

VALUATION PRACTICE NOTE – Service Stations

Version 1.0

1. Property Description

1.1. For the purpose of valuation, a service station is a business premises selling fuel on a forecourt usually under a canopy and with an adjoining shop and possible car wash. A service station may also be referred to where fuel sales occur and may be part of a larger multi-use hereditament i.e. supermarket, bar or car showrooms.

2. Rateability

2.1. Service Stations 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. For Revaluation purposes the Comparative Method of Valuation utilising both market and financial information is used in valuing service stations.

3.4. A valuation scheme is usually employed and is generated through the analysis of all market and financial information available.

3.5. Where there is no market information available, a full Receipts and Expenditure Method of Valuation may be employed.

3.6. The main considerations in the valuation are: -

- a) Forecourt Sales
- b) Shop Sales
- c) Car Wash Sales
- d) Non-forecourt buildings or ancillary accommodation (yard, workshop, showroom etc)

3.7. In order to arrive at a fair valuation the Fair Maintainable Trade (FMT) for a property will be considered before applying the valuation scheme.

3.8. The FMT can be defined as - *“The level of trade that a reasonably efficient operator would expect to achieve on the assumption that the property is properly equipped, repaired, maintained and decorated”*
– RICS Practice Standards UK

4. Survey / Inspection

4.1. The following information will be noted:

- Forecourt Sales
 - DSA licence (Licence for storage of Dangerous Substances)
 - Capacity and number of tanks
 - Fuel Brand (Topaz, Applegreen etc)
 - Details any tie or solas arrangement
 - Number of pumps & layout
 - Opening hours
 - Pricing (Unleaded, Diesel & Other)
 - Throughput (in litres) annually or weekly
- Shop Sales
 - Details of any Café/Deli (No. of seats or takeaway only)
 - Number of Car Parking Spaces
 - Off Licence/ Wine Licence
 - ATM
 - Opening hours
 - Shop Turnover (Net of VAT) annually or weekly
- Car Wash Sales
 - Type (Brush Rollover, Self Service or Manned)
 - Number of car washes, dimensions and capacity
 - Pricing
 - Opening hours
 - Car Wash Turnover (Net of VAT) annually or weekly
- Non-forecourt buildings or ancillary accommodation
 - Type (yard, workshop, showroom etc)
 - Dimensions as per Valuation Office Code of Measuring Practice

Details of any franchisee/licensee or lessee operating on the forecourt or in the shop will also be recorded. Non-forecourt buildings or ancillary accommodation will be valued in line with similar properties in the locality.

4.2. The following information will be requested in writing

- Trading Information

- Audited Accounts to include detailed profit and loss accounts for the most recent 3 years for which figures are available (Certified Accounts or Management Accounts will suffice where audited accounts are not available)
- Breakdown of Turnover between the various trading activities
- Details of Fuel Throughput in litres for the last 3 years
- Financial projections to cover the next 12 month period
- Details of tie / solus arrangements, where applicable

- Market Information
 - Copy of the lease for properties held on 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
 - Copy of the lease for properties held on lease
 - 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 service stations are measured to Gross Internal Area (GIA) in accordance with the Valuation Office Code of Measuring Practice.

5.1. Also recorded will be the total Site Area with the aid of an OS Map while clearly defining the shop, forecourt, canopy, and car wash areas.

Date: 10.08.2017

SERVICE STATIONS -- Revaluation Inspection Form (interview)

Valuer:	Date:	Property No:	List Status:
		List Rateable	
1. Occupier Details:			
Occupier:		Operator (if held on licence):	
Trading As:			
Freehold:	<input type="checkbox"/>	Leasehold:	<input type="checkbox"/>
Immediate Lessor:		Related Parties:	
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:		Licensed Operator:	
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):		Details of fit out & improvements:	
Date of last review:			
Stepped rent:			
Are extensions/improvements part of this lease?			
Condition of leased / licensed property at commencement date:			
Purchase price of leasehold interest:			
Date of purchase:			
Condition at date of purchase:			
Details of rent:		6. Estate Management Co:	
a. Let as shell:		Name of agent:	
b. Rent free period:		Phone no:	
c. Key money:		Service charge:	
d. Premium in lieu of rent:		7. Approx date/cost of Refurbishment/Extension:	
e. Break clause:		Date of constr:	
		Cost of constr:	
		Date of refurb/extn:	
		Cost of refurb/extn:	
		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:			

Service Stations - Inspection Form (Survey Details)

11. Take Digital Photographs:

12. Floor Plans Supplied: Sketch Plan Supplied:

13. Details of Licences, etc. attaching to the property:

§ Licence for storage of Dangerous Substances (DSA): Expiry Date: Capacity:
Environmental Report
Other:

14. Details of tie / solus arrangements / franchise arrangements

15. Trading information:

§ Fuel Brand: Esso Maxol Shell Statoil Texaco Other

§ Pricing - Unleaded: € Diesel: € Other:

§ Tanks & Capacities - Underground:
Above Ground:

§ Pumps: Islands: Layout:

§ Car Wash Details Type: Hours:
Pricing:
Other:

§ Car Parking - Marked car spaces: Truck Spaces: Other:

§ Shop Details -

Opening Hours Shop: Forecourt: Café: Off-licence: Hatch Service:

Off Licence Wine licence

External ATM In Store ATM

Café Sit Down Takeaway Only Other:

No. of Seats (if applicable) _____

§ Other items (workshops, stores, etc):

§ Throughput (in litres) Petrol: Diesel: Other (specify):

§ Shop Turnover €

§ Car Wash Turnover €

16. Financial Information:

§ Audited accounts supplied:

§ Extracts from management accounts supplied:

§ Break down of turnover between trading activities supplied:

§ Other relevant information:

17. Competition in the area:

18. Other information (i.e Any Development Levy etc) :