

## SHOP METHOD VALUATION CODES

The following valuation codes should be applied to all subjects valued as a shop on the Commercial Valuation System.

DESCRIPTION	VALUATION CODE
Shop	CS
Sauna	CSA
Bookstall	CSB
Showroom / Retail Warehouse	CSC
Display Window / Showcase	CSD
Bank	CSE
Betting Shop	CSF
Café	CSI
Funeral Directors	CSJ
Kiosk	CSK
Food Kiosk	CSK
Launderette	CSL
Indoor Market	CSM
Salon	CSN
Office	CSO
Post Office	CSP
Amusement Centre	CSQ
Restaurant	CSR
Supermarket	CSS
Hot Food Take Away	CST
Studio	CSU
Workshop / Store	CSW
Surgery	CSY
ATM Site	CSZ
Shop (overall Approach)	CSH
Others including: Bakery, Church and Café, Clinic, Community Centre, Education Centre, Gallery, Library, Meeting Room, Museum, Nursery, Sales Ground and Training Centre	CSX

## SHOP & SHOP TYPE PROPERTIES DATA & MEASUREMENTS TO BE OBTAINED ON SURVEY

- 1 **DESCRIPTION** - Shop, Supermarket, Showroom, Restaurant, Launderette etc as per VP/S/1 Valuation of Shops.
  
- 2 **SITUATION** (Address)
  
- 3 **OCCUPIER'S NAME AND NATURE OF TRADE**
  
- 4 **GENERAL DESCRIPTION**

State type - eg single, double, department store. General description and note of construction, eg multi-storey steel framed building with artificial stone front, brick sides and rear, asphalt flat roof, concrete floors, fire resisting, etc. Include a reference to any special features of age and character, approximate date of any major alterations or additions, etc..
  
- 5 **SITUATION**
  - (a) Immediate environment - whether a parade, isolated, corner site, ground floor of tenement, set back from building line, dominated by adjoining property, excessively narrow pavement in front of shop, etc.
  
  - (b) General environment - principal shopping thoroughfare, back street, housing estate etc. Character of locality, eg relationship with other subjects likely to attract trade.
  
- 6 **SHOP FRONT**

Old-fashioned, semi-modern, modern, single, double windows, arcade. Wooden, mahogany, bronze or chromium window frame. Steps, terrazzo, tiled, stone, concrete or mosaic vestibule. Vitrolite, wooden, tiled, stone or cement-faced dado, fascia and pilasters. Neon lettering or sign. Sun blind. Length of frontage, whether splayed. Return frontage or frontage to another street (including number of accesses).
  
- 7 **FRONT SHOP** - Walls lined, plastered or tiled, or tiled to "x" metres. Ceiling finish. Floor materials. Ceiling height. Type and quality of lighting and heating.

- 8 **BACK SHOP** - Walls wood lined, plastered or tiled, or tiled to "x" metres. Ceiling finish. Floor materials. Ceiling height. Type and quality of lighting and heating. Describe quality. Describe use.
- 9 **OTHER PARTS OF GROUND FLOOR** - Walls wood lined, plastered or tiled, or tiled to "x" metres. Ceiling finish. Floor materials. Ceiling height. Type and quality of lighting. Describe quality. Describe use.
- 10 **BASEMENT, CELLAR, ETC** - Walls wood lined, plastered or tiled, or tiled to "x" metres. Ceiling finish. Floor materials. Ceiling height. Type and quality of lighting. Describe quality. Describe use. Access by trap door or quality of stair access. Dampness and liability to flooding.
- 11 **FIRST FLOOR, SECOND FLOOR ETC** - Walls wood lined, plastered or tiled, or tiled to "x" metres. Ceiling finish. Floor materials. Ceiling height. Type and quality of lighting. Describe quality. Describe use. Means of access.
- 12 **INTERNAL LAYOUT** - General note of the suitability of the internal layout, eg awkward shape, changes of level, break up of floorage, etc.
- 13 **SERVICES** - Hot & cold water, sink, WHB, Ladies & Gents toilets (shared or exclusive use), gas, method of heating, escalators, hoists (goods and passengers) - (in a larger shop it may be convenient to mention these on each floor). State if artificial light is necessary most of the time.
- 14 **AIR CONDITIONING & SPRINKLERS** - Where air conditioning or sprinklers are present details on the type of system, eg ducted air conditioning or individual cartridge units and whether sprinklers are mains fed or otherwise should be noted. Further the precise areas served by these facilities should be identified so that if necessary a rate per square metre can be applied to reflect the presence of these facilities.
- 15 **CONDITION OF STRUCTURE** - The details of the property's structure and condition should be noted. In particular any significant items of disrepair which have reached a stage when it affects the use of the subjects and the expense of repairing defects is likely to be reflected in the rent.

