

Appeal No. VA04/1/066

AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tACHT LUACHÁLA, 2001
VALUATION ACT, 2001

Michael Doherty t/a Joseph Doherty (Moville) Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Workshop, Shop at Lot No. 2, Ballynally, Moville, County Donegal

B E F O R E

Fred Devlin - FSCS.FRICS

Deputy Chairperson

Michael McWey - Valuer

Member

Patrick Riney - FSCS FRICS FIAVI

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 28TH DAY OF SEPTEMBER, 2004

By Notice of Appeal dated the 18th day of March, 2004, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €106.00 on the above described relevant property.

The Grounds of Appeal as set out in the Notice of Appeal are:

"Not valued in accordance with Valuation Acts, the valuation is excessive when compared to comparable properties in the same rating area."

Introduction

This appeal proceeded by way of an oral hearing held on the 25th of June 2004 at the Courthouse, Letterkenny, County Donegal. At the oral hearing the appellant was represented by Mr. Patrick McCarroll, M.R.I.C.S., F.I.A.V.I., A.S.C.S., M.C.I.Arb.. Mr. Damien Curran, M.R.I.C.S., A.S.C.S., B.Sc.(Surv), a Grade 1 Valuer in the Valuation Office, appeared on behalf of the respondent. Both parties having taken the oath adopted their respective précis which had previously been received by the Tribunal as their evidence-in-chief.

The Property Concerned

The property concerned comprises a motor repair garage, showroom and shop together with ancillary stores and office accommodation located at the northern end of Main Street, Moville. The premises occupies a prominent end of terrace location but has limited forecourt and off-street car parking facilities.

The workshop and showroom are situated within an old single-storey structure with a “Belfast” roof. This part of the premises has been recently modernised and the main street frontage now incorporates a display window with metal decking over.

The adjoining two-storey structure which was formerly an adjoining house provides the main reception area, motor factor shop, office and stores. Offices and additional stores are at first floor level. The agreed accommodation is as follows:

Ground Floor-

- Workshop 173.26 sq. metres
- Showroom 70.45 sq. metres
- Shop/ Reception area 52.67 sq. metres
- Store 3.57 sq. metres

First Floor-

- Office 14.90 sq. metres
- Stores 29.80 sq. metres
- Stores 39.10 sq. metres

Valuation History

At revision stage in November 2003 the rateable valuation of the property concerned was determined at €106 and a Valuation Certificate issued in accordance with section 28 of the Valuation Act, 2001. No change was made at first appeal stage and it is against this decision by the Commissioner of Valuation that the appeal to this Tribunal now lies.

The Appellant's Evidence

In his evidence Mr. McCarroll contended for a rateable valuation of €38 calculated as set out below:

Valuation

| | | | |
|--------------|--|---|----------------|
| Workshop | 173.26 sq. metres @ €20.00 per sq. metre | = | €3,465.20 |
| Showroom | 70.45 sq. metres @ €25.00 per sq. metre | = | €1,761.25 |
| Office/ Shop | 56.24 sq. metres @ €25.00 per sq. metre | = | €1,406.00 |
| First Floor | | | |
| Office | 14.90 sq. metres @ €15.00 per sq. metre | = | €223.50 |
| Store | 68.90 sq. metres @ €10.00 per sq. metre | = | <u>€689.00</u> |
| | | | €7545.00 |
| | @ 0.5% | | €38.00 |

In support of his opinion of Net Annual Value Mr. McCarroll introduced one comparison details of which are set out in Appendix 1 attached to this judgment. In his evidence Mr. McCarroll said the premises were of basic construction and design and were not suitable for their current use by virtue of their location and interior layout. Whilst the recent works had improved the external appearance of the premises they did not enhance the property from a functional point of view. The workshop, he said, was narrow and inefficient in use and the lack of adequate forecourt space was a major disadvantage. The accommodation in the two-storey section of the property, Mr. McCarroll said, was reasonably good at ground floor level but poor and badly laid-out at first floor level.

