

Appeal No. VA00/3/012

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

**Joseph Dugdale & Co.**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: House, Warehouse and Small Garden at Lot No. 2b, Tawnyeely, Mohill, Co. Leitrim  
Quantum - Differential in valuation between old and new stores

**B E F O R E**

**Fred Devlin - FSCS.FRICS**

**Deputy Chairman**

**Finian Brannigan - Solicitor**

**Member**

**Michael Coghlan - Solicitor**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 19TH DAY OF FEBRUARY, 2001**

By Notice of Appeal dated the 26th day of September, 2000, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £108.00 (Buildings) on the above described hereditament.

The Grounds of Appeal as set out in the said Notice of Appeal are that, "the Rateable Valuation is excessive having regard to the location of the property, the nature and size of the building together with the demand for property in this area particularly as at 1988."

The appeal proceeded by way of an oral hearing which took place at the Tribunal Office, Ormond House, Ormond Quay Upper, Dublin on the 8<sup>th</sup> January 2001. The appellant was represented by Mr. Conor O’Cleirigh MIAVI ARICS ASCS. Mr. Joseph Dugdale, founder of the appellant company gave evidence of fact in relation to the property and the nature of the business activities carried out therein. Mr. Raymond Sweeney, a District Valuer in the Valuation Office appeared on behalf of the Commissioner of Valuation.

The subject hereditament comprises a wholesale grocery warehouse and dwelling located on the Drumlish Road on the immediately outskirts of Mohill.

The warehouse was developed in two stages commencing in or about 1940 when the original structure was built and in 1999 a large extension was added which had the effect of doubling the amount of storage space available.

The original building is of mass concrete wall construction with a concrete floor and timber and single sheet asbestos roof. The extension is of portal frame construction with infill walls of part concrete block and insulated metal deck cladding and a pitched roof also of metal deck construction. The eaves height in the extension is 6.1 meters and considerably lower in the older section which nonetheless has some additional space at mezzanine level.

### **Accommodation**

The agreed accommodation provided is as follows:

	m <sup>2</sup>	sq.ft.
New Warehouse	451	4,850
Original Warehouse/Stores	452	4,863
Mezzanine Store	133.9	1,440

### **Valuation History**

At the 1999/4 Revision, the then existing rateable valuation of £28 was increased to £148 which figure was reduced to £108 at the first appeal stage. It is against this determination by the Commissioner of Valuation that the appeal to this Tribunal lies.

### Oral Hearing

At the oral hearing, Mr. O’Cleirigh adopted his written precis of evidence, which had previously been received by the Tribunal as being his evidence in chief given under oath.

In supplementary oral evidence Mr. O’Cleirigh contended that there was a considerable difference in the quality of storage space provided in the two sections of the warehouse and this must be reflected in the Valuation attributable to each section. He also pointed out that the older building was in poor overall repair and condition and had a much lower eaves height than the new warehouse.

Mr. O’Cleirigh put forward the following valuation.

New Building	4,850 sq.ft. @ £1.75	=	£8,487
Original Building	4863 sq.ft. @ £0.75p	=	£3,647
Loft Area	1,440 sq.ft. say	=	<u>£ 250</u>
Total NAV			£12,384
Say			<u>£12,500</u>
	@ 0.5%	=	£62.50
Plus Rateable Valuation for the dwelling house (agreed figure)		=	<u>£18</u>
Total			£80.50

In support of this valuation Mr. O’Cleirigh introduced three comparisons as set out in the appendix attached to this determination.

Mr. Joseph Dugdale, having taken the oath said he had started the business in 1960 when he purchased the original warehouse building for £1,000. This building was now, he said, in very poor repair and condition and was no longer waterproof and hence could not be used for the storage of a range of merchandise. The mezzanine floor was, he said sagging in places and in effect the entire building was reaching the end of its useful life and should be demolished. In

December of last year the Local Environmental Health Department had written to say that the building was unsatisfactory under the Food Hygiene Regulations 1950-'89 and the EC Hygiene (of foods stuff) Regulations 2000. Mr. Dugdale said he had tried to let the original storage building on two occasions in 1999 but without success.

Mr. Sweeney having taken the oath adopted his precis of evidence, which had previously been received by the Tribunal as being his evidence in chief. Mr. Sweeney put forward the following valuation: -

New Warehouse	451 sq.m.	@ £21.50	=	£9,697
Older Buildings	452 sq.m.	@ £16.00	=	£7,232
Mezzanine	133.9 sq.m.	@ £8.00	=	£1,071
NAV			=	£18,000
		@ 0.5% gives rateable valuation		£90.00
Add House – agreed at RV				<u>£18.00</u>
Total Rateable Valuation				£108.00

In support of his valuation Mr. Sweeney put forward three comparisons one of which comparison number 1 was also put forward by Mr. O’Cleirigh. These comparisons are included in the appendix 2 attached to this determination.

Under cross-examination by Mr. O’Cleirigh, Mr. Sweeney agreed that the original storage building was substantially inferior to the new extension and further agreed that there should be a differential in the valuation rate attributed to each section. However he did not agree with the proposition put to him that the differential he had applied i.e. £5.50 per sq.m. was insufficient.

### **Findings**

1. It is common case that the new warehouse extension is significantly better than the original building in terms of construction, eaves height and overall repair and condition.

2. It is also common case that the rate per sq.ft./sq.m. applied to the old warehouse section should be lower than the rate applied to the new warehouse section. Mr. Sweeney made a differential of 25% whereas Mr. O' Cleirigh considered 60% to be appropriate.
3. Having regard to all the evidence introduced the Tribunal prefers the valuation attributable to the new warehouse put forward by Mr. Sweeney i.e. £21 per sq.m. In relation to the older store the Tribunal considers that a differential of 45% should be made and accordingly therefore determines the NAV of the hereditament to be £95 as set out below:-

New Warehouse	451 sq.m. @ £21.50	=	£9,697
Old Store	452 sq.m. @ £12	=	£5,424
Mezzanine	133.9 sq.m. @ £4	=	£536
Add dwelling house as agreed		=	<u>£3,600</u>
NAV		=	£19,257
	Say	=	£19,000
<b>Rateable Valuation @ 0.5%</b>		=	<b>£95</b>

(of which £18 is attributable to the dwelling).