

## VALUATION PRACTICE NOTE – CAR SHOWROOM

Version 1.0

### 1. Property Description

1.1. For the purpose of valuation, a car showroom is a business premises used primarily for the sale of new or used cars at a retail level.

1.2. Modern purpose built car showrooms are normally located on prominent arterial roads and generally have a sheet glass double height display windows.

### 2. Rateability

2.1. Car showrooms are rateable Relevant Property in accordance with Section 15 and Schedule 3 paragraph 1 (a) of the Valuation Act, 2001 - 2015.

### 3. Basis / Methodology of Valuation

3.1. The valuation of a property for Revaluation purposes is carried out under section 48 of the Valuation Act, 2001 – 2015.

3.2. The valuation of a property for Revision purposes is carried out under section 49 of the Valuation Act, 2001 – 2015.

3.3. The valuation of a car showroom for Revision purposes is determined by the use of the Comparison Method of valuation.

3.4. A rate of value is applied on a per square metre basis to the showroom and ancillary space.

### 4. Survey / Inspection

4.1. The following information will be noted:

- Property Location
  - The suitability of the location for this particular use.
  - Accessibility
  - Visibility from main roads.
  - Predominant adjoining uses e.g. industrial, motor park, mixed commercial,

residential.

- Nature of the showroom space and facilities, noting the following features:
  - Size of floor plates
  - Air Conditioning, Heating and Sprinklers
  - Balconied areas
  - Security Systems
  - Workshop and Ancillary areas
  - Size and surface type of sales yards and display areas.
  - Security fencing and floodlighting of sales yards and display areas.
  - Storage/Parking
  - Age, Obsolescence, Quality
  - Construction type
  - Vehicle lift to upper floor showrooms
  - Passenger Lift
  - Car washes
  - Glazing, displays
  - Air handling / Heating type
  - Lighting type
  - Flooring material
  - Forecourt Displays
  - Plant and Machinery
- Measurements – see paragraph 5 below.
- Lease or purchase details.
- Any statutory or local planning provisions in force that may have an impact on rental values.
- Any other factors that are considered to affect the annual letting value of the property

## **5. Measurement**

5.1. All car showrooms are measured to Gross Internal Area (GIA) in accordance with the Valuation Office Rating Code of Measuring Practice and the SCSi Code of Measuring Practice.

5.2. All areas within the showroom building are measured on a GIA basis and apportioned between the various uses within the building.

5.3. Workshops and ancillary areas are measured to Gross External Area (GEA) in accordance with the Valuation Office Rating Code of Measuring Practice and the SCSi Code of Measuring Practice.

## **6.0 Valuation Considerations**

### **6.1 Showroom –**

A modern purpose built showroom post will typically have a double height display area, often with a balcony used as sales offices. The frontage is usually sheet glass, providing a prominent display. Internally, the floor is tiled, with plastered wall finishes. The standard of heating and lighting is very high. The showroom area will include offices and customer toilets with a similar standard of finish.

Older purpose built showrooms are typically single storey, with prominent glass frontage, and where occupied by a main dealer generally finished to a similar standard to equivalent modern unit.

### **6.2 Offices –**

All offices and customer toilets accessed directly from the showroom, and of a similar quality, are valued at the same rate as the showroom.

### **6.3 First Floor / Mezzanine –**

First floor uses are valued at the same rate as the equivalent ground floor uses. Mezzanines are valued at a lower rate.

### **6.4 Workshop & Ancillary Areas –**

In general these areas would be valued at the same rate as applied to the equivalent use in the showroom building. However, the standard of finish in these can vary considerably and accordingly these buildings may be valued on local evidence for Revaluation purposes or by reference to the Tone of the List using the Comparison Method of valuation for Revision purposes.

### **6.4 Sales and Display Yards –**

Some areas of land are set aside as permanent sales areas. Display areas are typically situated in front of the building line or, where the showroom is situated directly on the road to the side of the Showroom, having good display to a prominent road. All yard space is valued on an overall basis per square metre.

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