16 **OTHER RELEVANT INFORMATION**

Typical notes:

- (a) Delivery and dispatch facilities (in large shops only), rear access, loading restrictions, etc.
- (b) Fire escape.
- (c) Parking space and storage ground.
- (d) Emergency Generators.

- 17 **QUALITY** - General note of any features beyond those detailed affecting the attractiveness of the shop to a tenant.
- 18 **MEASUREMENT** - All measurements shall be in metric and result in the calculation of **net floorage areas in accordance with Survey Guidance Note 3**. Staff should ensure that the established practice of measuring from the building line is continued. Using the glass of the display window as a guide to "building line" is not accurate and can lead to understating areas.
- 19 **SKETCH PLAN** - A single line sketch plan of each floor (including cellars) showing the boundary and partition walls (indicate whether structural or not), position and size of columns, lifts and staircases etc, is recommended. Show the arrangements of display window, vestibule, doors and arcade fittings without taking measurements. Show all accesses. Show the effective frontage of the shop, ie the width between the inside faces of the piers or butts on either side. Show ceiling heights on each floor. Measure depth from the building line, even where the shop front is arcaded or of unusual pattern. Indicate "zones" by means of dotted lines drawn parallel to the building line.

## MEASUREMENT

- 1** It is intended that within the terms of this instruction shops are measured in accordance with the RICS code of measuring practice to Net Internal Area (NIA). Therefore, all measurements should be taken to the plaster face of the perimeter wall or, where there is none to the brick/block-work. No deduction should be made to remove skirtings. In cases where the solid walls of a unit have been lined out or are obscured by fittings, then the best possible efforts should be made to determine the depth of the lining/fittings and this should be added to the measured width. In the absence of any alternative an estimate may be made of the depth of the lining/fittings.
- 2** Properties located in a shopping centre are measured to Gross Internal Area (GIA) in accordance with the RICS Code of Measuring Practice.
- 3** The following areas should be excluded from the calculation of NIA:

  - Lift rooms, plant rooms, tank rooms, other than those of a process nature, fuel stores and the like.
  - Stairwells, lift wells, those parts of entrance halls, atria, landings and balconies used in common or for the purpose of essential access.
  - Corridors where used in common with other occupiers or of a permanent essential nature (eg fire corridors, smoke lobbies etc).
  - Internal structural walls, walls enclosing excluded areas, columns, piers, chimney breasts, other projections, vertical ducts and the like.
  - The space occupied by permanent air-conditioning, heating or cooling apparatus and ducting which renders the space substantially unusable having regard to the purpose for which it is intended.
- 4** Staff toilets, toilet lobbies and bathrooms should also be excluded from the calculation of NIA. Toilets which primarily serve the public should be measured and treated as sales accommodation. In some instances, eg hairdressers, the only toilet in the premises is occasionally used by the public and in this situation it should be treated as a staff toilet.
- 5** Cleaners cupboards and the like should be measured and treated as ancillary accommodation.

6 In the case of plant rooms etc which would normally be excluded but which are partially used for storage or other purposes, an RF should be applied which reflects both the quality of the accommodation and the proportion of space which can be adequately used for this purpose.

7 The area physically occupied by any steps (but not ramps), whether located in sales space or otherwise should be excluded from the calculation of NIA.

## 8 FRONTAGE CONSIDERATIONS

8.1 Measurement should be undertaken from the building line. This will usually be identified as the outside face of the pilasters but, on occasion, an examination of the precinct line and the fascia of the property, may indicate that the pilasters project beyond the building line.

### 8.2 Pillars

In dealing with the frontage the physical area taken up by any brick or stone pillars will be excluded from the NIA as shown in para 8.3 below. However, recessed doorways and entrance vestibules will not be excluded.

### 8.3 Built up frontages

In the case of a standard shop front the area below the display window, whether constructed of stone/brick or of a less substantial nature, will not be excluded from the NIA. However, for built up frontages of stone or brick which have a limited display window then the area below the window should be excluded.

