar subjects in the locality.

3.0 SURVEY AND MEASUREMENT

3.1 Restaurants

Subjects should be measured internally in sufficient detail to allow comparison with either shops or offices

3.2 Kiosks

Total gross internal area (including storage space) should be ascertained.

3.3 Shops (Walk-in)

Gross internal areas and the application of the zoning method where appropriate.