

Revaluation 2026

Miscellaneous Properties Committee

Practice Note 27 Valuation of Visitor Attractions

1.0 Introduction

- 1.1 This Practice Note should be used for the valuation of tourist and visitor attractions. These terms can be applied to a wide variety of subjects including zoos, safari parks, wildlife centres, aquaria, activity centres, amusement parks and theme parks. It may also be appropriate to apply the same approach to other subjects such as interpretative historic attractions where the building, or site itself, forms part of the subject matter-
- 1.2 It may be appropriate in some cases to identify different purposes of occupation in identifiably different parts of the property. Even if occupied by the same or related occupier it may be necessary, after considering all the relevant circumstances, to make separate entries in the Valuation Roll. The presence of a pay boundary, for example, which excludes a restaurant or shop, combined with other factors such as a distinction between the clientele using the exhibition rooms and those using the restaurant or shop, may lead to the creation of separate entries for the exhibition rooms and the restaurant/shop.

2.0 Basis of Valuation

2.1 General

It is recommended that all subjects within this category are valued on the comparative basis by reference to gross receipts. If the subjects are not occupied with the intention of maximising income/profit then consideration should be given to an alternative approach. Shops, restaurants etc. for which separate entries are appropriate should be valued in accordance with normal practice for such subjects.

2.2 Percentage

Subjects should be valued within the range of 4% to 12% of hypothetical achievable turnover (HAT) to NAV in accordance with the table at 2.6 below.

2.3 **Gross Receipts/ Hypothetical Achievable Turnover (HAT)**

Certified gross receipts (excluding VAT) should be obtained for the financial years ending March 2023, 2024, and 2025 and examined to assist in the determination of the valuer's opinion of HAT at the tone date of 1 April 2025, having regard to the physical nature of the property and its location as at 15 March 2026.

Gross receipts should include all entrance fees, reimbursement of free entrance for members and promotions, car parking etc. Income from shops, restaurants, etc. should only be included in gross receipts if separate entries are not appropriate. Franchise fees or the gross income from franchised operations should not be included with the gross receipts (see below at 2.7).

2.4 In cases where no charge is made or opening times are voluntarily restricted in a way which appears out of line with similar properties, notional gross receipts should be adopted by comparison with those properties.

2.5 Gross receipts are referred to in this method of valuation as an indicator of the suitability of the subject for its purpose. Significant levels of income from a shop or restaurant should be dealt with carefully to ensure that the percentage adopted produces a valuation that is reasonable in relation to any similar shop or restaurant nearby.

2.6 **Recommended Percentage of Hypothetical Achievable Turnover to NAV**

The upper level would generally apply to a property that has relatively low overheads and/or higher turnover. The table below gives guidance on the typical percentages to be applied in various examples. Caution should be exercised in assuming that a single percentage will be applicable to any one class of property, regardless of the level of turnover. These subjects have relatively fixed costs, and the marginal change in profitability can be significant as turnover increases.

	Animal Parks/ Farm Parks	Zoos/ Aquaria/ Safari Parks	Other Tourist Attractions, Theme Parks, Amusement Parks, Activity Centres, Modern High Tech Attractions
Limited Profitability	4%	5%	6%
Average Profitability	5%	6%	8%
High Profitability	6%	7%	12%

2.7 Franchise/Concession Fees

It is recommended, as a guide, that franchise or concession fees received should not be included with gross receipts and should instead be added direct to NAV at 50% representing the notional annual rental equivalent of that element on the statutory terms.

2.8 Rental Information

Rental information, where available, may provide useful evidence of value. Care must be taken however, as rents will often disregard tenants' improvements which would normally require considerable adjustment to reflect the subject as it stands. The resultant valuation should be expressed as a percentage of gross receipts and checked against other comparable subjects.

2.9 Accounts Information

Where full accounts are available it may be possible to carry out a receipts and expenditure valuation. This would provide a useful check and may form the primary valuation method in appropriate circumstances.