

Appeal No. VA92/2/011

AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tACHT LUACHÁLA, 1988
VALUATION ACT, 1988

A.I.B. Bank, Galway

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Bank and Yard at Lot No. 59, Society Street, Ballinasloe Urban District, Co. Galway
Quantum - Bank comparisons preferred

B E F O R E

Henry Abbott - S.C.

Chairman

Mary Devins - Solicitor

Deputy Chairman

Brian O'Farrell - Valuer

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 29TH DAY OF JANUARY, 1993

By notice of appeal dated the 12th day of March, 1992, the appellants appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £190 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that the valuation is excessive, inequitable and bad in law.

The Property:

The subject property is located in the centre of Ballinasloe and is a prominent building with double frontage onto St. Michael's Square and Main Street. It was designed as a purpose built bank premises and is still used as such. It is a listed building in the development plan for the town of Ballinasloe published in 1989 apparently because of its brick facade. It comprises a free-standing three-storeyed purpose-built bank, constructed of masonry walls under a pitched slate roof together with a small ground floor extension under flat asphalt finished roof. The front elevation is for the most part brick-faced and complete with stone plinth and parapet. The floors are of solid construction at ground level and of suspended timber on the upper floors. The accommodation was improved in 1979 and consists of the agreed floor areas as follows:-

		<u>Sq. Ft.</u>
Ground Floor:	Public Bank Hall	
	Staff Area	
	A.T.M. Room	
	Manager's Room	
	Strong Room	1,314
	Store/Under-stairs area	84
First Floor:	Foreign Exchange	
	Offices (2)	
	Interview Room	700
	Corridor/Filing Area	109
	Toilets	
Second Floor	Tea Room, Stores	700
	Toilets	
	Total Net Floor Area:	2,907

Valuation History:

(a) First valued in 1908 - R.V. £35
Description - "Ho shop off & yd"

(b) 1929 Revision - R.V. increased to £105
Description - "Bank ho offs & yd"

The old premises was demolished in 1927 - a new purpose built bank of cut stone and brick facade erected.

(c) 1979 Revision - R.V. increased to £165
Description - "Bank & yd"

Property listed to value internal reconstruction and refurbishment.

(d) 1979 First Appeal - R.V. reduced to £148. No other change.

(e) At the request of Ballinasloe U.D.C. the subject property was listed for annual revision in 1990 to "value banklink". The R.V. was increased to £230. Description "Bank & yd". This was appealed to the Commissioner and the Rateable Valuation was reduced to £190 at first appeal stage. It is against this Rateable Valuation that the appeal now lies with the Tribunal.

Tenure:

The subject property is held freehold.

Written Submissions:

A written submission was received on the 29th May, 1992 from Mr. Alan McMillan, an Associate of the Society of Chartered Surveyors and a Director of Donal O'Buachalla & Company Limited, on behalf of the Appellant. A further document consisting of valuations of the subject premises by Michael McCullough, P.C. M.I.A.V.I., and by Mr. Masterson of Jones Lang Wootton was received by the Valuation Tribunal on the 6th January, 1993.

In his written submission on behalf of the appellants Mr. McMillan described the property and the valuation history thereof and said that with site coverage of practically 100%, no off- street parking is available and there is no rear access. He said that the property is in an area zoned commercial/residential in the Ballinasloe Urban District Council Development Plan for 1989. He said that it is included in Table 11 (B) among buildings for which protection is "to be considered". Mr. McMillan said that having regard to Section 11 of the 1852 Act and Section 5 of the 1986 Valuation Act, it is his opinion that the appropriate market rental evidence for which the Net Annual Value of the subject premises may be deduced lies in a combination of market rentals in comparable banking and other retail premises in the immediate vicinity and of other banks located in comparable provincial locations. Mr. McMillan said that to the best of his knowledge the subject is the first bank in Ballinasloe to be assessed on a Net Annual Value basis. He said that the National Irish Bank was revised in 1991 and is under appeal as is the Bank of Ireland, Main Street. He emphasised that the subject premises had not been refurbished or modernised since last revised and that the listing which has given rise to the appeal was prompted by the installation of a non-rateable automatic telling machine. He stated that while the property enjoys a prominent location, it is positioned close to, but not on the prime trading pitch. He said that the value of the building is restricted by the absence of any opportunity for extension, the protected status of the building and the restriction caused by mid-floor location of the vault. Mr. McMillan provided comparisons of:-

National Irish Bank, Main Street, Ballinasloe

Londis (Smyth), Society Street, Ballinasloe

X-tra Vision, Main Street, Ballinasloe.

