



## **COMMERCIAL PROPERTIES COMMITTEE**

### **Practice Note 15**

### **REVALUATION 2005**

## **Valuation of Car Washes (Stand-Alone)**

### **1.0 INTRODUCTION**

This Practice Note covers car washes at stand-alone sites or as part of a unum quid with other subjects, but does not include car washes normally found at filling stations.

There are two distinct types: automatic, with a building containing moving brushes and conveyors; and converted filling stations with a foam and water jet system.

### **2.0 BASIS OF VALUATION**

This category of subject should be valued by application of the comparative principle.

### **3.0 Type 1 – AUTOMATIC**

There has been little growth in the number of this type of subject over the past 5 years. The main operator is IMO/ARC, with sites throughout Scotland.

#### **3.1 Site**

These are normally in excess of 1,000m<sup>2</sup> with tarmac or concrete surfacing, and parking for 5-6 cars. There may also be open valet bays with jet washes and vacuum cleaners. Car Washes for commercial vehicles have a larger site of up to 2,500m<sup>2</sup>.

#### **3.2 Building**

The building contains the car wash equipment and pedestrian circulation space for the operator. There are three main types of premises:

##### **3.2.1 IMO/ARC**

The typical IMO building is around 130m<sup>2</sup> gross external; consisting of Car Wash, Office, Toilets, Store and Plant Room. It has either brick or profiled metal sheeting walls to eaves height 3.6m with a profiled metal roof and concrete floor with drainage channels. The Car Wash can handle up to 4 cars at a time with a maximum throughput of 60 cars per hour, working by use of a conveyor that pulls the car through a series of revolving brushes, water jets and air blowers. It is designed to deal only with cars.

##### **3.2.2 Prefabricated**

Prefabricated units are of a similar size and have the same facilities as IMO buildings and are constructed of plasticized steel frame with glass panels and a translucent corrugated roof. The machinery and equipment is the same as the IMO/ARC type.

### 3.2.3 Gleem Machine

The Gleem Machine offers a full wash and valeting service, and has the added attraction of being able to deal with any height or length of vehicle, with a conveyor car wash, a commercial vehicle wash and open bays for jet wash and car vacuum. The construction is typically light steel frame with translucent acrylic thermoplastic side panels. The Commercial Wash is a canopy with no sides The building is much larger (over 900m<sup>2</sup>) than an IMO, on a larger site.

### 3.3 VALUATION

The valuations are based on the Comparative Principle although there is a Contractor's element. The valuation is made up of two parts: site and building.

**Site** In the absence of local evidence, £8,500 should be applied to a standard IMO/ARC type site. This is arrived at by analysing site rents throughout Scotland.

**Building** The following rates to NAV are derived from the cost of construction, and may include any ancillary jet wash, vacuum bays, and surfacing:

IMO	£50/m <sup>2</sup>
Prefabricated building	£35/m <sup>2</sup>
Industrial	£35/m <sup>2</sup>

Age & obsolescence should be applied to the buildings only, according to the following table:

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%

#### **4.0 Type 2 - FORMER FILLING STATION TYPE**

This is a new development, where a redundant filling station is converted for use as a car wash. There are few adaptations required. A foam gun is used to cover the car, and after five minutes a water jet removes the foam leaving the car clean. The main operator is a franchise called Autosshine. The forecourt with canopy forms the car wash, with the shop used for administration, waiting room for customers and retail. There is normally a container type structure for the foam.

#### **4.1 VALUATION**

Analysis of rents suggests that the number of cars that can be cleaned at one time is the measure of value. The rate shown below covers the kiosk, canopy and forecourt, and assumes a reasonable site with good access/egress. Bear in mind that these sites are redundant filling stations, so are not in the best positions.

##### **Site, including canopy and kiosk/shop:**

In the absence of local evidence, it is recommended that the valuer identifies the number of cars which can be cleaned at one time and applies a rate of £3,000 per car to include the forecourt shop, container and canopy.