The point at which a frontage should be considered as being built up is clearly a matter of judgement. For guidance only a frontage which is brick/stone to a height of 1.25m or more might be considered for such treatment.

## 9 STRUCTURAL PARTITIONS, VOIDS AND PASSAGES

On all floors the physical area taken up by any brick or other solid partitions or pillars should be excluded from NIA (ie other than those created as a tenant's improvement). Similarly the area of any voids formed from structural brick/block walls will also be excluded from the calculation of NIA.

The area of passages formed by structural brick/block will also be excluded from the calculation of NIA. However, if an area of passage is partially used for storage or other purposes then the whole area should be measured and an RF should be applied which reflects both the quality of the accommodation and the proportion of space which can be adequately used for this purpose.

## 10 NON-STRUCTURAL PARTITIONING, VOIDS AND PASSAGES

The existence of stud partitions which merely subdivide otherwise complete areas of retail or ancillary accommodation should be ignored. However, where the existence of stud partitions defines an area of ancillary accommodation or a passage which under para 6.2 of VP/S/1 is to be treated as being of a markedly inferior quality than the sales accommodation, the following considerations apply.

## **10.1 Ground floors**

Given the relatively high levels of value attributed to ground floors, the treatment of such areas will be different from their treatment on other floors. The physical area occupied by stud or similar non structural partitions should not be excluded from the calculation of NIA. Nor will the area of passages (other than toilet lobbies) created by stud partitions be excluded from the calculation of NIA. Where in the circumstances noted in para 6.2 of VP/S/1 ancillary accommodation is considered to be of markedly inferior quality to that of the sales area, then the physical area occupied by the stud partitions which form it should be wholly attributed to that inferior area.

Areas of passages created by stud partitions should be measured and valued, however, if the area of the passage is of inferior quality to the main sales accommodation, the provisions of para 6 of VP/S/1 may apply. It may be argued that an area of passage on the ground floor formed by stud partitions should be excluded because it forms an essential fire corridor; these arguments should be resisted. Usually the requirement for such a fire corridor has been created by the occupiers chosen method of fitting out the unit. Unless it can be proven that the fire officer has demanded the creation of a fire corridor and that this is in no way related to the occupiers method of fitting out the unit, then no concession should be made.

## **10.2 Basements, First Floors and Above**

Given the relatively low level of value attributed to basement and upper floors then a more practicable approach may be taken to the treatment of the physical areas occupied by stud partitions and passages created thereby. These should be treated in the following manner - again the existence of stud partitions which merely subdivide otherwise complete areas of retail or ancillary accommodation should be ignored.

The physical area occupied by stud partitions which forms ancillary accommodation as noted in para 6.2 of VP/S/1 may be excluded from the calculation of NIA. That is to say that when areas are identified as ancillary accommodation then they should be measured internally to the plaster face of the wall.

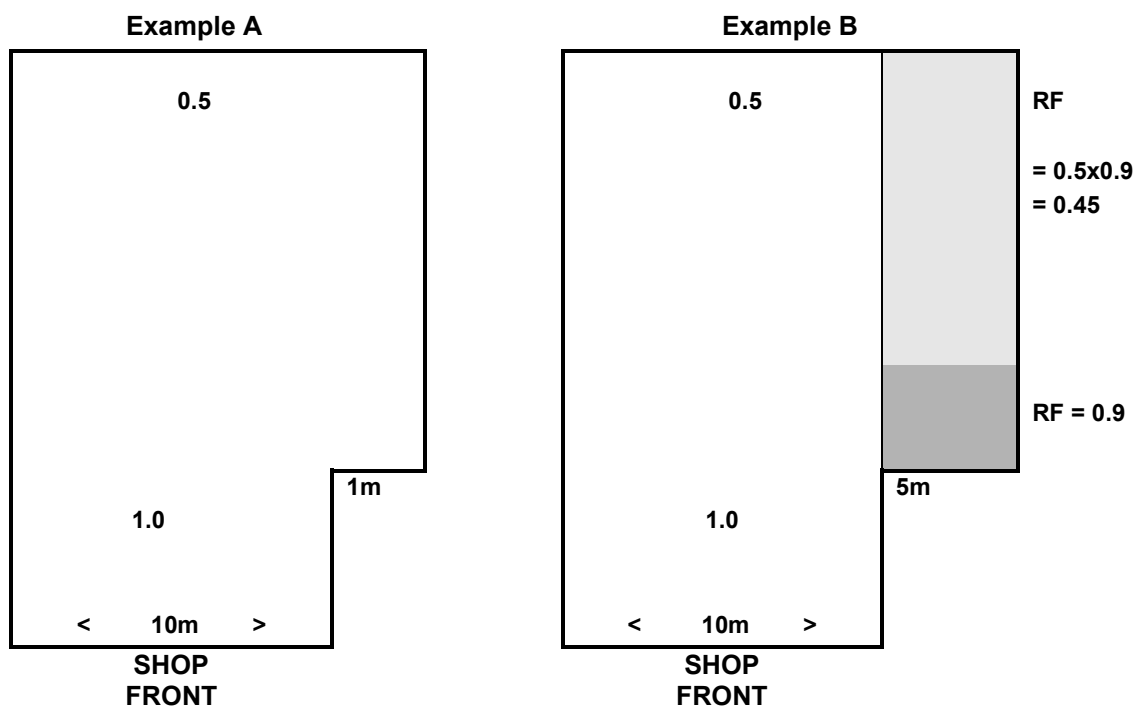
Passages between areas of ancillary accommodation may also be excluded from the calculation of NIA where these appear to form essential fire corridors.

