



Revaluation 2010

Commercial Properties Committee

Practice Note 10

Valuation of Railway Refreshment Rooms, Station Retail Units and Station Bookstalls

1.0 Introduction

1.1 This Practice Note applies to the valuation of premises which are found in Railway Stations and are valued on the Comparative Principle.

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

1.2.1 Refreshment Room/Public House

Subject with licence to sell liquor. In addition to a bar there may be a dining area and possibly a “take away” food facility.

Usually found at mainline stations.

1.2.2 Restaurant

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

Usually found at mainline stations.

1.2.3 Kiosk

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

1.2.4 Site Of

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

1.2.5 Shop

Normal retail unit.

2.0 Basis of Valuation

- 2.1 All subjects in this group should be valued using the Comparative Principle. Rents should be analysed in terms of Basic Principles Committee, Practice Note1
- 2.2 Before carrying out the valuation process it will be necessary to consider the unit of valuation.
- 2.3 Care must be taken where the lease agreement is subject to a monopoly or global agreement clause. In these situations the rents passing may differ from the market rents for similar types of subjects within the station.

2.3.1 Refreshment Rooms/Public Houses

These subjects will be valued on the Comparative Principle, with consideration given to any local comparative evidence and level of turnover achieved.

2.3.2 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.

2.3.3 Kiosks

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

2.3.4 Site Of

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

2.3.5 Shops

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 All subjects should be measured in sufficient detail normal for that type of property to allow for comparison to be made with similar subjects .