

Appeal No. VA08/3/038

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

Ballinskelligs Hostel Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Property No. 2192355, Hostel at Lot No. 6Aa/1, Ballinskelligs, Ballinskelligs,
Caherciveen, County Kerry

B E F O R E

Michael P.M. Connellan - Solicitor

Deputy Chairperson

Mairéad Hughes - Hotelier

Member

Aidan McNulty - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 6TH DAY OF FEBRUARY, 2009

By Notice of Appeal dated the 14th day of August, 2008 the appellant appealed against the determination of the Commissioner of Valuation in fixing a valuation of €77.00 on the above described relevant property.

The Grounds of Appeal are set out in the Notice of Appeal, a copy of which is attached at the Appendix to this judgment.

The appeal proceeded by way of an oral hearing which took place in the offices of the Tribunal, Ormond House, Ormond Quay Upper, Dublin 7 on the 3rd day of December, 2008. Mr. Frank Curran, a Director of the appellant company, represented the appellant and Mr. David Molony, BSc, MRICS, a District Valuer in the Valuation Office, represented the respondent.

The Property

It comprises a new purpose-built hostel contained within an H shaped/designed dormer structure which is constructed with concrete block walls with part smooth cement plaster rendering and part cut stone. The roofs are pitched slate.

There is ample on-site car-parking for guests of the hostel. The agreed area is 705.39 sq. metres.

Location

The property is located at Ballinskelligs, Co. Kerry, 5 miles west of Waterville and 5 miles south of Caherciveen.

Tenure

Freehold

Appellant's Case

Mr. Frank Curran having taken the oath said that he was a Director of the appellant company, Ballinskelligs Hostel Ltd. The business of the company was very seasonal with a small turnover. When the premises were built in or about 2004 there was business for a hostel. There were a lot of tax breaks in existence at the time and this helped. They would be working full time for about 3 months of the year. They catered for young people and married couples.

He then referred to the comparisons in the respondent's précis as follows:

Comparison No. 1 - Property No. 6090, the "Sleepers Nest" (Derry O'Sullivan) in Glenbeigh. He said this no longer operates as a hostel, it is now a Guest House and the rates are €9,000 p.a. Mr. Curran said that the owner could not afford the payment of these rates operating as a

hostel. This premises is just on the outskirts of Glenbeigh and is about 27 miles from Ballinskelligs.

Comparison No. 2 - Property No. 22471, Jim Fitzgerald's in Drimnabeg, Sneem, Co. Kerry. This was known as the "Canterella Hostel". It is now closed and is for sale.

He attributed the conversion into a guest house in relation to Comparison No. 1 and the closure of No. 2 to the high valuations placed on same by the Commissioner of Valuation.

He said there now was only one other hostel in South Kerry, the Sive Hostel in Caherciveen which is c. 10 miles from the subject premises. It has c. 24 beds. Their rates are €1,500. It's an old property and was converted into a hostel. It would, because it's in the centre of Caherciveen, have a longer season.

He then referred to his Profit and Loss account, a copy of which he had furnished to the Tribunal. He said he had no problem in paying rates but not on the valuation now affixed to his property. He would not be able to do so.

Cross Examined by Mr. Molony

Mr. Molony said that he was very conscious of the situation in relation to the valuation of hostels when he was there. Mr. Curran admitted that his company had another hostel in Portmagee, near to the subject property but it was not in the Valuation List yet. He agreed that they were making a small profit at the moment but the payment of rates on a valuation of €77 would wipe out this profit and they may have to close. The rates on the premises would now work out at €5,500 per annum approximately.

Respondent's Case

Mr. Molony having taken the oath adopted his précis as his evidence-in-chief. He referred to his comparisons. He said that the subject property had an area of 705.39 sq. metres and was valued at €21.87 per sq. metre.

Comparison No. 1 in his précis "The Sleepers Nest" was valued at €27.32 per sq. metre for an area of 848 sq. metres, the laundry room 22.9 sq. metres at €17.05 per sq. metre.

Comparison No. 2 formerly “Canterella Hostel” was valued at €23.92 per sq. metre for an area of 461.52 sq. metres with a workshop of 9 sq. metres at €17.06 per sq. metre. This was valued in 1998 at first appeal stage and agreed prior to any appeal to the Tribunal.

There was no cross examination. Mr. Curran said that if he had to pay rates of €5,500 it would close the hostel.

Findings

1. The subject property is a new purpose-built hostel in excellent condition throughout, and finished to a good standard, both internally and externally.
2. The appellant failed to furnish any comparisons in support of his appeal.
3. The Commissioner of Valuation furnished particulars of two other hostels in the area. Both have a higher valuation per sq. metre than that fixed on the appellant’s premises: €27.32 per sq. metre on comparison No. 1 and €23.92 per sq. metre on comparison No. 2. The rate per sq. metre fixed on the appellant’s premises is €21.87.

The Tribunal therefore determines that the valuation of €77 on the subject property is fair and equitable in the circumstances. The appeal is therefore dismissed.

And the Tribunal so determines.