

Appeal No. VA10/1/014

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

Enright Kitchens

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Property No.1260639, Showroom, Workshop, Land, at Lot No. 52, Gortnagross, Rathronan, Newcastle, County Limerick.

B E F O R E

Maurice Ahern - Valuer

Deputy Chairperson

Frank O'Donnell - B.Agr.Sc. FIAVI.

Member

Niall O'Hanlon - BL

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 13TH DAY OF AUGUST, 2010

By Notice of Appeal received on the 17th day of February 2010 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €69.00 on the above-described relevant property. The Grounds of Appeal are on a sheet attached to the Notice of Appeal, a copy which is attached at Appendix 1 to this judgment.

This appeal came before the Tribunal by way of an oral hearing held on the 14th day of May, 2010 at the offices of the Valuation Tribunal, Ormond House, Ormond Quay Upper, Dublin 7. At the hearing the appellant, Enright Kitchens, was represented by Mr. Raymond Enright and the respondent was represented by Mr. David Molony, BSc, MRICS, District Valuer in the Valuation Office.

The Property

The property is located in County Limerick on a secondary road which is linked to the main Abbeyfeale/Athea road, approximately one mile south of the village of Athea.

Description

The subject property comprises two distinct buildings. At the front there is a detached structure comprising a two-storey kitchen showroom intercommunicating with a single storey workshop. At the rear is a detached single storey building which is used as a store. The buildings are of conventional construction with concrete block walls and metal cladding.

Accommodation

Ground floor showroom:	109.2 sq. metres
First floor showroom:	109.2 sq. metres
Workshop:	218.42 sq. metres
Store:	129.0 sq. metres

The property is held freehold.

Valuation History

The property was revised in 2009 and the valuation certificate issued with a rateable valuation of €72.00.

Enright Kitchens submitted representations to the Revision Officer in March, 2009. The Revision Officer issued his decision in June 2009 and made no change to the rateable valuation of €72.00.

In July 2009, Enright Kitchens lodged an appeal to the Commissioner of Valuation and on 19th January, 2010 the Commissioner issued a new valuation certificate with an amended rateable valuation of €69.00

It is against this decision by the Commissioner of Valuation that the appeal to this Tribunal now lies.

Appellant's Evidence

Mr. Enright, having taken the oath, adopted his written précis which had previously been received by the Tribunal as being his evidence-in-chief.

Mr. Enright explained that his business is a small family-run business, established by his father in 1977. He gave details of recent deterioration in the economic position of his business, including reductions in staff numbers and staff working hours. He also said there had been a sharp decline in turnover in the past year.

Mr. Enright stated that in 2009 his rates bill was €1,600, whereas it is now €4,000 due to the showroom in the subject property having been extended. He stated that two offices in the subject property are not used and that the subject property has no public amenities.

Mr. Enright observed that the subject property is located on the outskirts of Athea on a secondary road and, as a result, his business does not benefit from passing trade. He said that the three comparisons submitted by Mr. Molony for the Commissioner have now closed and ceased trading. He stated further that all three of Mr. Molony's comparisons were situated in better locations than the subject property.

Under cross-examination Mr. Enright outlined a significant decline in the amount of new business being handled by his firm. He said he did very little, if any, business with builders and developers; that his main source of business was private individuals.

Respondent's Evidence

Mr. Molony having taken the oath, adopted his written précis and valuation which had previously been received by the Tribunal, as being his evidence-in-chief. In his evidence Mr. Molony contended for a rateable valuation of €69.00 calculated as set out below:

Ground floor showroom: 109.2 sq. metres @ €30.74 per sq. metre = €3,356.81
 First floor showroom: 109.2 sq. metres @ €23.91 per sq. metre = €2,610.97
 Workshop: 218.42 sq. metres @ €23.91 per sq. metre = €5,221.94
 Store: 129.0 sq. metres @ €20.49 per sq. metre = €2,643.21

Estimated NAV = €13,832.93 @ 0.50% = €69.16, say €69

RV €69.00

In support of his opinion of net annual value Mr. Molony introduced three comparisons, details of which are set out in Appendix 2 attached to this judgment.

Comparison No.1 is a small showroom in the village of Ardagh, valued at €7 per sq. metre. (This is now closed and the occupier is gone out of business.)

Comparison No. 2 is in the town of Abbeyfeale West. It is a showroom (formerly a garage), valued at €4.16 per sq. metre. (It is now also closed.)

Comparison No. 3 is a showroom located in Desmond Business Park on the outskirts of the town of Newcastle West, with no main road profile. This, too, is valued at €4.16 per sq. metre. (It is now also closed.)

Mr. Molony submitted a map showing the location of the subject property and his three comparisons; he also submitted photographs of all these properties.

Mr. Molony agreed that the subject property was situated in a secondary location, but said that this disadvantage had been factored into his valuation assessment. He pointed out that the locational disadvantage of the subject property is acknowledged in the Standard Valuation Report.

Findings

The Tribunal, having carefully considered all the evidence, including that in relation to the comparisons, both in the written submissions and in evidence given orally at the hearing, makes the following findings:

1. The Tribunal agrees that the subject property is located in a remote rural and mountainous area.
2. All of the comparisons submitted on behalf of the Commissioner of Valuation are in better locations than is the subject property and are close to centres of population. It is noted that the businesses occupying all three comparison properties are now closed.
3. The appellant submitted no comparisons.

Determination

Based on the foregoing, the Tribunal therefore determines that the rateable valuation on the subject property should be €41.00, calculated as follows:

Ground floor showroom:	109.2 sq. metres @ €30.74 per sq. metre	= €3,356.81
First floor showroom:	109.2 sq. metres @ €15.37 per sq. metre	= €1,678.40
Workshop:	218.42 sq. metres @ €10.00 per sq. metre	= €2,184.20
Store:	129.0 sq. metres @ €8.00 per sq. metre	= <u>€1,032.00</u>
Estimated NAV		= €8,251.41
€8,251.41 @ 0.5% =	€41.26	
RV = Say	€41.00	

And the Tribunal so determines.