Mr. McCarroll said the property concerned was not a purpose-built facility and compared most unfavourably with Faulkner's which was also located in Merville. Faulkner's, he

stated, was a modern purpose-built premises with extensive car-parking and display facilities. Mr. McCarroll said that Mr. Curran's decision to value the showroom and shop premises at roughly the same level per square metre as shops in Moville was flawed. The showroom, he said, should be valued having regard to the showroom in the Faulkner premises which he said was valued at the same rate per sq. metre as the workshop area i.e. €34.17 per sq. metre.

Under cross-examination Mr. McCarroll said he did not accept the proposition put to him by Mr. Curran that the location of the subject property was better from a commercial point of view than Faulkner's.

The Respondent's Evidence

In his evidence Mr. Curran said that in arriving at his opinion of Net Annual Value he took the view that the showroom and shop element should be valued with reference to shops on the main street. He agreed with Mr. McCarroll that the Faulkner's premises were structurally better than the subject property but in his opinion occupied an inferior location.

In his evidence Mr. Curran contended for a rateable valuation of €6.00 as set out below.

Valuation:

| | | | |
|-------------------------|-------------------|--------------------------|---------------|
| Ground Floor Workshop | 173.26 sq. metres | @ €30.75 per sq. metre = | €5,327.75 |
| Showroom | 70.45 sq. metres | @ €5.67 per sq. metre = | €6,739.95 |
| Ground Floor Shop/Recep | 52.67 sq. metres | @ €5.67 per sq. metre = | €5,038.94 |
| Ground Floor Store | 3.57 sq. metres | @ €30.75 per sq. metre = | €109.77 |
| First Floor Office | 14.90 sq. metres | @ €7.84 per sq. metre = | €112.82 |
| First Floor Store | 29.80 sq. metres | @ €7.33 per sq. metre = | €814.43 |
| First Floor Stores | 39.10 sq. metres | @ €3.67 per sq. metre = | <u>€34.50</u> |
| | | | €19,278.16 |
| | | @ 0.5% | = €6.39 |
| Say | | | €6 |

The Tribunal notes that Mr. Curran's opinion of rateable valuation at €6 is €10 less than the figure currently appearing in the Valuation List.

In support of his opinion of Net Annual Value Mr. Curran introduced five comparisons details of which are set out in Appendix 2 attached to this judgment.

Findings

The Tribunal has carefully considered all the evidence adduced and makes the following findings:

1. The Tribunal accepts Mr. McCarroll's evidence that the property concerned is an old premises and that the works of improvement are largely of a cosmetic nature. However, the premises do occupy a prominent location and this to some extent offsets any inherent disadvantages occasioned by the quality of the accommodation and its limitations of use.
2. The most relevant comparison of all those adduced is Faulkner's which is a modern purpose-built garage and showroom located on the immediate outskirts of Merville. The Tribunal accepts Mr. Curran's opinion that the property concerned occupies a better location than Faulkner's and that this must be taken into account when arriving at its Net Annual Value.
3. The Tribunal accepts Mr. McCarroll's contention that the showroom should be valued as a showroom and not as a shop.
4. The Tribunal attaches little weight to the remaining comparisons.

Determination

Having regard to the foregoing the Tribunal determines the rateable valuation of the property concerned to be €65 calculated as set out below.

Ground Floor

| | | | |
|--------------|-------------------|----------|----------|
| Workshop | 173.26 sq. metres | @ €30.75 | = €5,328 |
| Showroom | 70.45 sq. metres | @ €50.00 | = €3,523 |
| Office/ Shop | 56.24 sq. metres | @ €50.00 | = €2,812 |

First Floor

| | | | |
|------------------------|------------------|----------|-----------------|
| Office | 14.90 sq. metres | @ €25.00 | = €373 |
| Stores | 68.90 sq. metres | @ €15.00 | = <u>€1,034</u> |
| Total Net Annual Value | | | = €13,070 |
| Say | | | €13,000 |
| RV @ 0.5% | | | €65 |

And the Tribunal so determines.