

Appeal No. VA08/2/016

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

**Leighlinbridge Enterprises Limited**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Property No. 1207396, Hotel at Lot No. 2.3.4.5.6 (incl. 21A Carlow St.), Bridge Street, Leighlinbridge, Leighlinbridge, County Carlow

**B E F O R E**

**Michael P.M. Connellan - Solicitor**

**Deputy Chairperson**

**Michael F. Lyng - Valuer**

**Member**

**Tony Taaffe - Solicitor**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 17TH DAY OF OCTOBER, 2008**

By Notice of Appeal dated the 20th June, 2008, the appellant appealed against the determination of the Commissioner of Valuation in fixing a valuation of €959 on the above described relevant property.

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

"In comparison to similar properties, the limited facilities attached to the property, the location of the property and having regard to the NAV, we consider the RV to be excessive."

The appeal proceeded by way of an oral hearing that took place in the offices of the Valuation Tribunal, Ormond House, Ormond Quay Upper, Dublin, 7 on the 3rd September, 2008. Mr. John Kenneally, MIAVI, Kenneally McAuliffe, represented the appellant and Ms. Orlaith Ryan, BSc, (Surveying), Dip in Prop. Ec., MIAVI, a Team Leader in the Valuation Office represented the respondent, the Commissioner of Valuation. At the oral hearing, both parties, having taken the oath, adopted their précis as being their evidence-in-chief.

### **The Property**

The subject property was initially a seven-day licensed premises dating back to 1890 and has been developed over the years to include a restaurant, function room, 39 bedrooms, bar, and banqueting capacity for 320 people.

The agreed floor area of the property is:

Hotel: 4677.31 sq. metres.

### **Valuation History**

The property was first valued in 1988 as a licensed premises and restaurant with an RV of €165.07. A revision took place in 2004 when, due to the addition of a small number of bedrooms, the description changed to hotel and a valuation of €290 was placed on the property. The property was again listed for revision in 2007 due to extensive redevelopment. The valuation was assessed at €959. An appeal was lodged to the Commissioner of Valuation by the occupier and, having considered the appeal, the Commissioner made no change. An appeal to the Valuation Tribunal was lodged on 23<sup>rd</sup> June, 2008.

### **Appellant's Evidence**

Mr. John Kenneally having taken the oath adopted his written précis and valuation, which had previously been received by the Tribunal, as being his evidence-in-chief. He stated that the NAV adopted by the Commissioner of Valuation was too high in view of the following:

1. No facilities attached to the property.
2. The construction of the M9 motorway, which is due to be completed within the next year, will totally by-pass Leighlinbridge resulting in a huge loss of passing trade.
3. Leighlinbridge has a population of only 674 people.

Mr. Kenneally contended for a rateable valuation as set out below:

Old section of building:	395.28 sq. metres @ €30.00 per sq. metre	= €11,858
Ground Floor Stores:	135.00 sq. metres @ €13.67 per sq. metre	= €1,845
Newer sections of building:	4,147.03 sq. metres @ €33.00 per sq. metre	= €136,852

Total NAV: €150,555

RV @ 0.5% = €752.77

RV Say €753

Mr. Kenneally stated that the property is located at Bridge Street, Leighlinbridge, Co. Carlow, east of the N9 Carlow/Kilkenny/Waterford road, about seven miles from Carlow. Leighlinbridge has a population of only 674 people. The new NRA M9 motorway presently under construction will by-pass Leighlinbridge when completed in 2010 and this will have a serious effect on the business of the subject property. The fact that the property doesn't have a golf club, swimming pool, etc. also has a negative effect on business when competing with similar businesses in the area.

He said the property was developed in a piecemeal manner over the years, having been originally a seven day licensed premises dating back to c1890. The premises now has 39 bedrooms, bar, restaurant, function room, mooring for boats and car parking. Mr. Kenneally stated that when valuing the subject property, he split the hotel into three sections, the old section of the building, the new section and the stores.

In reference to his comparisons, Mr. Kenneally stated that Mount Wolseley Hotel Spa and Country Club, Tullow, and the Ramada Hotel and Suites at Killerig, both had golf clubs, leisure centres, swimming pools, spas, etc., while Ballykealey Manor Hotel, Ballon, situated on the N80 Carlow/Wexford/Rosslare Road has neither golf club nor leisure centre, but has twenty acres of parkland including a lake. Ballykealey Manor Hotel is valued at €12.64 per sq. metre. [Ms. Ryan stated that this valuation refers to a 1996 valuation.] Mr. Kenneally's third comparison, Dolmen Hotel and Rivercourt Lodges, Kilkenny Road, Carlow is a modern purpose-built hotel, located within one mile of the centre of Carlow town with a population of 20,000 people. Mr. Kenneally stated that, unlike all his comparisons, the subject property

depends on weddings for most of its business. Mr. Kenneally's comparisons are at Appendix 1 hereto.

