

Appeal No. VA96/4/002

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

E.S.B., Bandon

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Showroom, Stores and Yard at Map Ref: 2Cb, Townland: Cloghmaccsimon, ED: Bandon,
RD: Bandon, Co. Cork
Quantum

B E F O R E

Fred Devlin - FRICS.ACI Arb.

Deputy Chairman

Brid Mimmagh - Solicitor

Member

Michael Coghlan - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 12TH DAY OF DECEMBER, 1997

By Notice of Appeal dated the 7th day of August 1996 the Appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £125 on the above described hereditament.

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

- "(1) The valuation is excessive and inequitable.
- (2) The valuation is bad in law."

1. The subject of this appeal comprises a showroom, offices and stores occupying a site of 1.3 acres with some 300 ft frontage to the main Bandon to Cork road and located on the immediate outskirts of Bandon.
2. The property was first valued in 1982 at a rateable valuation of £90. As a result of alterations and improvements the hereditament was listed for revision in 1995 and the valuation increased to £125. No change was made at first appeal and it is against this decision that the appeal to this Tribunal lies.
3. The appeal proceeded by way of an oral hearing held on the 12th March, 1997 in the District Court House, Angelsea Street, Cork at which the respondent was represented by Mr. Desmond Killen FRICS FSCS IRRV a Director of Donal O'Buachalla & Company Limited. The respondent was represented by Mr. Frank O'Connor, ARICS, a District Valuer in the Valuation Office.
4. Prior to the oral hearing the valuers submitted and exchanged between them written precis of evidence and valuations which they each adopted as being their evidence in chief under oath at the said hearing.
5. The area of each constituent part of the hereditament was agreed prior to the hearing and set out below are the valuations submitted by the appellant and respondent respectively.

Mr. Killens Valuation

"Shop	961 sq.ft. @ £7 p.s.f.	=	£6,727
Administration Offices	2,217 sq.ft. @ £4 p.s.f.	=	£8,868
Stores	1,054 sq.ft. @ £2 p.s.f	=	£2,108
Hardcore Yard	13,536 sq.ft. @£0.10 p.s.f	=	£1,354
Tarmac Yard	13,428 sq.ft. @ £0.15 p.s.f.	=	£2,014
Front Yard	16,678 sq.ft. - Nil"		

Total NAV	=	£21,070
RV @ 0.05%	=	£ 105

Mr. O'Connors Valuation

"Showroom & Cash Office	961 sq.ft. @ £8.00 psf	=	£ 7,688
Administration Offices	2,217 sq.ft. @ £4.00 psf	=	£ 8,868
Stores	1,054 sq.ft. @ £2.00 psf	=	£ 2,108
Rear tar yard	13,428 sq.ft. @ £0.20 psf	=	£ 2,686
Rear hardcore yard	13,536 sq.ft. @ £0.10 psf	=	£ 1,354
Front tar yard	8,339 sq.ft. @ £0.20 psf	=	£ 1,668
Oil & diesel storage tanks	Say	=	<u>£ 600</u>
	Total NAV	=	<u>£24,972</u>
	RV @ 0.05%	=	£ 125

6. Mr. Killen in arriving at his opinion of NAV relied upon that of the ESB premises at Carrigaline the subject matter of a previous Tribunal decision VA92/3/008. Mr. O'Connor introduced four comparisons as set out in Appendix One attached to this decision.
7. At the commencement of the oral hearing Mr. Killen stated that during the negotiations at first appeal stage Mr. O'Connor had made no offer to settle the matter by agreement nor had he given any indication as to the basis of his valuation. However, in the light of the evidence and comparisons contained in Mr. O'Connor's submission, Mr. Killen sought leave to amend his opinion of NAV to £23,000, giving a rateable valuation of £115.
8. Under cross-examination Mr. O'Connor agreed that in none of his four comparisons had he attributed a separate value to the paved yard areas attached to these premises. Nevertheless Mr. O'Connor in support of his valuation of the appealed property contended that it was proper to attribute a value to the paved yard areas having regard to their extent and the fact that the property has an extensive frontage to the main Bandon/Cork road. The comparative properties on the other hand occupy inferior locations and the paved yard areas in all instances were much smaller than the subject.

Mr. O'Connor also pointed out that in valuing the yard area at the front he had made a 50% allowance in order to reflect the parking and circulation space.

Determination

Having considered all of the evidence and arguments adduced by the parties, the Tribunal makes the following findings:

1. Having regard to the location and nature of the subject property, Mr. O'Connor is correct in attributing a value to the paved areas at the front and rear of the buildings.

2. Taking into account the extent of the yard area at the front and rear, the Tribunal is of the opinion that there should be a lesser differential in the price attributed to the tarmac area and the hardcore area - £0.20 p.s.f. and £0.10 p.s.f. as applied by Mr. O'Connor.

Having regard to the extent of the yard areas the Tribunal considers that the appropriate rates to apply should be £0.15 and £0.10 p.s.f. The Tribunal commends the valuers for agreeing the areas and uses of the constituent elements of this hereditament prior to the Oral Hearing. Nonetheless, in spite of this good professional practice it would appear that some relevant information particularly in relation to Mr. O'Connors comparisons were not made available to Mr. Killen until after the matter was referred to this Tribunal. In the light of this new information Mr. Killen saw fit to amend his opinion of NAV from £21,000 to £23,000. In the circumstances it would appear that the valuers may not have fully availed of the opportunity to settle this appeal by agreement at First Appeal stage. Perhaps if they had it would not have been necessary to refer the matter to this Tribunal.

Having carefully considered all the evidence and arguments adduced and taking into account the location of the property and the extensive paved area, the Tribunal determines the NAV of the appeal hereditament to be £24,000 giving an RV of £120. calculated as set out below:

Valuation

Showroom and cash offices	961 sqft	@ £8	=	£7,688
Administration offices	2,217 sqft	@ £4	=	£8,868
Stores	1,054 sqft	@ £2	=	£2,108

Rear Tarred Yard	13,428 sqft @ £0.15	=	£2,014
Rear Hardcore Yard	13,536 sqft @ £0.10	=	£1,354
Front Tarred Yard	8,339 sqft @ £0.15	=	£1,251
Oil and Diesel Tanks	Say	=	£ 600
		=	£23,883
	Net Annual Value	say	£24,000
	Rateable Valuation @ .5%	=	£120