

## VALUATION PRACTICE NOTE – OFFICES

Version 1.0

### 1. Property Description

1.1. For the purpose of valuation, an office is a business premises used primarily for clerical or administrative work.

### 2. Rateability

2.1. Offices are rateable Relevant Property in accordance with Schedule 3 Section 1 paragraph (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 an office for Revision purposes is determined by reference to the Tone of the List using the Comparison Method of valuation. A rate of value is applied on a per square metre basis to offices and ancillary space. Any associated car parking is valued by applying a rate of value per car space or, where car spaces are undefined, by applying a rate of value per square metre on the total area used for car parking.

### 4. Survey / Inspection

4.1. The following information will be noted:

- Property Location
  - The suitability of the location for this particular use.
  - The market rating of the location such as prime, secondary etc.

- Accessibility.
- Predominant adjoining uses e.g. offices, mixed commercial, residential.
- Nature of the office space and facilities so as to determine the category of the property and noting the following features:
  - Open plan, partitioned, solid wall cellular, etc.
  - Size of floor plates.
  - Raised floors
  - Glazing
  - Air handling / Heating type
  - Standard of Cabling
  - Lighting type
  - Lifts – number and capacity
  - Car / Bike parking spaces – see paragraph 8 below.
- Measurements – see paragraph 5 below.
- Any other factors the valuer considers would affect the annual letting value of the property
- Lease or purchase details

Any statutory or local planning provisions in force that may have an impact on rental value will also be noted.

## **5. Measurement**

5.1. All offices are measured to Net Internal Area (NIA) in accordance with the Valuation Office Code of Measuring Practice.

5.2. The only exceptions are:

Offices in or associated with industrial buildings that are sub-let including industrial units entirely or predominantly converted to offices are measured to Gross External Area (GEA). These properties are entered in the use classification Office (Industrial).

## **6. Recording Rental / Sales Information**

6.1. For leasehold properties, the following details will be recorded:

- Commencement date
- Length of lease
- Parties to the lease - Are they related
- Rent review interval
- Date of last rent review

- Current annual rent (net of VAT)
- Any rent inducements e.g. rent free periods,
- Who is liable for rates, internal/external repairs and building insurance
- Break clauses in lease
- Date of purchase and price paid for leasehold interest (key money)
- Premiums paid in lieu of rent
- Whether let in shell form or fitted
- Any clause in the lease that restricts the use of the premises

6.2. Details (including dates) of expenditure incurred on the construction, alteration, improvement or redevelopment of the property will also recorded, and the contribution to fit out (if any) made by the landlord and by the tenant.

6.3. The fit out of specialist areas such as server rooms will be recorded separately.

6.4. For freehold properties, the following details will be recorded:

- Purchase Price (net of VAT)
- Date of purchase
- Condition of property at date of purchase
- Details (including dates) of expenditure incurred on the construction, alteration, redevelopment, improvement and fit out of the property

## 7. Car Parking

7.1. Car parking arrangements associated with offices will be dealt with as follows:

- Where the occupier of all or part of an office building also occupies car parking spaces in or physically attached to that building those spaces are valued with and added to the valuation of the office space of that occupier. The description will be 'office'; there will be no description entry for car park.
- Where the building occupier occupies car spaces at a physically separate location then they will be valued as a separate relevant property with a description of 'carpark'.
- Where car spaces in or physically attached to an office building are occupied by an occupier who is not occupying part of the building those spaces will also be valued as a separate relevant property with a description of 'carpark'.

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