



Scottish Assessors Association

MISCELLANEOUS PROPERTIES COMMITTEE

Practice Note. 16

REVALUATION 2005

Valuation of Tennis Courts

1.0 Introduction

This practice note applies to tennis courts. The cost information included in this report may also be used when valuing the tennis court element of any multi-use outdoor sports club.

New or resurfaced courts are generally formed with synthetic surfaces. From the tennis point of view there is apparently little difference between any of the synthetic surfaces. Such courts require considerably less upkeep than either blaes or grass, although from a playing point of view both of these surfaces are held in high regard.

Tarmac courts, while not requiring the same upkeep as blaes or grass, are nevertheless inferior to all weather courts and cost less to construct.

The standard dimensions of the playing area of a doubles court is 23.77m x 10.97m. The typical club court which meets the Lawn Tennis Association Recreational Standard covers an area of 34.75m x 17.07m including back and side runs, and will have 3.0m high galvanised netting all round.

2.0 Basis of Valuation

The clubhouse together with any ancillary buildings, the site and car parking elements should be valued on the comparative principle of valuation.

The tennis courts element should be valued using the contractor's basis of valuation.

3.0 Method of Valuation

3.1 Site Value

Site values should be determined by reference to local rental evidence for sports grounds or recreational land. The valuer should consider local rental evidence and circumstances when choosing an appropriate rate per hectare.

In the absence of local evidence, rates of £350 to £500 to NAV per hectare should be applied to the total area of the sports ground. An adjustment may be considered appropriate for excess land which is undeveloped or in the nature of amenity ground only.

The foregoing rates, having been derived from rental evidence, reflect the physical characteristics of the ground and the extent of the use of the subjects. No further allowance would therefore be appropriate for these elements.

3.2 Courts

3.2.1 Recreational Standard Courts

The following Estimated Replacement Costs should be adopted for standard recreational courts, formed as one block, with appropriate run areas to the sides and back, and 3m high surrounding galvanised wire mesh fencing. No adjustment is necessary for contract size, location or fees as the costs already reflect these factors. Age and obsolescence allowances should be applied in accordance with paragraph 3.4 below.

Surface type	1 Court	2 Courts	3 Courts	4 Courts	Additional Courts
Grass or Blaes	£10,000	£18,000	£26,000	£34,000	£8,000
Bituminous macadam	£10,500	£19,200	£26,800	£34,500	£7,700
Proprietary macadam / latex	£13,100	£23,000	£33,600	£42,200	£8,600
Synthetic	£23,000	£38,300	£55,200	£71,900	£16,700

3.2.2 Championship Standard Courts

Championship Standard courts have greater back and side run space and require an area of 36.58m x 18.29m and the Replacement Capital Values should be increased pro-rata.

Championship Standard courts may also be to a higher specification and a further increment may be considered.

3.3 Floodlighting

The following estimated replacement costs should be added where floodlighting to recreational standard is present. No adjustment is necessary for contract size, location or fees as the costs already reflect these factors.

Standard	1 Court	2 Courts	3 Courts	Additional Courts
Recreational standard	£7,500	£10,500	£14,000	£3,000

Where the Tennis Court has been designed to Championship standard an addition of 33% to the above floodlighting costs may be appropriate.

3.4 Adjustments to the Estimated Replacement Costs of Courts

3.4.1 Age and obsolescence allowances

Age and obsolescence allowances should be applied in accordance with Basic Principles Committee Practice Note 2 to reflect age related obsolescence and general condition. A notional date should be adopted where appropriate.

Year	Allowance	Year	Allowance	Year	Allowance
2005	0.00%	1985	15.00%	1965	35.00%
2004	0.50%	1984	16.00%	1964	36.00%
2003	1.00%	1983	17.00%	1963	37.00%
2002	1.50%	1982	18.00%	1962	38.00%
2001	2.00%	1981	19.00%	1961	39.00%
2000	2.50%	1980	20.00%	1960	40.00%
1999	3.00%	1979	21.00%	1959	41.00%
1998	3.50%	1978	22.00%	1958	42.00%
1997	4.00%	1977	23.00%	1957	43.00%
1996	4.50%	1976	24.00%	1956	44.00%
1995	5.00%	1975	25.00%	1955	45.00%
1994	6.00%	1974	26.00%	1954	46.00%
1993	7.00%	1973	27.00%	1953	47.00%
1992	8.00%	1972	28.00%	1952	48.00%
1991	9.00%	1971	29.00%	1951	49.00%
1990	10.00%	1970	30.00%	1950	50.00%
1989	11.00%	1969	31.00%	1949	50.00%
1988	12.00%	1968	32.00%	1948	50.00%
1987	13.00%	1967	33.00%	1947	50.00%
1986	14.00%	1966	34.00%	1946	50.00%

There may be some instances where the surface of the Tennis Court has deteriorated at an accelerated rate and a greater Age and Obsolescence allowance may be appropriate.
N.B. Bar at 50.00%

3.4.2 Decapitalisation

The appropriate decapitalisation rate should be applied to the adjusted replacement costs of the items valued on the contractor's basis.

3.5 End Allowance to elements valued on the Contractor's Basis

It is recognised that the application of the contractor's basis to the cost of providing the tennis court element may result in a value which is too high in relation to the elements valued on the comparative principle, and having regard to the particular nature of the subjects which are incapable of any alternative beneficial use.

It is recommended, therefore, that an allowance of up to 50% should normally be applied to these elements valued on the contractor's basis at the "stand back and look" stage of the valuation.

3.6 Adjustments to the value of courts and floodlighting

3.6.1 Lack of Playing Area

The basic standard club court should have a minimum back run of 5.0m and a side run of 3.0m

Deductions should be made pro rata to a maximum of 10% for back run and 5% for side run where the runs fall to half the minimum requirements.

Anything less is not really a "tennis court" and would require special consideration.

3.6.2 Lack of Netting Surround

The standard adopted is for a court with a wire mesh fence surround to about 3.0m height.

Deductions should be made pro rata with a maximum of 25% for lack of netting.

Where there are multiple courts with no netting between courts a deduction of 5% should be made.

3.6.3 Condition of surface

The actual playing surface may suffer from particular deficiencies, which require to be reflected in the valuation. Consideration may require to be given to such factors as:

Poor drainage: resulting in pools of rainwater persisting for some time

Subsidence: In excess of normal wear and tear and beyond what might be reasonably considered tenants repair.

Deductions for such factors should not normally exceed 15% in total.

4.0 Clubhouse

Where there is a clubhouse or pavilion present, this should be valued in accordance with Miscellaneous Properties Committee Practice Note 5

5.0 Car Parking

The aforementioned rates are exclusive of car parking. Where car parking is provided, an addition should be made for parking in accordance with local evidence. The addition for car parking should not normally exceed 10% of the value of the subject.

6.0 End Adjustments

It is accepted that for this category of subject, by virtue of poor location, historic over provision, or otherwise, there may be circumstances in which the membership or extent of use of the club is so low that it would affect the rental offer made by the club.

The membership of tennis clubs varies widely.

As a general guide, however, the average membership of tennis clubs in Scotland with a single court is around 30 members.

A club with 2 courts will have, on average around 60 members, while clubs with 3 or 4 courts have, on average, around 150 – 160 members.

Low membership is an indication of under utilisation and/or over provision. It is recommended that such under utilisation and/or over provision should be reflected by way of an appropriate end allowance of up to 50%. The maximum allowance of 50% should only be considered, however, in the most extreme cases where the membership is less than 25% of the averages quoted above.

The allowance should be applied to the total value of the subjects, including the clubhouse, provided that the clubhouse is in keeping with, and appropriate to the sporting facilities. It should be borne in mind, however, that, as the chosen site value might already reflect location and the typical occupier, further adjustment to that element of the valuation may not be appropriate.

The allowance should not apply to the clubhouse in circumstances where the principal use of the clubhouse is other than as an adjunct to the tennis courts – e.g. where a clubhouse is shared with say, a cricket club, or if the clubhouse has a substantial alternative use not connected with the tennis club.