

Appeal No. VA10/3/021

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

**Chris & Marcella Jackson**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Property No: 2203431, Showroom at Lot No. 8.14ABa 18/1, Ballynalour, Glynn, Idrone, County Carlow.

**B E F O R E**

**Maurice Ahern - Valuer**

**Deputy Chairperson**

**Niall O'Hanlon - BL**

**Member**

**Patricia O'Connor - Solicitor**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 8TH DAY OF FEBRUARY, 2011**

By Notice of Appeal dated the 9th day of August, 2010 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €28 on the above described relevant property.

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

"On the basis that the NAV as assessed is excessive & inequitable for this remote rural location."

"Greater allowance needs to be made for the actual remote location and its effect on the property's relative rental value."

This appeal proceeded by way of an oral hearing which took place in the office of the Tribunal, Ormond House, Ormond Quay Upper, Dublin 7 on 27<sup>th</sup> day of October, 2010. The appellant was represented by Mr. Eamonn Halpin, BSc (Surveying), ASCS, MRICS, MIAVI, and Ms. Orla Lambe, BSc (Surveying), MIAVI, a District Valuer, represented the Valuation Office.

In accordance with the rules of the Tribunal the parties had, in advance of the hearing, exchanged written submissions and submitted same to the Tribunal. At the oral hearing both valuers adopted their written submissions as their evidence-in-chief given under oath.

## **The Property**

### **Location**

The subject property is located in a rural area which is circa 3 miles from Glynn village in Co. Carlow. The property is accessed via a laneway off the R729, which is a tertiary road. The subject property is located adjacent to the occupiers dwelling. The nearest town in Co. Carlow is Borris which is approx 16 km away. The town of New Ross, Co.Wexford is approx. 15 km from the subject property.

### **Description**

The property is comprised of a newly constructed modern two-storey building used as a piano showroom. Construction is of steel supports with infill block walling. Concrete floors are installed and the roof is finished in slate. The ground floor comprises a showroom, kitchen, passage, store and W.C. The first floor comprises a showroom, passage and office. The first floor is primarily taken up with old second-hand pianos many of which are undergoing repairs. (The first floor also has a small office, bedroom and bathroom. This domestic space has not, however, been assessed for rates.) The property is complete externally with a plaster block work finish and a pitched roof. The property has a very small parking area.

### **Accommodation**

The Gross Internal Area (GIA) agreed between the parties is:

Ground Floor:	119.68 sq. metres
First Floor:	106.60 sq. metres

**Tenure**

Freehold

**Valuation History**

- 30<sup>th</sup> October 2009 - Draft Cert Issued at RV €31.00.
- 26<sup>th</sup> November 2009 - Representation Stage. No change made at Representation stage.
- 2<sup>nd</sup> December 2009 - Final Certificate issued at RV €31.00.
- 9<sup>th</sup> December 2009 - Subject property entered onto Valuation List.
- 14<sup>th</sup> January 2010 - Appeal submitted to the Commissioner of Valuation.
- 8<sup>th</sup> July 2010 - Valuation reduced from €31.00 to €28.00.
- 9<sup>th</sup> October 2010 - Decision of the Commissioner appealed to the Valuation Tribunal.

**Appellant's Case**

Mr. Halpin, having taken the oath, adopted his précis as his evidence-in-chief and summarised the appellant's case as follows:

1. The property is located in a remote, sparsely populated rural area. Access is via a poor road network.
2. The surrounding area is not a recognised business location. The local population is primarily involved in agricultural enterprises.
3. There is little or no potential in passing or even local trade.
4. The building, which is new, has no proper goods lift to access the first floor.
5. The level applied by the Commissioner is excessive in view of the established tone of the list for superior properties.
6. The Commissioner has not attached sufficient weight to the actual location in this case.
7. The occupier's family has a very large input into the running of the business and without this the operation would not be economic in strictly commercial terms at this location.
8. The 10% allowance for location that was given by the Commissioner, thus reducing the RV from €31 to €28 is insufficient. An RV of €28 is not sustainable and is a complete over-estimation of the property's relative worth.

In support of the appellant's case, Mr. Halpin introduced 3 comparisons, details of which are set out in Appendix 1 attached to this judgment.