Kyne referred to the judgment of Mr. Justice Barron (**I.M.I. V The Commissioner of Valuation) 9th March, 1990**). Mr. Kyne gave details of this three comparisons i.e.:-

A.I.B., Tullamore	VA90/2/72	R.V. £390.00
Bank of Ireland, Listowel	VA90/3/22	R.V. £230.00
A.I.B., Listowel	1988 1st Appeal	R.V. £190.00

A chart supplied by Mr. Kyne showing the comparisons in relation to the subject property is set out below:-

	Subject Property	A.I.B. Tullamore	A.I.B. Listowel	B.O.I. Listowel
Ground Fl.	1,398	4,370	2,283	2,370
1st Floor	818	1,152	623	966
2nd Floor	700	948	723	593
Street Frontage	Double 62ft & 24ft	30ft & Mall	35ft	50ft
UD Popul. (1991 Census)	6,125	8,623	3,326	3,326
NAV	£38,000	£78,000 p.a.	£38,000	£46,000
RV	£ 190	£ 390	£ 190	£ 230

Mr. Kyne then set out the breakdown of Rateable Valuation on the subject property as follows:-

Frontage: 62ft onto St. Michael's Square and 24ft onto Main Street.

Ground Floor:	1398 sq.ft. @ £19* = £26,562
First Floor:	818 sq.ft. @ £ 9** = £ 7,362n
Second Floor:	700 sq.ft. @ £6 = <u>£ 4,200</u>
	Total £38,124

Say N.A.V. = £38,000 x 0.5% = R.V. £190.00.

*£19 per sq.ft. overall on the ground floor reflects the fact that this is a smaller unit situated on a corner location.

**£9 per sq.ft. on the first floor reflects the use of the first floor as a Banking Hall.

Oral Hearing:

The oral hearing took place in Galway on the 4th day of June, 1992 and in Dublin on the 17th day of June, 1992. Mr. Marcus Daly, S.C., instructed by Mr. Ray Kinsella, Solicitor Allied Irish Bank, appeared for the appellant and Mr. Patrick Kyne, B.E., a Valuer with 6 years experience in the Valuation Office appeared for the respondent. The hearing resumed again in Dublin on the 11th day of January, 1993.

From the outset at the hearing in Galway, the appellant sought to have details made available of the expenditure by the National Irish Bank in Ballinasloe on the strong room and other installations carried out in converting their premises on Main Street. Mr. Kyne was not in a position to help and the hearing was adjourned to Dublin to enable this information to be obtained.

At the resumed hearing in Dublin on the 11th January, 1993, Mr. Aindrias O'Caomh, B.L., instructed by the Chief State Solicitor appeared for the respondent. Mr. Marcus Daly, S.C., instructed by Mr. Ray Kinsella, Solicitor Allied Irish Bank appeared on behalf of the appellant. It emerged that the information sought in relation to the National Irish Bank was not forthcoming and the appeal proceeded.

Mr. Alan McMillan, an associate of the Society of Chartered Surveyors and Director of Donal O'Buachalla & Company Limited, employed there since 1986, gave evidence on behalf of the appellant, and also did Michael McCullough, P.C. M.I.A.V.I., Auctioneer and Valuer and Commissioner for Oaths for Ballinasloe with Mr. Masterson of Jones Lang Wootton gave evidence of their valuation of

- (a) The freehold interest, and
- (b) The open market rental value of the subject premises.

At the hearing all the merits and demerits of the comparisons offered by both parties were debated and in addition the recently decided valuation of **VA/92/2/43 Bank of Ireland, Portlaoise**, was cited as a comparison. The Tribunal indicated that bank comparisons as far away as Listowel might not be the most helpful comparisons and opined that examination of bank premises in the Galway area and midlands might be more relevant. Mr. Kyne put forward the view that the A.I.B. premises in Tullamore was not as well situated as the subject and the appellant put forward the view that on the basis of the valuation of the Bank of Ireland in Portlaoise, the valuation of the subject should be £108. The appellants argued that while Ballinasloe was on a main traffic route to the west, it lacked the type of corporate presence which one associates with a capital town and instanced the lack of building societies and insurance company regional offices.

Findings:

While the Tribunal is of the view that nothing much turns on the status as an Urban District of Ballinasloe, it is a town with a reasonable agricultural hinterland and reasonably sound industrial base. It also has a hospital with sound sub-regional status. The present and future carparking facilities are ample in the square opposite and do not constitute a constraint on the operation of the bank. While the subject does suffer from planning limitations which might prevent its use for some high rental activities such as a Video Shop or Takeaway, nevertheless, the subject is an imposing prestige building in a prime location in Ballinasloe.

The Tribunal considers that the subject might not be able to attain the rents postulated for it in the valuation of the respondent, especially in view of the passing rents evidenced in Ballinasloe for other premises. Neither is the premises suffering from the disadvantages of the Portlaoise

Bank of Ireland premises in so far as the subject retains its traditional commanding position in front of passing and parking traffic.

Having considered the foregoing and all the comparisons and evidence offered by both parties the Tribunal considers that in all the circumstances of the case the valuation of the subject should be £160.