## MASKING

Masking is a feature where sales space is located in an offset or concealed position and therefore is at least partially obscured from the frontage. It is essential that any allowance for masking does not exceed the RFs noted in para 6.2 of VP/S/1 to be applied to ancillary accommodation and which already reflects the fact that such accommodation will be in a masked position or behind permanent walls.

It is important to recognise that the extent of deduction to be granted to a masked area will depend upon the degree to which that area is affected. This will necessarily depend on the relationship of the width of the masked area in relation to the width of the shop.

For guidance only, the following approach is suggested:



**Example A** - If the masked area extends to only  $\frac{1}{10}$  of the width of the shop, then no allowance is merited.

**Example B** - Where the masked area extends more than  $\frac{1}{10}$  of the width of the shop, then a reduction factor of between 0.95 and 0.90 should be applied to the whole of the area affected.

A masking allowance is appropriate for only the zone where the offset occurs and the next zone immediately beyond this.



## RETURN OF FRONTAGE

Return Frontage can occur when a shop which occupies a corner site between two streets has display windows to each. It is a method of measuring and reflecting the additional value which that part of the property may derive from this additional display potential.

In considering return frontage primary zoning will normally be undertaken from the most valuable street. The principle requires that an addition be made to reflect the additional benefit conferred and, in the rear zones, to rationalise the differential between the two streets. For guidance the following approach is suggested.

**Note** additions should only be made to areas which benefit from significant display potential to the side street.

<b>Zone C</b>	RF = 0.25	RF = 0.4	SIDE STREET BASIC RATE = £400/m <sup>2</sup>
<b>Zone B</b>	RF = 0.5	RF = 0.55	
<b>Zone A</b>	RF = 1.0	RF = 1.1	

**MAIN STREET**  
**BASIC RATE = £1,000/m<sup>2</sup>**

Therefore, in the example shown above the Zone A and B area's which have display frontage to both streets will attract an addition of 10% as this results in an effective rate/m<sup>2</sup> which is higher than the Zone A of the side street.

The application of the Zone C RF (0.25), even with an addition of 10% would result in a lower effective rate/m<sup>2</sup> than would be applied to this area if it had been zoned from the side street. An RF which would equate the two rates should be adopted.

## QUANTUM/INVERSE QUANTUM

Where appropriate adjustments for quantum should be applied in accordance with the following table.

