

Appeal No. VA97/5/019

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

**Palfab Ltd.**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Sawmill & Land at Map Reference 8 R.T., Townland: Dumisky, E.D. Mashanaglass, Co. Cork

Quantum - Rural location, low population

**B E F O R E**

**Liam McKechnie - Senior Counsel**

**Chairman**

**Anita Geraghty - Solicitor**

**Member**

**George McDonnell - F.C.A.**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 3RD DAY OF FEBRUARY, 1998**

By Notice of Appeal dated 14th August 1997 the Appellant appealed against the Determination of the Commissioner of Valuation in fixing a rateable valuation of £475 on the above described hereditament.

The ground of appeal as set out in the Notice of Appeal is that the valuation is excessive.

The appeal proceeded by way of an oral hearing which took place in City Hall, Cork. The Appellant was represented by Mr. Edward Hanafin BSc (Surv) ARICS, ASCS, MIAVI, of Lisney, Chartered Surveyors, Cork.

The Respondent was represented by Mr. Frank O'Connor, District Valuer, ARICS, BSc (Surv).

Having taken the oath, both Valuers adopted their written submissions and valuations which were previously exchanged and forwarded to the Tribunal as being their main evidence. The following facts either agreed or so found concerning the property emerged as being the relevant facts for the purposes of determining this Appeal.

### **Location**

The subject hereditament is situated approximately 20 miles west of Cork City and approx. 4½ miles south of Macroom. It is located on a narrow rural road South of the main Cork/Killarney N22 route.

### **Description**

The property comprises a sawmill and wood processing facility contained in a series of single storey mill, workshop and office buildings overlooking a central yard/circulation area with car parking located to the front. The overall area is circa 4 acres (1.6 hectares).

The main buildings consist of the sawmill, offices, timber stores, timber treatment building and drying kilns and besides the offices and kilns, the buildings are mainly of concrete block and steel deck walls with steel deck roofs. The offices are of wood and slate construction, with two prefab offices adjoining. There are concrete timber storage yards on site also. While the main mill buildings are of a basic construction with limited headroom, they are suited to their present use and are kept in good condition. Comparisons with alternative uses however such as factory/workshop would not be easy, with demand, per se being limited.

### **Accommodation**

The accommodation and agreed floor area is as follows:-

Mills, workshops, office buildings and sundry other - 46,495 sq.ft.

In addition, there are boilers, a weighbridge pit (60 ton), 2 oil tanks and concrete storage yards of approximately 52,000 sq.ft. though a considerable net amount of this could be regarded as circulation.

### **Tenure**

The subject property is held on a freehold title.

### **Valuation History**

Nov. 1996 Valuation list issued and RV assessed at £475: this after the property has been inspected and revised.

Dec. 1996 Occupier appealed to Commissioner of Valuation.

April 1997 Appeal Valuer inspected property.

July 1997 Commissioner issued his decision containing the first appeal result. No change to RV.

August 1997 Occupier appeals to this Tribunal.

### **Submissions of the Parties**

Mr. Hanafin, on behalf of his clients, submitted that in his opinion the preferred method of valuation was one based on the comparative method, though as an alternative he also referred to the cost basis: This last mentioned basis, in view of the other evidence available is not one that commends itself to us and therefore need not be further considered. In his view as of November 1988 the correct NAV is £69,600 which produces an RV of £348. In support he referred to four comparatives, details of which are given in Appendix One hereafter.

Mr. O'Connor on behalf of the Commissioner of Valuation assessed the RV on the subject property as follows:

	<b>Valuation</b>	<b>£</b>
<b>1.</b> Offices	1,705 sq.ft. @ £2.50 p.s.f.	= 4,262

2.	Sawmills, kilns, control room, stores	39,619 sq.ft. @ £1.80 p.s.f.	=	71,314
3.	Treatment building	1,700 sq.ft. @ £1.25 p.s.f.	=	2,125
4.	Canopies	3,471 sq.ft. @ £0.30 p.s.f.	=	1,041
5.	Boiler est. cost (1988)	£70,000 @ 0.5% decapitalisation rate		3,500
6.	Weighbridge pit (60 ton)	say		2,000
7.	2 x oil tanks	say		2,000
8.	Horsepower [613 @ 5p/each per formula = £30.65 R.V.]		=	6,130
9.	Concrete storage yards 52,000 sq.ft. ]26,000 sq.ft. @ 10p		=	2,600
	Allow 50% as circulation ]			
		N.A.V.	=	94,972
				<u>x0.5%</u>
		R.V.	=	£475.00

The rateable valuation was based on 0.5% of the estimated NAV of £94,972 as at November 1988. He stated that this was in line with other recently revised similar hereditaments in Co. Cork. He provided three comparatives - Munster Joinery, Woodfab Ltd. and Mid Cork Pallets Ltd. (See Appendix Two). Mr. O'Connor submitted that his valuation was consistent with the other valuations, taking account of the relative size of the subject property. He also stated that his comparisons had all been taken from companies in the timber industry.

### **Findings & Determination**

The Tribunal has considered all the evidence submitted and matters raised at the oral hearing by both the Appellant and the Respondent. Both parties relied on comparative evidence and the Tribunal has had regard to same.

The Tribunal accepts that the property is in a remote area and little alternative demand would be available. We consider that while the premises are functional, the quality of construction

is at a fairly basic level. On the other hand, the comparisons provided by the appellant were not related to the timber industry.

As regards the comparisons from the Valuation Office, the Tribunal finds it difficult to relate them directly with the subject property on the basis of their size and in the case of Munster Joinery, in that much of that business is in the manufacturing of PVC windows, etc.

In the Tribunal's view a rent of £1.60 psf is reasonable. There is an agreement between both parties on the RV of the miscellaneous areas of the weighbridge pit, oil tanks, etc. and no adjustment has been made.

In the circumstances and in the light of the evidence provided, the Tribunal determines the rateable valuation of the subject property as follows:-

		£
1.	Offices(Including Portacabin)1,705 sq.ft. @ £2.00 psf.	= 3,410
2.	Sawmills (x2), kilns, stores of different quality including one of 557 sq.ft. open 39,619 sq.ft. @ £1.60 psf.	= 63,390
3.	Treatment building - Timber walls/Roofed 1,700 sq.ft. @ £1.00 psf.	= 1,700
4.	Canopies 3,471 sq.ft. @ £0.30 psf.	= 1,041
5.	Boiler est. cost (1988) £70,000 @ 5% decapitalisation	3,500
6.	Weighbridge pit (60 ton)	2,000
7.	2 Oil Tanks	2,000
8.	Horsepower (613 @ 5p each = RV of £30.65)	6,130
9.	Concrete storage yards of 52,000 sq.ft. (allow 50% for circulation) 26,000 sq.ft. @ 10p	<u>2,600</u>

**NAV****£85,771**

NAV £85,771 @ 0.5% = RV £428. Say £430.