

SUCCESS STORY

RATING TEAM NETS £850,000 CASH SAVINGS FOR NATIONAL DISTRIBUTOR

TEAM – RATING BIRMINGHAM

Graham Ryall
Director
0121 265 7579
graham.ryall@colliers.com

STATISTICS

Savings £850,000

SERVICES PROVIDED

Rating Valuation

www.colliers.com/uk

CHALLENGE

This major high-street retailer instructed the Colliers rating team to investigate the assessment of rateable value on its two new distribution depots in the West Midlands.

STRATEGY

The depots were independent, with access to a busy motorway intersection via a main distribution road.

As they were on standalone sites, we knew that researching values agreed on comparable properties on established distribution parks was unlikely to support our case.

On our appeal to the Valuation Office, we investigated the rents on the two properties and found that the landlords had offered capital contributions as incentives.

We also toned back the rents to the antecedent valuation date. The size of each depot was around 25,000 sq m.

Our analysis indicated a price per sq m well below the level agreed on properties of a similar age and size on established distribution parks.

Through our negotiations with the Valuation Office, the rateable value attributed to the two sites was significantly reduced – generating a saving of £850,000 for our client.

SERVICES

- Initial recommendation and advice from a professional rating surveyor;
- Detailed measuring survey allowing instigation of procedures to ensure the lowest level of liability is being charged;
- Full analysis of subject property rental transaction, if applicable, and transactions based on comparable properties in the marketplace;
- Proactive lead in discussions with the Valuation Office to ensure best results;
- Provision of additional advice and recommendations on Valuation Office forms of return, Small Business Rate Relief and applications to local authorities on vacant areas of commercial properties;
- Continued rating advice and support throughout the life of the rating list;
- Direct internal link to all of Colliers International's commercial property services, providing wide range of support for all types of commercial property.

RESULTS

Our analysis highlighted a case for appeal, which resulted in £850,000 in savings for our client.