

Appeal No. VA11/2/035

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

Stephen Harkin

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Property No. 2206976, Shop at Lot No. 1C Gaelic Parc, Unit 10, Ballylosky,
Glentogher, Inishowen, County Donegal.

B E F O R E

John F Kerr - BBS, FSCSI, FRICS, ACI Arb

Deputy Chairperson

Frank Walsh - QFA, Valuer

Member

Patricia O'Connor - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 13TH DAY OF DECEMBER, 2011

By Notice of Appeal dated the 16th day of June, 2011 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €0 on the above described relevant property.

The grounds of Appeal as set out in the Notice of Appeal are:

"Not valued in accordance with Valuation Act. Valuation excessive/inequitable. No comparisons quoted to substantiate valuation. No basis for the valuation of €0 as required/provided for in legislation. Incomplete development, no key tenant, not part of town centre, secondary location."

The appeal proceeded by way of an oral hearing which took place in the offices of the Valuation Tribunal, Ormond House, Ormond Quay Upper, Dublin 7 on the 31st day August, 2011. At the hearing the appellant was represented by Mr. Patrick McCarroll, MSCSI, MRISC of Patrick McCarroll Chartered Valuation Surveyors, Carndonagh, Co. Donegal and the respondent was represented by Mr. Seamus Costello, BSc (Property Valuation and Management), Dip (Property) a Valuer with 12 years experience.

In accordance with the rules of the Tribunal, the parties exchanged their respective précis of evidence prior to the commencement of the hearing and submitted same to the Tribunal. At the oral hearing, both parties, having taken the oath adopted their précis as being their evidence-in-chief. This evidence was supplemented by additional evidence given at the hearing, either directly or via cross examination. From the evidence so tendered, the following emerged as being the facts relevant and material to this appeal.

Issue

Quantum

The Property

The subject property is a new modern purpose-built shop unit at ground floor level with apartments above. The unit has a large percentage of glass on two sides for display purposes. Parking is both to the front and rear of the unit.

Location

The subject property is located in a new development in Carndonagh, Co. Donegal, known as Gaelic Park, situated on the western side of the Convent road some 300 metres south of the town centre.

Services

Mains water, electricity and sewer are connected to this property.

Accommodation

The agreed area of this unit is 122.40 square metres.

Tenure

The property is leasehold with a passing rent of €15,600 per annum, a 36 month lease with 18 months remaining.

Valuation History

The property was the subject of a valuation in 2010 at a proposed rateable valuation of €9. No representations were made. An appeal was subsequently lodged with the Commissioner of Valuation. Having considered the appeal, the Commissioner reduced the rateable valuation to €50. An appeal to the Valuation Tribunal against this decision of the Commissioner was lodged 17th June, 2011.

Appellant's Evidence

Mr. McCarroll having taken the oath adopted his précis of evidence and valuation which had previously been received by the Tribunal and the respondent as being his evidence-in-chief.

In his evidence Mr. McCarroll contended for a rateable valuation of €37, calculated as follows:

122.40 sq. metres @ €60 per sq. metres = €7,344

RV @ 0.5% = €37

In support of his opinion of net annual value, Mr. McCarroll introduced five comparisons, details of which are contained in Appendix 1 attached to this judgment.

In his oral evidence, Mr. McCarroll stressed that the subject property is in a secondary location away from the Town Centre and is located in a development that has no key, or anchor, tenant. The development is not fully complete and none of the residential apartments overhead are occupied.

Mr. McCarroll contended that there are three categories of retail in Carndonagh -

- a. Retail on the Main Street;
- b. Retail in the shopping centre with anchor tenant;
- c. Retail in secondary locations.

The subject property, he said, was in the latter category and he maintained that the valuation needed to reflect this.

Respondent's Evidence

Mr. Costello, having taken the oath, adopted his précis of evidence and valuation which had previously been received by the Tribunal the appellant as being his evidence-in-chief.

In his evidence Mr. Costello contended for a rateable valuation of €50.00, calculated as follows:

Shop 122.40 sq. metres @ €2.02 per sq. metres	=	€10,039
Total NAV	=	€10,039
Rateable Valuation - €10,039 x 0.5% = €50.19		
RV say €50		

In support of his opinion of valuation, Mr. Costello introduced 6 comparisons, details of which are set out in Appendix 2 attached to this judgment.

Mr. Costello in his oral evidence contended that the subject property was a modern purpose built shop unit with good height. It has display windows and two entrances, with good parking. In Mr Costello's opinion, Carndonagh is an easy town to get around in a car. Hence, he said, the subject property is in an excellent location, even without a key tenant. Mr. Costello agreed the subject was off centre but contended that it has its own local attractions such as a Service Station and Kelly's Supermarket. The basis for the 15% reduction at first appeal, he said, was due to the fact that it is slightly outside the main shopping area. Mr. Costello also stated that the passing rent of circa €15,000 is good for a small town.

Findings

1. The Tribunal has carefully considered the submissions and all of the evidence adduced at the oral hearing.
2. The Tribunal is grateful to Mr. McCarroll and Mr. Costello for supplying a full range of commercial comparisons from Carndonagh.

3. Based on the evidence presented, the Tribunal is satisfied that the rate applied by the Commissioner of Valuation fairly reflects the subject property, bearing in mind its size, location and quality of build.

Determination

In view of the foregoing, the Tribunal determines that the decision of the Commissioner of Valuation be upheld and that the rateable valuation on the subject property be affirmed at €50.

And the Tribunal so determines.