

Appeal No. VA00/2/052

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

Roscrea Credit Union Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Office, yard at Map Reference 29 (incl. 1a Cottons Lane), Townparks, Main Street, Roscrea, Co. Tipperary

B E F O R E

Fred Devlin - FSCS.FRICS

Deputy Chairman

Finian Brannigan - Solicitor

Member

Rita Tynan - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 27TH DAY OF MARCH, 2001

By Notice of Appeal dated the 2nd day of August 2000, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £150 on the above described hereditament.

The Grounds of Appeal as set out in the said Notice of Appeal are that; "the valuation is excessive, inequitable and bad in law".

1. The appeal proceeded by way of an oral hearing which took place in the Tribunal Office in Ormond House, Ormond Quay Upper, Dublin on the 9th February, 2001. The Appellant was represented by Mr. Eamonn Halpin Bsc. Surveying, A.S.C.S. A.R.I.C.S. M.I.A.V.I., and the Respondent by Mr. Denis Maher A.R.I.C.S. a district valuer with the Valuation Office.
2. The subject hereditament which comprises the office of Roscrea Credit Union is situated at the Northern end of Main Street, Roscrea. The building is mainly two-storey with a single storey section at the front and two single storey returns at the rear together with a enclosed car park for 20 cars. In the early 1990's the existing two-storey building was substantially reconstructed and extended and in 1997/98 further works took place which included the addition of the single storey extensions at the front and rear. The ground floor is used as an open plan public office with a number of private offices and staff accommodation and stores at the rear. The first floor contains the boardroom and some additional administration offices and toilets. The property is in excellent condition throughout.
3. The agreed accommodations is as follows:

Ground Floor/front section	2,459 sq.ft. (228.4 m ²)
Ground Floor/rear section	396 sq.ft. (36.8 m ²)
Offices/Kitchens/Stores etc.	
First Floor offices	985 sq.ft. (91.5m ²)
Total Area	3840 sq.ft. (356.7m ²)
4. At the May 1999 Revision the new credit union building was valued at £150. No change was made at the first appeal stage and it is against this decision that the appeal to the Tribunal lies.
5. In accordance with the rules of the Tribunal the valuers provided written précis of evidence and valuation prior to the oral hearing and copies of these were made available to the respective parties before the commencement of the oral hearing.
6. At the oral hearing Mr. Halpin adopted his written précis as being his evidence in chief given under oath and contended as follows:

Or

Zone "A" = 97.76m ² = 1,052 sq.ft. @ £10/sq.ft.	=	£10,520
Zone "B" = 97.76 m ² = 1052 sq.ft. @ £5/sq.ft.	=	£5,260
Zone "C" (including rear offices/stores, kitchen) = 69.68m ² = 750 sq.ft. @ £2.50/sq.ft.	=	£1,875
1 st Floor = 985 sq.ft. @ £4/sq.ft.	=	<u>£3,940</u>
		£21,595
	@ 0.5%	= £107.97
	Say	= £108

In support of his valuation, Mr. Halpin introduced five comparisons of retail units on Main Street and six Credit Union Buildings throughout the country as set out in the appendix attached to this determination.

8. Mr. Denis Maher having taken the oath adopted his written précis as being his evidence in chief given under oath and made the following contentions:
- a) *The property occupies an excellent location on Main Street and has the benefit of a private car park at the rear.*
 - b) *The building is well constructed and finished to a high standard and has an extensive and high profile frontage to Main Street.*
 - c) *In arriving at his valuation he had regard to the 1992 valuation and in the absence of appropriate comparable properties in Roscrea, he had regard to the assessment of other credit union offices elsewhere in Co. Tipperary and not throughout the country as Mr. Halpin had done.*
 - d) *Retail premises on Main Street are generally valued at £12 p.s.f. overall and no allowance has been made for locational differences along the length of Main Street.*
 - e) *Bank premises and Building Society offices are located close to the Castle Street end of Main Street but none of these to the best of his knowledge has been subject to revision in recent years.*

f) *It is not the policy of the Valuation Office to zone shops in small towns. In the circumstances therefore he could not agree with Mr. Halpin's valuation method.*

However he did agree that the public area was located in the main block and did not extend into the returns at the back.

Mr. Maher valued the property as set out below:

Ground Floor:

(Public office, offices, strong room, computer room etc.)

265.2 m² @ £100 per m² = £26,520

First Floor:

Offices, boardroom, stores, kitchen

91.5m² @ £55 per m² = £5,032

Estimated NAV = £31,552

R.V. @ 0.5% = £157.76

Say = £150

In support of his valuation, Mr. Maher introduced four comparisons being the other credit union buildings in other towns in county Tipperary. Details of these comparisons are set out in the appendix attached to this determination.

Findings

1. The valuers in this appeal have adopted fundamentally different approaches to the valuation of the subject hereditament. Mr. Halpin looked at the valuation of large retail premises in the town and at a number of credit union buildings throughout the country with which he was familiar. Mr. Maher on the other hand relied solely upon the assessment of other credit union buildings in County Tipperary and to a degree to the assessment of the subject property at the 1992 Revision.
2. It is common case that the Roscrea Credit Union building is well constructed and finished to a high standard and provides good quality accommodation with the benefit of an enclosed car park at the rear. There is however a difference of opinion regarding the building's location on Main Street.

3. The Tribunal has carefully considered all the evidence and has come to the following conclusions:
- (a) No evidence in respect of a truly comparable property situated in Roscrea was put forward by either valuer which makes the task of this Tribunal and indeed the valuers far from easy having regard to the provisions of Section 5(c) of the Valuation Act, 1986.
 - (b) In many ways Credit Union Offices are not dissimilar to Bank premises and as a general statement, where banks are located in a retail area, they should be valued at or about the same level of assessment, unless there is evidence to the contrary or that the hereditament has some unique quality or standard of finish that would give rise to a differential being made by a hypothetical tenant in the market.
 - (c) In the circumstances, the Tribunal considers that the best approach to the valuation of this hereditament is to examine the general levels of assessment for retail units in the immediate area and make such allowances as may be appropriate to reflect the size, quality of accommodation and other relevant factors. As a secondary exercise the result of this, examination can be compared to the valuation of other Credit Union buildings in towns of a similar size to Roscrea. In the circumstances therefore the Tribunal considers Mr. Halpin's valuation approach to be the most helpful but as to the secondary exercise considers Mr. Maher's comparisons to be more appropriate as they are restricted to other premises of a similar nature located in other towns in County Tipperary.
 - (d) Mr. Halpin's evidence in relation to the number of large retail units in Roscrea is of limited assistance having regard to the fact that most of the shops have a short frontage relative to depth configuration whereas the subject hereditament is almost square in configuration.
 - (e) At the 1992 Revision it would appear that different rates per square foot were applied to the front and rear sections of the ground floor accommodation having regard to the use to which the space was being put. Having regard to the design and layout of the existing property the Tribunal considers that this is not an unreasonable approach in the circumstances of this appeal.

Determination

Having regard to all the evidence adduced and the comparisons introduced by both parties, the Tribunal determines the Net Annual Value of the subject hereditament to be £28,000 calculated as set out below:

Ground Floor (front section)	2,459 sq.ft. @ £9 p.s.f.	=	£22,131
Ground Floor (rear section)	396 sq.ft. @ £4.50 p.s.f.	=	£1,782
First floor	985 sq.ft. @ £4.50 p.s.f.	=	<u>£4,432</u>
Total		=	£28,345
NAV		Say	£28,000
Rateable Valuation @ 0.5%		=	£140.