

Garden Centre Valuations

- It's all about potential
- Valuations are related to trade but based on transactional evidence
- For an accurate valuation, insist on a specialist

For confidential and expert garden centre property advice, please contact:

Mike Gilbert

01344 636386 or mgilbert@gilbertevans.com

or

Allen Evans

01344 636446 or aevans@gilbertevans.com

Garden centres are now established and significant retail and leisure destinations in their own right. However, the approach to valuing garden centres differs significantly when compared with other retail, leisure and commercial property.

The value of a garden centre is made up of three distinct elements: land, buildings (including trade fixtures) and the market perception of the trading potential excluding personal goodwill. The potential to improve turnover underpins the value of the business. The actual level of trade combined with the potential level of trade is key.

The valuation approach must follow the analysis of comparable transactions so it is essential that the valuer has first-hand experience of the market.

Relevant to both freehold and leasehold valuations, regard must be had to audited trading accounts, merchandise ranges and business mix, relevant planning history, and the potential to improve the business. Other factors such as catchment analysis, demographic mix, permitted planning uses, competition, access, building size, age and condition, catering offer, and concession income are also relevant.

Other more recent developments such as the referendum decision to leave the EU, and the 2017 Rating Revaluation have to be taken into consideration to evaluate any impact on value, and if so by how much.

Each property has to be considered on its own merits, and ultimately the relative market demand has to be gauged accordingly. Specialist skills and in-depth knowledge of the garden centre transactional market are essential for an accurate and effective valuation.

Gilbert Evans is the sole preferred supplier of property advice to the HTA. Members can contact us via gardencentres@hta.co.uk

