

Appeal No. VA05/1/026

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

Murray Stores Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Shop Store at Lot No. 1Babc/2, Mullaghmore West, Bellanode, County Monaghan.

B E F O R E

John Kerr - BBS. ASCS. ARICS. FIAVI

Deputy Chairperson

Michael F. Lyng - Valuer

Member

Maurice Ahern - Valuer

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 21ST DAY OF JUNE, 2005

By Notice of Appeal dated the 25th day of February, 2005, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €123.00 on the above described relevant property.

The Grounds of Appeal are set out in the Notice of Appeal a copy of which is contained in Appendix 1 to this judgment.

The appeal proceeded by way of an oral hearing that took place in the offices of the Valuation Tribunal, Ormond House, Ormond Quay Upper, Dublin 7 on the 20th April, 2005. Mr. Gerry Murray represented the Appellant and Mr Tomás Cassidy, B.Sc. Property Management & Valuations, MIAVI, a District Valuer in the Valuation Office, represented the respondent.

At the oral hearing, both parties, having taken the oath, adopted their respective précis which had previously been received by the Tribunal as being their evidence in chief.

Description:

The subject property, which consists of a grocery shop, hardware shop and Post Office, is located at Main Street, Bellanode, Co. Monaghan.

Valuation History:

The property was revised in July 2004. A proposed valuation was issued at €130.00. The valuation was reduced to €123.00 at representation stage. The Commissioner of Valuation received an appeal on the 8th October, 2004 in response to which the valuation issued unchanged on 1st February 2005. It is against this decision of the Commissioner that the appeal to the Tribunal lies.

Appellant's case:

Having taken the oath Mr. Gerry Murray confirmed to the Tribunal that the submission received by the Tribunal office from him on the 6th April 2005 was a true copy of his submission and the basis of his appeal to the Tribunal. He further confirmed to the Tribunal that he was not pursuing one of the grounds of appeal set out in the Notice of Appeal namely that *“The property should be considered as a mixed hereditament and re-assessed.”*

Mr. Murray stated that he had three core issues which he felt the Tribunal should be concerned with:

- The Tone of the List
- The Size of the Shop
- Rural Location

With regard to the Tone of the List, he referred to a floor plan of the shop, offices and stores which he had supplied with his submissions and of which a copy is attached at Appendix 2 to this judgment. He said that the areas marked 2 and 3 on the ground floor were overvalued at €61.50 per sq. metre because they had no frontage or view and therefore should be valued the same as area no. 4 at €41.00 per sq. metre. With regard to area no.1, the grocery shop, he said this was the most valuable part of the property because it joined the road. With regard to the first floor, he said that the areas marked 8,9,10 on the floor plan were originally all part of area no. 6 on the plan but, because he needed office space, he had partitioned them off. He felt that the valuation of the shop, with its large floor area, was excessive when compared with other properties of a much smaller size.

Mr. Murray also said that the subject property, given its rural location in a village with a population of 822 and with very little passing trade, could not be compared for valuation purposes with properties in Emyvale which is located on the Main Dublin/Derry road with a large passing trade and which was the location of two of the respondent's comparisons.

Under cross-examination by Mr. Cassidy, Mr. Murray confirmed that the analysis of the RV of the two comparisons and of the subject property which Mr. Murray had set out in his submission to the Tribunal were his own and not a Valuation Office analysis.

Respondent's case:

Mr. Cassidy referred to the location of the subject property on the main street in Bellanode, a location which was off-centre compared with Emyvale. The property is a grocery shop, hardware and Post Office which was extensively refurbished in the last number of years. Office accommodation and basic storage area is located at first floor level. A detached store is located at the rear of the property. Mr. Cassidy outlined his valuation of the subject property as set out below:

Grocery Shop/Post Office	165.61sq. metres @ €61.50 per sq. metre=	€10,185.02
Hardware Shop	224.64 sq. metres @ €41.00 per sq. metre=	€9,210.24
Detached Store (at rear)	105.00sq.metres @ €20.50 per sq. metre=	€2,152.50
Store (First Floor)	177.00 sq. metres @ €10.00 per sq. metre=	€1,770.00
Office (First Floor)	35.19 sq. metres @ €37.58 per sq. metre =	€1,322.44
NAV		€24,640.20
RV @ 0.5%		= €123

Mr. Cassidy's comparisons are set in Appendix 3 to this judgment. The subject property as revised in 2002/02 revision was his first comparison. At that time the shop was only 65 sq. metres, valued at €68.34 per sq. metre with a detached store 105 sq. metres at the rear valued at €20.50 per sq. metre. His second comparison, also located at Main Street, Bellanode was valued at €68.34 per sq. metre. on the shop (75.43 sq. metre) and at €34.17 per sq. metre on the store (6.00 sq. metres). This valuation was agreed at first appeal. Mr. Cassidy acknowledged that his third and fourth comparisons, both located in Emyvale had a better location than the subject and benefited from passing trade.

In reply to the Tribunal Chairperson about the consistency of his approach in weighting Emyvale over Bellanode as a location, Mr. Cassidy agreed that there was a premium to be paid between Emyvale and the subject, reflected in the respective levels of €75.17 and €61.50 per sq. metre on the ground floor shops, and that a comparable premium between office first floor and retail first floor was probably not reflected in his valuation.

Findings

The Tribunal is grateful for the quality of the submissions and the arguments made by the parties and makes the following findings:

- The Tribunal is bound by the provisions of the Valuation Act 2001 in terms of the manner in which the “tone of the list” is employed and by the requirement to consider comparable properties having similar functions.
- The areas marked 1 and 2 on the floor plan would be compatible with each other in value terms and should be valued at the same level. The areas marked 3 and 4 on the floor plan (the Post Office and Hardware Shop) are similarly compatible with each other and should attract the same level of value and less than area 1 and 2. The Tribunal has no comment to make about the grouping of the remaining areas of the property with regard to value.
- There is a quantum allowance to be considered by virtue of the much larger total floor area of the subject vis-à-vis the comparisons introduced including the one in Bellanode village itself.
- Emyvale, where comparisons 3 and 4 are situated, benefits from its location on the busy Dublin/Derry road with a substantial passing trade compared to the village location of the subject.
- The Tribunal notes the absence of a true 1st Floor Office comparable in the submissions and that the premium value that would apply to the 1st Floor Shop in comparison 3 is not reflected in the valuation of the subject as acknowledged by Mr. Cassidy.
- The photographs of the subject property supplied by both parties show that the subject is in a detached configuration not sharing a terraced streetscape which would be more typical of a retail type environment as is the case in Monaghans (comparison 2) in the same village.

Determination:

Having regard to the foregoing the Tribunal determines the RV of the subject property to be €15 calculated as set out below:

	[Floor Plan]	Area/Level	NAV
Grocery Shop	[1&2]	145.61sq.metres @ €8.43 per sq. metre =	€8,507.99
Hardware Shop/Post Office	[3&4]	244.64 sq. metres @ €38.95 per sq. metre=	€9,528.73
Detached Store (at the rear)	[5]	105.00 sq. metres @ €20.50 per sq. metre=	€2,152.50
Store (First Floor)	[6 & 7]	177.00 sq. metres @ €10.00 per sq. metre=	€1,770.00
Office (First Floor)	[8,9&10]	35.19 sq. metres @ €32.00 per sq. metre =	€1,126.08

Net Annual Value €23,085.30

RV @ 0.5% = €115.43

Say €115

And the Tribunal so determines.