

VALUATION PRACTICE NOTE – CINEMAS

Version 1.0

1. Property Description

1.1. For the purpose of valuation, a cinema is a business premises used for the screening of films to the public. It may be a single screen cinema or a multiplex with numerous screens. It will contain an entrance lobby/public area with counters for the sale of refreshments and in some cases a coffee shop/dock with a high street brand name i.e. Costa Coffee etc

2. Rateability

2.1. Cinemas are rateable Relevant Property in accordance with Section 15 and Schedule 3 Paragraph 1 (a) of the Valuation Act, 2001 as amended by the Valuation (Amendment) Act 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 as amended by the Valuation (Amendment) Act 2015.

3.2. The valuation of a property for Revision purposes is carried out under section 49 of the Valuation Act, 2001 as amended by the Valuation (Amendment) Act 2015.

3.3. In a Revaluation market information is analysed in terms of gross turnover (net of VAT) and a percentage to NAV is derived for determining a Nett Annual Value across all cinemas. As cinemas are mostly leased in a shell condition an additional fit out is added.

3.4. Where there is no market information available, the full The Receipts and Expenditure Method of Valuation may need to be employed.

3.5. For Revision purposes the Comparative Method of Valuation is used in valuing cinemas. Valuations are compared on a per seat basis with an additional value attached to any car parking or ancillary accommodation.

4. Survey / Inspection

4.1 The following information will be noted on inspection:

- Location
 - Accessibility including public transport
 - Car parking
- Cinema
 - Number of screens
 - Number of seats per screen
 - Details of admission numbers
 - Opening hours
 - Details of any refreshment counters or similar facilities
 - Details of any Café/Bar (No. of seats etc)
 - Any licences attached (full 7 day, theatre licence or other)
 - Turnover (Net of VAT) annually or weekly
 - Details of any ancillary accommodation including areas not in use
- Details of any franchisee/licensee or lessee operating within the confines of the cinema.

4.2 Following inspection the following information will be required:

- Trading Information
 - Audited Accounts for the past 3 years
 - Breakdown of Turnover between the various trading activities
 - Financial projections to cover the next 12 month period
 - Details of opening hours and pricing structure
 - Details of admission numbers for each accounting period
- Market Information
 - Copy of the lease for properties held on a lease
 - Date of purchase and price paid, for freehold and leasehold properties acquired over the past 5 years
 - Details of franchise, licence and other arrangements
- Construction and redevelopment
 - Details and costs of construction/redevelopment works carried out over the past 5 years
 - Budget estimates in the case of new developments

5. Measurement

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

Date: 12.12.2017

Cinemas --- Revaluation Inspection Form (interview)

Valuer:	Date:	Property No:
		List Status:
1. Occupier Details:		
Occupier:		
Trading As:		
Freehold:	Leasehold	Related Parties
Immediate Lessor:		
2. Name & Address for Correspondence:		4. Property Address:
Name:		Town/City:
Address:		Street:
		Locality:
		Estate/Sh Centre:
		Mall/Sec Street:
		Post Code:
3. Contact Details:		Building Name:
Contact Name:		Local No:
Telephone No:		Floor:
E-mail/web address:		
5. Tenure:		
Leasehold Property:		Freehold Property:
Length of lease /licence:		Purchase price (net of VAT):
Commencement date of lease/licence:		Date of purchase:
Rent review interval:		Condition at date of purchase:
Current annual rent (net of VAT):		
Date of last review:		
Stepped rent:		
Are extensions/improvements part of this lease?		Details of fit out & improvements:
Condition of leased/licenced property at commencement date:		
Purchase price of leasehold interest:		
Date of purchase:		6. Estate Management Co:
Condition at date of purchase:		Name of agent:
		Phone no:
		Service charge:
Details of rent:		7. Approx date/cost of Refurbishment/Extension:
a. Let as shell:		Date of refurb/extn:
b. Rent free period:		
c. Key money:		Cost of refurb/extn:
d. Premium in lieu of rent:		
e. Break clause:		Date of completion of works:
Who is liable for:		8. Mains services: All: <input type="checkbox"/>
a. Rates:		Other details:
d. Building insurance:		
b. Internal repairs:		8. Designation:
c. External repairs:		Details:
Details of fit out & improvements:		10. User Clause
a. Landlord contribution:		
b. Tenant contribution:		
c. Other relevant information:		

Cinemas - Inspection Form (Interview)

11. Floor Plans Supplied: Sketch Plan Supplied:

12. Facilities

Screens (no. of):	Total Seats (no. of):	Floors:
Seats (per auditorium)		Seats (per auditorium)
Screen 1	Screen 2	
Screen 3	Screen 4	
Screen 5	Screen 6	
Screen 7	Screen 8	
Screen 9	Screen 10	
Screen 11	Screen 12	
Screen 13	Screen 14	
Screen 15	Screen 16	
Screen 17	Screen 18	

Occupancy Levels:

13. Trading Information:

Opening Hours

§ Admission Charges:

§ Sales within premises

Bar (Yes/No): Confectionery / Popcorn / Soft Drinks etc (Yes/No): Meals / Snacks (Yes/NO):

Advertising (Yes/No): Other Sources (please define):

If subject has a bar, Type of licence held:

14. Ancillary Shops (note if this exclusively services the cinema or other):

15. Financial Information:

§ Audited accounts supplied:

§ Extracts from management accounts supplied:

§ Breakdown of turnover between trading activities supplied:

§ Occupancy Levels

§ Gross Turnover: 2012 2011 2010 2009

16. Breakdown of Turnover (Most Recent Year):

Bar: Confectionery / Popcorn / Soft Drinks etc: Meals / Snacks:

Advertising: Other Sources:

17. Competition:

18. Transport / car parking:

Public Transport (Buses / Luas / Rail / Taxi Rank etc.):

Car Parking (incl. Number of spaces): Price of Parking (€hr):

19. Other information: