

Appeal No. VA04/2/001

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

**Bernard McGuinness**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Shop at Lot No. 11/1, Culdaff, 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 in fixing a rateable valuation of €43.00 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**

The appeal proceeded by way of an oral hearing held in the Courthouse, Letterkenny, County Donegal on the 25<sup>th</sup> of June 2004. At the hearing the appellant was represented by Mr. Patrick McCarroll, MRICS, FIAVI, ASCS, MCIARB. Mr. Damien Curran MRICS, ASCS, B.Sc(Surveying), 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 the ground floor of a part two-storey and a part single-storey terrace building in the village of Culdaff, County Donegal. The property is occupied as a supermarket with ancillary stores and offices. The agreed net internal areas are as follows:

|             |                   |
|-------------|-------------------|
| Supermarket | 116.13 sq. metres |
| Office 1    | 13.26 sq. metres  |
| Store       | 44.83 sq. metres  |
| Office 2    | 20.80 sq. metres  |

### **Valuation History**

At the revision stage in 2003 the rateable valuation of the property concerned was determined at €43 and a valuation certificate to this effect was 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 of 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 €30 calculated as set out below.

#### Valuation:

Supermarket 116.13 sq. metres @ €40.00 per sq. metre = €4645.20

|        |   |                    |
|--------|---|--------------------|
| Office | 13.26 sq. metres @ €30.00 per sq. metre = | €97.80             |
| Store  | 44.83 sq. metres @ €20.00 per sq. metre = | <del>€896.60</del> |
|        |   | €939.60            |
|        | @0.5%                                     | €29.70             |
|        | Say                                       | €30.00             |

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 evidence Mr. McCarroll said Culdaff was a small village with few facilities and a short tourist season. The property concerned was formerly a residence and not a purpose-built supermarket. In his opinion the Hegarty supermarket in Malin was a better building and provided much better retailing space.

When asked to comment about the respondent's comparisons, as set out in Appendix 2 attached to this judgement, which in addition to Hegarty supermarket in Malin included supermarkets in Carndonagh and Muff. Mr. McCarroll said that Carndonagh was a much larger town with an appreciably higher level of commercial activity and that Muff was a better village than Culdaff from a business point of view due to its proximity to Derry. Mr. McCarroll agreed that there was a second office in the property concerned but since this was used partly for business purposes and partly for local constituency purposes he had taken the view that it was not rateable.

### **Respondent's Evidence**

At the hearing Mr. Curran amended the valuation in his written précis as set out below.

#### Valuation:

|                                 |                                   |                  |
|---------------------------------|-----------------------------------|------------------|
| Shop 116.13                     | sq. metres @ €1.93 per sq. metre  | = €6,030.63      |
| Office 13.26                    | sq. metres @ €25.39 per sq. metre | = €336.37        |
| Store 44.83                     | sq. metres @ €25.39 per sq. metre | = €1,138.23      |
| Office/Domestic 20.80 sq.metres | @ €1.93 per sq. metre             | = <u>€40.00*</u> |
| NAV                             |                                   | = €8,045.23      |

|           |       |
|-----------|-------|
| Say       | €8000 |
| RV @ 0.5% | €40   |

\*Note: 50% NAV due to mixed use of said office.

Mr. Curran said that in arriving at his opinion of Net Annual Value he had taken the view that Culdaff and Malin were largely similar in size and importance from a business point of view.

Under examination Mr. Curran agreed that Carndonagh was a much larger town than either Culdaff or Malin and provided a wide range of services and facilities. He further agreed that his comparison No. 1 was much larger than the property concerned and had the benefit of off-street parking. He agreed that Hegarty's supermarket was more than twice the size of the subject and was a more modern premises.

### **Findings**

Having regard to all the evidence and arguments adduced the Tribunal makes the following findings and determinations:

1. Culdaff, Malin and Muff are three villages in that part of Donegal known as the Inishowen Peninsula. It is common case that Culdaff and Malin are similar in size and both are located in established tourist areas and whilst Muff is not in a tourist area, it is on the main Derry to Moville road less than 4 miles from Derry city.
2. Carndonagh is a large town with a full range of commercial and business activities and cannot be considered comparable in any way to either Malin or Culdaff.
3. Of all the three comparisons put forth by the parties the most relevant is Hegarty's supermarket in Malin. This is a common comparison and is more than twice the size of the subject property. The Harkin & Donaghy shop in Muff is also relevant but to a lesser degree due to its proximity to Derry and the passing trade that it enjoys. Little weight if any can be attached to the Carling supermarket in Carndonagh due to its size and location.

4. The Tribunal attributes most weight to the Hegarty supermarket but considers some allowance must be made to reflect the fact that the subject is less than half its size.
5. In relation to the office, which is from time to time used by the appellant for local constituency purposes, the Tribunal finds that the predominant use of this accommodation is in connection with the business and hence it must be included in its valuation.

### **Determination**

Having regard to all the evidence adduced and the foregoing the Tribunal determines the rateable valuation of the property concerned to be €38 calculated as set out below:

|                           |                                       |                |
|---------------------------|---------------------------------------|----------------|
| Shop                      | 116.13 sq. metres @ €48 per sq. metre | = €574         |
| Offices 1 & 2             | 34.06 sq. metres @ €25 per sq. metre  | = €852         |
| Store                     | 44.83 sq. metres @ €25 per sq. metre  | = <u>€1121</u> |
| Net Annual Value          |                                       | = €7547        |
| Say                       |                                       | €7600          |
| Rateable Valuation @ 0.5% |                                       | €38            |

And the Tribunal so determines.