

Appeal No. VA14/2/002

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

**Kilbeg Dairy Delights Ltd**

**APPELLANT**

**And**

**Commissioner of Valuation**

**RESPONDENT**

**In Relation to the Issue of Quantum of Valuation in Respect of:**

**Property No. 2212246, Office(s), Warehouse/Warerooms at Lot No. 1Ba(Pt of), Horath, Newtown, Kells, County Meath.**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 7<sup>th</sup> DAY OF OCTOBER, 2014**

**Before**

**Rory Lavelle – M.A., FRICS, FSCSI, ACI Arb**  
**Pat Riney – FSCSI, FRICS, ACI Arb**  
**Michael Lyng – Valuer**

**Deputy Chairperson**  
**Member**  
**Member**

By Notice of Appeal received on the 4<sup>th</sup> day of June, 2014 the Appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €57 on the above described relevant property on the grounds as set out in the Notice of Appeal as follows:

*"The RV as assessed is excessive & inequitable."*

*"The subject buildings are old farm buildings in use as a dairy in a shared farmyard in a very rural area. The Commissioner has failed to make sufficient allowance for the type & nature of the buildings and their actual location & the established tone for comparable properties."*

This appeal, which was lodged with the Valuation Tribunal on the 4<sup>th</sup> June 2014, proceeded by way of an oral hearing held in the offices of the Tribunal, on the 3<sup>rd</sup> floor of Holbrook House, Holles Street, Dublin 2, on the 13<sup>th</sup> day of August 2014 at 10 a.m.

The Appellant was represented by Mr Eamonn Halpin, BSc (Surveying) MRICS, MSCSI, Chartered Surveyor and Estate Agent, and the Respondent was represented by Mr Dean Robinson, BSc (Hons) Surveying, Valuer at the Valuation Office.

### **The Property Concerned**

The subject property comprises old farm buildings which have been converted for use as a small dairy and are now operated as a cheese processing/bakery industry sharing yard space and some buildings with the existing farm use.

### **Location**

The property is located at Horath, c.4 kilometres outside the town of Carlanstown, and c.3.4 kilometres from Moynalty, Co. Meath.

### **Accommodation**

The subject property was measured on a Gross External Area (GEA) basis. The overall gross external areas have been agreed between the parties but put forward and analysed on a different basis.

The Respondent put the areas forward as follows:

<b>Block</b>	<b>Use</b>	<b>Sq. Metres</b>
Area 1	Office	159.30
Area 2	Dairy/Processing	289.55

The Appellant put the areas forward as follows:

<b>Block/Use</b>	<b>Sq. Meters</b>
Ground Floor – Dairy	111.90
Boiler House	12.00

Stores	289.55
First Floor	35.40

### **Basis of Valuation**

The rateable valuation was assessed at 0.5% of the Net Annual Value (NAV), which is made by reference to the values of comparable properties appearing on the Valuation List for the Meath County Council Rating Authority Area, in line with Section 49(1) of the Valuation Act 2001.

### **The Appellant's Case**

Mr Halpin took the oath and adopted his précis as his evidence-in-chief.

He referred in detail to his précis and made a series of points which included the following:

1. The location of the subject property is remote, removed from all other commercial property in the area.
2. The buildings predominantly comprise old farm buildings which had been modified for use as a dairy.
3. The hypothetical tenant would offer only a very low rent for the subject property because of its very rural location, poor access, the fact that the site is shared with the adjoining farmer, and the office space is very small with restricted headroom.
4. In view of the very thick walls, i.e. over one metre, in comparison to a standard industrial building, a suitable allowance should be made.
5. In referring to his comparisons in some detail, he particularly referred to his Comparison 1, i.e. Nature's Best, Carnes West, Duleek, Co. Meath. He pointed out that this is a far superior property to the subject. It is also purpose-built and the rate applied to the office area is less than one third of the rate applied to the subject property by the Respondent.

### **Cross-Examination**

Mr Halpin accepted that the subject property is fit for purpose, but argued that because of the points made by him, there should be a substantial reduction assessed for the NAV.

### **Respondent's Case**

Mr Robinson took the oath and adopted his précis as his evidence-in-chief. He also submitted, in agreement with Mr Halpin, a copy of the appeal made in 1997 on behalf of the owner of the Appellant's Comparison No. 1, i.e. Nature's Best, against the valuation of said property and the decision in respect thereof of the Commissioner of Valuation. He referred in some detail to his précis and made a series of points including the following:

1. His Comparison 1, i.e. Sheridan's Cheesemongers Ltd, was located in a similar rural location to the subject and had been reduced to €34 per sq. metre. It also mainly comprised an old converted railway building.
2. His Comparison 2, i.e. PEL Systems, is a property also located c.2 kilometres outside of Kells, Co. Meath, on the Kingscourt Road. It has concrete flooring, single cladded walls and roof and is used for the repair of agricultural machinery.
3. His Comparison 3, i.e. Cooper Insulation, is located only c.2 kilometres from the subject property and comprises a warehouse with an eaves height of c.7.4 metres.

### **Cross-Examination**

Mr Robinson referred to the details given in his submission for his three comparable properties. However, he could not assist the Tribunal any further in regard to location, condition or whether the said properties were renovated or new structures, as he was not familiar with them, except for referring to previous valuers' reports relating thereto.

### **Summing Up**

Mr Halpin stated that:

1. While the subject property is not unique, it is substantially different to the comparables submitted by the Respondent.
2. The Commissioner should make a number of allowances, as previously requested, and reduce the NAV accordingly.
3. The Tribunal is also requested to take account of all the points made in his précis of evidence.

Mr Robinson stated that:

1. He had referred in detail to his assessment of NAV/RV in his précis of evidence during the hearing.
2. In his opinion, the Appellant's case for a reduction in the RV assessed had not been supported by Mr Halpin's précis of evidence or any points made during the hearing.

3. He had provided three suitable comparisons to support the RV assessed by the Valuation Office.

### Findings

The Tribunal has carefully considered all the evidence and arguments adduced at the hearing and finds as follows:

1. The subject property is located in a remote location and comprises predominantly old farm buildings that have been modified for use as a dairy.
2. The Respondent was unable to assist the Tribunal, in regard to the location, condition and construction of his three comparisons, except for the details submitted by him and which referred to the valuers' reports recorded, as he was not familiar with said comparisons.
3. The Tribunal is persuaded by the Appellant's analysis of the floor areas and use.
4. The Tribunal finds the Appellant's comparisons to be of most assistance.

### Determination

Having regard to the foregoing, the Tribunal determines the Rateable Valuation of the property concerned to be €31.25 as set out below:-

Ground Floor – Dairy	111.90 sq. metres @ €15.00 per sq. metre	€1,678.50
Boiler House	12.00 sq. metres @ €6.83 per sq. metre	€ 81.96
Stores	289.55 sq. metres @ €13.67 per sq. metre	€3,958.15
First Floor	35.40 sq. metres @ €15.00 per sq. metre	<u>€ 531.00</u>
	Total	€6,249.61
	@ 0.5%	€ 31.248
	RV Say	€ 31.25

And the Tribunal so determines.