Ratio Reduced Area/Precinct norm	Quantum	Ratio Reduced Area/ Precinct norm	Quantum	Ratio Reduced Area/ Precinct norm	Quantum
0 - 1.5	0.00%	2.01	-6.80%	2.52	-13.60%
1.51	-0.13%	2.02	-6.93%	2.53	-13.73%
1.52	-0.27%	2.03	-7.07%	2.54	-13.87%
1.53	-0.40%	2.04	-7.20%	2.55	-14.00%
1.54	-0.53%	2.05	-7.33%	2.56	-14.13%
1.55	-0.67%	2.06	-7.47%	2.57	-14.27%
1.56	-0.80%	2.07	-7.60%	2.58	-14.40%
1.57	-0.93%	2.08	-7.73%	2.59	-14.53%
1.58	-1.07%	2.09	-7.87%	2.6	-14.67%
1.59	-1.20%	2.1	-8.00%	2.61	-14.80%
1.6	-1.33%	2.11	-8.13%	2.62	-14.93%
1.61	-1.47%	2.12	-8.27%	2.63	-15.07%
1.62	-1.60%	2.13	-8.40%	2.64	-15.20%
1.63	-1.73%	2.14	-8.53%	2.65	-15.33%
1.64	-1.87%	2.15	-8.67%	2.66	-15.47%
1.65	-2.00%	2.16	-8.80%	2.67	-15.60%
1.66	-2.13%	2.17	-8.93%	2.68	-15.73%
1.67	-2.27%	2.18	-9.07%	2.69	-15.87%
1.68	-2.40%	2.19	-9.20%	2.7	-16.00%
1.69	-2.53%	2.2	-9.33%	2.71	-16.13%
1.7	-2.67%	2.21	-9.47%	2.72	-16.27%
1.71	-2.80%	2.22	-9.60%	2.73	-16.40%
1.72	-2.93%	2.23	-9.73%	2.74	-16.53%
1.73	-3.07%	2.24	-9.87%	2.75	-16.67%
1.74	-3.20%	2.25	-10.00%	2.76	-16.80%

Ratio Reduced Area/Precinct norm	Quantum	Ratio Reduced Area/ Precinct norm	Quantum	Ratio Reduced Area/ Precinct norm	Quantum
1.75	-3.33%	2.26	-10.13%	2.77	-16.93%
1.76	-3.47%	2.27	-10.27%	2.78	-17.07%
1.77	-3.60%	2.28	-10.40%	2.79	-17.20%
1.78	-3.73%	2.29	-10.53%	2.8	-17.33%
1.79	-3.87%	2.3	-10.67%	2.81	-17.47%
1.8	-4.00%	2.31	-10.80%	2.82	-17.60%
1.81	-4.13%	2.32	-10.93%	2.83	-17.73%
1.82	-4.27%	2.33	-11.07%	2.84	-17.87%
1.83	-4.40%	2.34	-11.20%	2.85	-18.00%
1.84	-4.53%	2.35	-11.33%	2.86	-18.13%
1.85	-4.67%	2.36	-11.47%	2.87	-18.27%
1.86	-4.80%	2.37	-11.60%	2.88	-18.40%
1.87	-4.93%	2.38	-11.73%	2.89	-18.53%
1.88	-5.07%	2.39	-11.87%	2.9	-18.67%
1.89	-5.20%	2.4	-12.00%	2.91	-18.80%
1.9	-5.33%	2.41	-12.13%	2.92	-18.93%
1.91	-5.47%	2.42	-12.27%	2.93	-19.07%
1.92	-5.60%	2.43	-12.40%	2.94	-19.20%
1.93	-5.73%	2.44	-12.53%	2.95	-19.33%
1.94	-5.87%	2.45	-12.67%	2.96	-19.47%
1.95	-6.00%	2.46	-12.80%	2.97	-19.60%
1.96	-6.13%	2.47	-12.93%	2.98	-19.73%
1.97	-6.27%	2.48	-13.07%	2.99	-19.87%
1.98	-6.40%	2.49	-13.20%	3	-20.00%
1.99	-6.53%	2.5	-13.33%	add below table	
2	-6.67%	2.51	-13.47%		

Ratio to norm	Quantum
3	-20
3.01	-20.1
3.02	-20.2
3.03	-20.3
3.04	-20.4
3.05	-20.5
3.06	-20.6
3.07	-20.7
3.08	-20.8
3.09	-20.9
3.1	-21
3.11	-21.1
3.12	-21.2
3.13	-21.3
3.14	-21.4
3.15	-21.5
3.16	-21.6
3.17	-21.7
3.18	-21.8
3.19	-21.9
3.2	-22
3.21	-22.1
3.22	-22.2
3.23	-22.3
3.24	-22.4
3.25	-22.5
3.26	-22.6
3.27	-22.7
3.28	-22.8
3.29	-22.9
3.3	-23
3.31	-23.1
3.32	-23.2
3.33	-23.3
3.34	-23.4
3.35	-23.5
3.36	-23.6
3.37	-23.7
3.38	-23.8
3.39	-23.9
3.4	-24
3.41	-24.1
3.42	-24.2
3.43	-24.3
3.44	-24.4
3.45	-24.5
3.46	-24.6
3.47	-24.7
3.48	-24.8
3.49	-24.9
3.5	-25
>3.5	-25