Mr. Halpin contended for an RV of €14 on the subject property, calculated as follows:

Ground Floor:

Showroom	98.98 sq. metres	@ €20.50 per sq. metre =	€2,029.00
Workshop/Kit	16.92 sq. metres	@ €13.67 per sq. metre =	€231.29
Store	3.78 sq. metres	@ €13.67 per sq. metre =	€52.00

First Floor:

Office	6.43 sq. metres	@ €8.20 per sq. metre =	€53.00
Showroom/store	100.17 sq. metres	@ €8.20 per sq. metre =	<u>€821.00</u>
			€732.00

Allow additional 15% for location = €60

Allow additional 5% for poor access = €87

Total NAV €2,985.00

Say €2,900

@ 0.5% = €14.50

RV say €14

**Cross-Examination**

Mr. Halpin agreed with Ms. Lambe that the location of the subject property was not reliant on passing or local trade. When further questioned by Ms. Lambe, Mr. Halpin stated that he was the agent acting for his comparison number one and that the rents in Bagenalstown in 1998 were low.

**Mrs. Jackson's Evidence**

Mrs. Marcella Jackson then took the oath. She informed the Tribunal that she and her husband had bought the property with an old farm house at a reasonable price, including the field on which they built the subject property. It is located in a remote rural area and the property is serviced by well water, septic tank, ESB and landline telephone. There is, however, no mobile phone reception in the area. Mrs. Jackson stated that the post office in the nearest village, Glynn, has closed down and that they have to collect their post from a shop in the village. They have no refuse collection. Mrs. Jackson said that the business is family-run. When questioned by Ms. Lambe, Mrs. Jackson said they could not afford to move to any town as the cost of property was too high. The subject property, she stated, was purpose-built and they were aware of the lack of facilities when they moved there.

Mrs. Jackson confirmed that, in carrying on their business, they are not relying on the locality for business. She informed Ms. Lambe that they could not afford to install a lift in the subject property and that the only way they could bring pianos to the first floor was by a hoist.

### **Respondent's Case**

Ms. Lambe, having taken the oath, adopted her précis as her evidence-in-chief. She outlined the location, description and valuation of the subject property.

Ms. Lambe contended for a rateable valuation of €28 on the subject property, calculated as follows:

Ground Floor Showroom:	119.68 sq. metres @ €27.33	=	€3,270.85
First Floor Showroom:	106.60 sq. metres @ €20.50	=	<u>€2,185.30</u>
			€5,456.15
Total NAV say €5,500 x 0.5% = €27.50			
Say RV €28*			

\* Ms. Lambe noted that the RV had been reduced from €31 to €28 at First Appeal stage.

In support of her assessment of rateable valuation on the subject property, Ms. Lambe introduced 5 comparisons, details of which are set out in Appendix 2 attached to this judgment.

Ms. Lambe stated that the subject property is finished to a very good standard. She also stated that the subject property is located near the town of New Ross.

### **Cross-Examination**

When questioned by Mr. Halpin, Ms. Lambe agreed that only her third comparison is located in a rural area and that all her other comparisons are located on the outskirts of towns, or in towns. Ms. Lambe stated that the subject property is finished to a better standard than her third comparison. Mr. Halpin put it to Ms. Lambe that her third comparison includes two ground floor showrooms and that the photograph in her précis was of the older showroom, valued at €17.08 per sq. metre, while there was no photograph of the other showroom, which had been reconstructed and is valued at €20.50 per sq. metre. Ms. Lambe concurred with

these observations. When further questioned by Mr. Halpin, Ms. Lambe stated that the 10% reduction to the RV on the subject property at First Appeal stage had been given because of its rural location.

### **Findings and Determination**

The Tribunal has carefully considered all the evidence and arguments adduced by the parties and finds as follows:

1. It is accepted by both parties that the property is located in a remote rural area and is situated up a narrow laneway, off a minor road.
2. The subject property has limited services, for example there is no mobile phone service and no local post office
3. Although the subject property is finished to a high standard, there is no lift servicing the first floor.
4. None of the comparisons put forward by either party were directly comparable to the subject property. The Tribunal finds that the respondent's third comparison – although located closer a road than is the subject – is the closest to the subject property.

Taking account of the above factors, the Tribunal determines that rateable valuation on the subject property is €17, calculated as follows:

#### Ground Floor:

Showroom	98.98 sq. metres @ €20.50 =	€2,029.09
Workshop / Kit	16.92 sq. metres @ €13.67 =	€ 231.29
Store	3.78 sq. metres @ €13.67 =	€ 51.68

#### First Floor:

Office/Showroom	106.60 sq.metres @ €10.25 =	<u>€1,092.65</u>
Net Annual Value		€3,404.71

€3,404.71 @ 0.5% = €17.02

RV say €17

And the Tribunal so determines.