

Appeal No. VA90/1/010

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

James J. Bradley

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: House, Motor House, Museum & Land at Lot No. 2A Cahir O'Doherty Avenue, Ardaravan,
U.D. Buncrana, Co. Donegal
Quantum - Location, commercial viability

B E F O R E

Henry Abbott

Barrister Chairman

Padraig Connellan

Solicitor

Veronica Gates

Barrister

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

By notice of appeal dated day of 27th April, 1990, the appellant appealed against the respondents determination in fixing a rateable valuation of £65.00 on the above described hereditament.

The grounds of appeal as outlined in the Notice of Appeal are:

1. The valuation is excessive.
2. Bad in law.
3. No account has been taken of the Net Annual Value in determining the rateable valuation assessment of this hereditament.

A written submission was received on the 23rd August, 1990 from Mr. Christopher Hicks, an appeal valuer in the Valuation Office. Mr. Hicks said that this is a very fine four-bedroom bungalow finished to a very high standard and with every modern convenience. The site is very large and is located close to the sea front with spectacular sea views. He said that at the rear of the site there is a modern, good quality industrial building which is used for the storage and display of classic cars. This type of building, he said, would normally be used as a factory but in this case it is nicely decorated and well maintained and is more akin to an art gallery.

Mr. Hicks said that Mr. Bradley also keeps a Rolls Royce for wedding hire purposes in a garage attached to the house.

Mr. Hicks then outlined how the valuation of £65.00 was arrived at;

Museum

3,200 sq ft @ £1.80 = NAV @ .63% = £36.29

Garage for hire car

Minimum rent £15/week = NAV £780 @ .63 = £ 4.91

House and private garage

Say £70/week = NAV £3,640 @ .63% = £22.93
£64.13

R.V. £65.00

Three comparisons were submitted by Mr. Hicks. These are:-

(1) **National Museum of Transport** **Killarney**

This is a similar industrial type structure located behind Scotts Hotel. Agreed at 1989 First Appeal as follows:-

5897 sq ft @ £2.75/sq ft = NAV £16,000 @ .5% = RV £80

(2) **G.K.T.** **Ballyshannon**

This was built as a standard factory and is now used as a store and workshop for a local building firm.

Agreed 1988 First Appeal as follows:-

6500 sq ft @ £1.70 = NAV £11,000 @ .63%	=	£70
Extra added for yard and open stores	=	£10
		RV £80

(3) **Donegal Potatoes** **Newtowncunningham**

Tribunal judgement VA/89/190: _

66,200 sq ft @ 74p	=	£4,900 @ .63%	=	£308.70
Offices 1,700 sq ft @ £2	=	£3,400 @ .63%	=	<u>£21.42</u>
				£330.12

RV fixed at £330

A written submission was received on the 24th August 1990 from Mr. Patrick McCarroll, Chartered Surveyor, Bank Place, Carndonagh, Co. Donegal on behalf of the appellant. He said that the property is situated in the town of Buncrana on the eastern side of Cahir O'Doherty Avenue and having a spectacular view of Lough Swilly and the Fanad Peninsula. He said that the property consists of a detached one-storey dwelling house with a garage and a large store which is at the back of the property, currently used as a vintage car and carriage museum. He said that the dwelling is of concrete construction with walls that are suitably rendered and the pitched roof has a concrete tile finish. In general, he said, this is a well finished property. He said that the building at the rear has concrete walls and a pitched corrugated iron roof. Mr. McCarroll said that the dwelling and garage are used by the owner/occupier whilst the store is used for the storage and exhibition of vintage vehicles and carriages. Mr. McCarroll said that the floor area of the dwelling house is approximately 149.96 sq. metres and the floor area of the store is approximately 284.9 sq. metres. He said that the interest is freehold subject to a Deed of Covenant wherein the covenantor has agreed to covenant with Bord Failte "to provide, develop and maintain a vintage carriage and car

museum" for a period of ten years. Mr. McCarroll outlined the history of the museum and said that it now had 10 to 12 vintage and classic cars and the remaining fourteen exhibits consists of bicycles, motor cycle, model cars and model railway collections. Mr. McCarroll outlined the low attendances of visitors to the museum and the low income received therefrom. He said that the total expenditure in complying with the covenant was £1,875. Mr. McCarroll went on to say that the Inishowen Peninsula is relatively undeveloped with regard to tourism, forest development, he said, would need amenities such as this vintage car museum. He said that it is difficult to see how the museum could survive with the existing high rates assessment and the owner's conditions attached to the Bord Failte covenant. He said that the presence of the museum at the rear of the house had a detrimental effect on both the letting and the rental value of the dwelling. With regard to the store, he said age, construction and maintenance, height of eaves and floor loading would have to be taken into consideration. He said that there are no on/off loading facilities and it would be impossible to get an articulated truck along the driveway into the yard at the rear of the house. He said that the lack of public visibility of the museum is a major disadvantage and allowances would have to be made for it in the rent that a tenant would be willing to pay. He said that the property occupies a secondary location, it has poor visibility, access is poor and there is no parking facility.

Mr. McCarroll then gave his estimate of what the rateable valuation of the property would be as follows;-

rent for dwelling	£50 x 52 =	£2,600
Rent for store	£30 x 52 =	£1,560
	Total =	£4,160
	.63% of £4,160 =	£26.20
	say	£26.00

At the oral hearing which took place at Letterkenny on the 29th August 1990, the appellant was represented by Mr. McCarroll and the Commissioner was represented by Mr. Hicks. Mr. McCarroll referred to his précis of evidence and to that of Mr. Hicks. He emphasised the disability which the Deed of Covenant between the appellant and Bord Failte placed on the

letting value and possible sale value of the premises. Mr. Bradley gave evidence of the background of his business which was now that of running a Rolls Royce motor car hire for weddings and other similar celebrations. He had purchased a large house in the vicinity off which he had sold some sites with houses built thereon and had built the subject property with museum on part of the site of the old house which was a very large building containing about 15 rooms in which he had up until recently conducted a business of bed and breakfast. Mr. Bradley and Mr. McCarroll stated that the building was not suited to industrial use. Although the Fruit of the Loom factory is in the vicinity, the Tribunal takes the view that the museum building would not be suitable for many industrial uses. The Tribunal finds that the comparisons offered by Mr. Hicks in his précis and described in his evidence may not be very comparable to the subject premises. The Tribunal heard from Mr. McCarroll and Mr. Bradley that the business activity of the museum is not developing up to any level of commerciality. The Tribunal considers that with the care, expertise and skill of Mr. Bradley dedicated to promoting the museum that business will improve in the coming years and find that this improvement of business will require the exceptional dedication of Mr. Bradley and would wish him well in his ambitions for the museum premises which is a valuable addition to the tourist amenities of Bunrana even if not a high profit making venture for Mr. Bradley.

Having regard to all the circumstances of the case, the Tribunal finds that an appropriate rental value per week for the museum is £40. Similarly, the Tribunal finds that the appropriate rental for the garage used to store the Rolls Royce is £15 and for the dwelling house £50. Having regard to the foregoing, and all the circumstances of the case, the Tribunal finds that the rateable valuation of the combined premises ought to be £34.