

Appeal No. VA90/1/002

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

Patrick J. Sweeney & Co

APPELLANT

and

Commissioner of Valuation
RESPONDENT

RE: Offices and small garden at Lot No. 3Ad Dungloe, E.D. Dungloe, R.D. Glenties, Co. Donegal

Quantum - Comparisons, capital cost

B E F O R E

Henry Abbott

Barrister

Padraig Connellan

Solicitor

Veronica Gates

Barrister

JUDGMENT OF THE VALUATION TRIBUNAL
DELIVERED ON THE 30TH DAY OF AUGUST, 1990

By notice of appeal dated the 10th day of April, 1990, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £35 on the above described hereditament.

The grounds of appeal as outlined in the Notice of Appeal are that the valuation is excessive in comparisons to similar businesses in the locality.

A written submission dated the 22nd August 1990 was received from Mr. Christopher Hicks, a valuer in the Valuation Office in which he says that the property is a small purpose built office block in the town of Dungloe. He said that it is fitted and finished to a high standard and has an attractive appearance both inside and out. He said the building is detached, on a good site 100 yards from the village he said that there is a well surfaced private parking area to the front. Mr. Hicks outlined how the rateable valuation of £35 was calculated. He said the net lettable area is 1,878 sq ft @ £3 per sq ft which would yield a Net Annual Value of £5,364. Applying .63 of 1% to this would yield a valuation of £35.49, say £35. Mr. Hicks outlined a number of comparisons which are attached at Appendix A.

Mr. Hicks says that the case against this rateable valuation is based on a comparison of nearby solicitor's office which has a rateable valuation of £9 only. He says that this comparison however, was last valued in 1953 and bears no relation to the present building which has been greatly improved since it was last revised.

A written submission was received on the 23rd August 1990 from the appellant in which he said that the comparisons on which he would be relying in his appeal relate to two legal firms in Dungloe. He said the first of these is Messrs. McDonnell & Sweeney, Solicitors, Carnmore Road, Dungloe who have in total eight rooms and two toilets. He said these eight rooms include a new extension of two substantial rooms and there are two very substantial rooms upstairs. He said they also include a general waiting room and reception area which is quite substantial together with two smaller rooms and another large room for the Principal of the firm. He said the premises is fully centrally heated and in a good state of repair. Mr. Sweeney said that this premises would be substantially similar to his own premises other than his is somewhat larger and is obviously more modern having only been completed in recent times. He said, however, that although he accepts the valuation on his premises should be

somewhat higher that there is no earthly reason why it should be four hundred and a half per cent higher than the premises of Messrs. O'Donnell & Sweeney.

Mr. Sweeney's second comparison as outlined in his submission is that of Messrs. E. McBride & Co. Upper Main Street, Dungloe on which there is a rateable valuation of £10. This is a two storey house which consists on each floor of one large room and two small rooms. He said that it is not centrally heated. He said the premises was a much smaller one than his but again he felt that his rateable valuation should not be 350% in excess of that on the premises of Messrs. E. McBride & Co.

The oral hearing of the appeal took place in Letterkenny on the 29th August 1990 with the appellant appearing for himself and Mr. Hicks appearing for the Commissioner. The appellant submitted that the rating authority Donegal County Council did not consider it appropriate to alter the valuations of either of the comparisons put forward by him in recent times and submitted further in relation to the McBride premises that they had been changed from a domestic premises to McBride's solicitors offices in 1985 and that even then Donegal County Council did not consider it appropriate to attempt to alter the valuation of these premises by listing same for revision. The Tribunal finds that the valuation of the comparisons offered by the appellant are not valid by reason of the ancient character thereof and finds that the subject premises ought to be valued having regard to the rental and capital value thereof. Mr. Sweeney stated that there was not a significant rental market in the Dungloe area, however Mr. Hicks offered some valuable comparisons. The Tribunal finds that the Bord Telecom premises and the previous premises occupied by Mr. Sweeney were helpful comparisons. Mr. Sweeney also assisted by informing the Tribunal that the nett capital cost of the subject premises after reclaiming valued added tax was in the region of £50,000. Having regard to the fact that rental value of the premises may not be as high as the Bord Telecom premises and may probably be higher than the premises previously occupied

by the appellant and having regard to the capital cost of the recent construction of the premises and the general character of the economy in Dungloe, the Tribunal finds that the rateable valuation of the subject premises should be £30.