### **Cross-examination**

Mr. Kenneally, in reply to Ms. Ryan confirmed that the interchange for Leighlinbridge from the new road would be about two miles from the subject property. He agreed that at present the N9 does not pass through the village of Leighlinbridge. He also agreed with Ms. Ryan's description of the subject property as stated in her précis. In reference to his first comparison, Mount Wolseley Hotel, Mr. Kenneally stated that the present building was built around the golf course. Ms. Ryan stated that the original building, which the valuation was based on, was an old building with a new extension. In regard to his second comparison, Ballykealey Manor Hotel, Mr. Kenneally stated that he was unaware that this hotel was un-graded at the time of valuation. He also stated that it had a chequered history. He agreed with Ms. Ryan that the Dolmen Hotel when valued could have been a three star, but he was not sure. He also accepted that it does not have a leisure centre or golf course and in those respects is similar to the subject, but he felt it has a much better location being on the edge of Carlow town. Mr. Kenneally agreed with Ms. Ryan that the Ramada Hotel and golf course were valued separately. He also agreed with Ms. Ryan that the golf lodges are holiday homes and not part of the hotel or golf course and are separately run.

### **Respondent's Evidence**

Ms. Orlaith Ryan, having taken the oath, adopted her précis as being her evidence-in-chief. She assessed the rateable valuation of the subject property as follows:

Hotel:                4,677.31 sq. metres                @ €41.00 per sq. metre = €191,769.71  
 NAV €191,769.71  
 RV @ 0.5% = €958.85  
 RV Say €959

Ms. Ryan in her evidence stated that the subject property was located in a picturesque setting in the heritage village of Leighlinbridge, Co. Carlow within 12km of Carlow town. The property, she said, was a 4 star hotel incorporating a large foyer with feature spiral staircase, lounge, waterfront restaurant, well known traditional bar and restaurant, conference facilities, large function room and 39 bedrooms. She also said that the hotel had an extensive decked

area to the rear overlooking the river Barrow and accommodating up to 47 tables of four, with the majority covered by large permanent canopies with outdoor heaters. The hotel is also fitted out to a very high standard and is serviced by a lift. It has a large car parking area. In her valuation of the subject property, Ms. Ryan stated that she adhered to the tone-of-the-list. In reply to the Tribunal, Ms. Ryan said that the old section of the hotel was a traditional bar, which she felt was a plus to the hotel and therefore she valued it at the same rate as the rest of the hotel. In regard to her comparisons she stated that the Dolmen Hotel was a 3 star hotel valued at €41 per sq. metre. Comparison two, Ramada Hotel, Killerig, valued at €41 per sq. metre is also a 4 star hotel. This property overlooks an 18 hole golf course which is valued separately. Regarding her third comparison, Mount Wolseley Hotel, Tullow, Ms. Ryan stated that in the old section of the building valued at €34.17 per sq. metre at the time of valuation, 22 of the 40 bedrooms were disused. The new hotel, at 9,962.20 sq. metres with 143 bedrooms is valued at €41 per sq. metre. This property has a leisure centre and an 18 hole golf course. Ms. Ryan's comparisons are at Appendix 2 hereto.

### **Cross-examination**

Ms. Ryan, in reply to Mr. Kenneally, disagreed that there would be a loss of business at the subject property when the new road is completed. Mr. Kenneally stated that, in his opinion, Carlow was not a tourist county. Ms. Ryan agreed that County Carlow would not have the same tourist attractions as Kilkenny. In regard to the valuation of the storage area within the hotel, Ms. Ryan stated that she would not separate stores from the main valuation unless they were separate from the main building or were of a large size. Ms. Ryan agreed with Mr. Kenneally that within the old building there were different floor levels.

### **Findings**

Of all the comparisons introduced by the parties, the Tribunal finds that the common comparison, the Dolmen Hotel, is the most similar to the subject property in that it, too, does not have a leisure centre or an adjoining golf course. However, when compared to the Dolmen Hotel, the subject property has the following disadvantages:

1. It was built piecemeal over the years.
2. It is located in a village with a population of less than 700, whereas the Dolmen is on the outskirts of Carlow which has a population of 20,000.

3. It is on a site of about 1 acre, most of which is taken up with a car park and mooring, while the Dolmen is on a 15 acre site.
4. It has 39 bedrooms as against the Dolmen's 81 bedrooms and 12 guest lodges.

**Determination**

The Tribunal having regard to the foregoing determines the rateable valuation of the subject property to be as follows:

Hotel: 4,677.31 sq. metres @ €38 per sq. metre = €177,737.78

RV @ 0.5% = €888.68

RV Say €889

And the Tribunal so determines.