

Appeal No. VA00/2/051

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

Mr. Cyril Hackett

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Betting Office at Map Reference 17a Townparks, Main St., Roscrea, Co. Tipperary

B E F O R E

Fred Devlin - FSCS.FRICS

Deputy Chairman

Finian Brannigan - Solicitor

Member

Rita Tynan - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 27TH DAY OF MARCH, 2001

By Notice of Appeal dated the 2nd day of August 2000, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £35 on the above described hereditament.

The Grounds of Appeal as set out in the said Notice of Appeal are that; "the valuation is excessive, inequitable and bad in law".

1. The appeal proceeded by way of an oral hearing which took place on the 9th February, 2001 in the offices of the Valuation Tribunal in Ormond House, Ormond Quay Upper, Dublin. The Appellant was represented by Mr. Eamonn Halpin Bsc. Surveying, A.S.C.S. A.R.I.C.S. M.I.A.V.I., and the Respondent by Mr. Dennis Maher A.R.I.C.S., a valuer in the Valuation Office.

2. The subject hereditament comprises a betting office at ground floor level in a two-storey terraced building located towards the northern end of Main Street, Roscrea. Originally a butchers shop the premises have been extended and modernised throughout. The rent passing under a twenty-year lease from March 1998 is £6,240 per annum with provision for reviews at five-year intervals. The rent agreed was on the basis of the then existing premises and excludes the extension at the rear, which is in the nature of a tenant's improvement.

3. Accommodation
 The agreed accommodation is as follows:

Original Shop	24.9m ² (268 sq.ft.)
Extension at rear	<u>21.0m² (226 sq.ft.)</u>
Total Area	45.9m ² (494 sq.ft.)

4. Following the May 1999 Revision the valuation of the hereditament was entered in the valuation list at the rateable valuation of £35. No change was made at first appeal stage and it is against this decision that the appeal to this Tribunal lies.

5. In accordance with the rules of the Tribunal, the valuers submitted written précis of evidence and valuations prior to the hearing, copies of which were made available to the respective parties prior to the commencement of the oral hearing.

6. At the oral hearing, Mr. Halpin adopted his written précis as being his evidence in chief given under oath and together with supplementary oral evidence made the following contentions:

- a) The Northern end of Main Street is a commercially inferior location to the Southern end and this must be reflected in the valuation attributed to the subject property.
- b) In 1998 the appellant was very keen to have a presence on the Main Street and the rent bears this out.
- c) The appellant spent £28,000 on adapting the property and of this sum approximately £12,000 was in respect of fit-out and decoration.
- d) In arriving at his opinion of Net Annual Value, he had examined the Rateable Valuations of seven other properties on Main Street and had devalued them by using the zoning method.
- e) Comparisons number 3, 4 and 5 are similar in terms of location while the rest of the comparisons occupy a better location on the street.
- f) The Respondent's comparison number 1 occupies the best location on the street and has the benefit of a high profile corner position at the junction of Main Street and Castle Street.
- g) Except for comparison number one the rate p.s.f. applied by the Valuation Office to the subject hereditament was the highest in the street.

7. Mr. Halpin valued the subject property as set out below:

45.8m² = 494 sq.ft.

Front Shop	221 sq.ft. @ £12	=	£2,652
Rear Shop & Office	273 sq.ft. @ £6	=	<u>£1,638</u>
			£4,290
@ 0.5%		=	£21.45
	Say	=	£21

Or

Estimated rental value (1988)

£80 per week = £4,160 @ 0.5% = £20.80 say £21

Mr. Halpin introduced seven comparisons on the Main Street as set out in the appendix attached to this determination.

8. Mr. Dennis Maher adopted his précis of evidence as being his evidence in chief given under oath and in conjunction with supplementary oral evidence made the following contentions:

- a) The general tone of valuations on Main Street for shops with an area of three hundred to five hundred square feet is £12 p.s.f. on an over-all basis.
- b) There is no evidence to support a differential in valuations along Main Street.
- c) Shops on Main Street are not valued on a zoning basis as it is not the policy of the Valuation Office to so value shops in small towns.
- d) In arriving at his valuation he had regard to the valuation of other betting offices in Roscrea and to the actual rent passing.
- e) The valuation of £15.50 p.s.f. used in his comparison number one reflected its corner location. If not on such a prominent corner the approximate rate p.s.f. would be £12.

9. Mr. Maher valued the subject property as set out below:

Betting Office 45.9m ² @ £155 per m ²	=	£7,115
Est. NAV	Say =	£7,000
R.V. @ 0.5%	=	£35

In support of the above valuation Mr. Maher introduced three comparisons as set out in the appendix.

10. Findings

Having regard to all the evidence adduced and all the comparisons introduced the Tribunal makes the following findings:

- 1) Where an actual rent is being paid, this should be the best guide to NAV. In this appeal there is evidence of a passing rent but neither valuer sought to use it as the basis of assessment although Mr. Maher said he had regard to it.

- 2) Both valuers in arriving at their respective opinions of NAV relied upon the evidence of comparisons. Mr. Halpin analysed a number of assessments of shops on Main Street whilst Mr. Maher relied solely upon the assessment of three other betting offices in Roscrea. The Tribunal prefers Mr. Halpin's approach particularly as it includes a number of properties close to the subject.
- 3) The Tribunal accepts Mr. Maher's evidence that the general tone of Main Street is in the order of £12 p.s.f. overall for small shops with an area of between 300 and 500 sq.ft. notwithstanding the fact that some of Mr. Halpin's comparisons indicate a lower figure.
- 4) The Tribunal attaches most weight to Mr. Halpin's comparisons numbers 3, 4 and 5, all of which are in close proximity to each other and on the same side of the street as the subject. Comparisons 4 and 5 as devalued by Mr. Halpin indicate an overall rate of £10 p.s.f. for retail areas of 365 and 536 sq.ft. respectively as against the general level of £12 p.s.f. as stated by Mr. Maher.
- 5) Mr. Halpin's valuation of comparisons 3, 4 and 5 were not disputed by Mr. Maher but he did express the opinion that the assessments of comparison 3 and 4 in particular appeared to be on the low side.

11. Determination

Having regard to all the evidence adduced and the comparisons introduced by both valuers the Tribunal determines the NAV of the subject hereditament to be £5000 calculated as set out below:

Betting Office/Agreed Area	494 sq.ft. @ £10	=	£4,940
NAV	say	=	£5,000
Rateable Valuation at 0.5%		=	£25

