

Appeal No. VA90/2/081

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

**Coral Leisure (Ireland) Limited**

**APPELLANT**

**and**

**Commissioner of Valuation**  
**RESPONDENT**

RE: Bookmaker's Shop at Lot No: 294a Rathmines Road Lower, Co. Dublin  
Quantum - Designated area, rent passing and improvements

**B E F O R E**  
**Henry Abbott**

**Barrister Chairman**

**Veronica Gates**

**Barrister**

**Padraig Connellan**

**Solicitor**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 28TH DAY OF NOVEMBER, 1990**

By Notice of Appeal dated 24th July 1990 the appellant appealed the determination of the Commissioner of Valuation in fixing a rateable valuation of £100 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal is that the valuation is excessive and inequitable having regard to the provisions of the Valuation Acts.

The subject property consists of a ground floor bookmaker's shop situated on the east side of Lower Rathmines Road close to its intersection with the Rathgar Road and Upper Rathmines Road. A new aluminium and glass front had been fitted by the appellants and the interior has been refurbished. All main services are connected to the property.

### **Valuation History**

The subject property was revised in 1989 and a valuation of £100 was fixed by the Commissioner of Valuation on it. This was appealed to the Commissioner of Valuation and following an inspection and report by an appeal valuer the Commissioner determined that there should be no change in the rateable valuation. It is against this determination that the appeal has been lodged with the Tribunal.

### **Written Submissions**

A written submission was received on the 16th November 1990 from Mr. Colman Forkin, the appeal valuer on behalf of the Commissioner of Valuation. Mr. Forkin said that the property No. 294 Rathmines Road Lower was previously valued as a shop with a rateable valuation of £80. On inspection the property was divided into two lots and was subsequently valued as Lots 294a and 294b. Lot 294a which is the subject of this appeal was described as a bookmaker's shop and valued at £100. He said that the property is held under a 35 year lease from July 1988 at a rent of £11,000 per annum. Mr. Forkin also said that a premium of £30,000 was paid by Coral Leisure to the landlord and he said that it was estimated that the tenants spent approximately £20,000 on fitting out the premises in order to bring it in line with its other properties. Mr. Forkin made the point that a premium, such as in this case, represents rent or partial rent paid in advance.

Mr. Forkin calculated the rateable valuation of the subject property as follows:-

Rent Reserved	£11,000
Premium £30,000 @ 10%	£ 3,000



represent a premium in respect of additional rent but that it in fact represents a figure this particular tenant paid in order to gain representation in the street. Mr. O'Flynn said that the initial rent payable represents the net annual value of the premises. Mr. O'Flynn attached three comparisons in which he outlined the net annual value as follows:-

No. 1 290 Rathmines Road, Dublin 6.

No. 2 16 Rathgar Road, Dublin 6.

No. 3 22 Upper Rathmines Road, Dublin 6.

The details of these comparisons are attached as Appendix B.

Mr. O'Flynn calculated the net annual value of the premises at £11,000 in which he used £16 per square foot for the shop and £4 per square foot for the store. In accepting the general ratio applied by the Commissioner of Valuation as between rateable valuation and net annual value Mr. O'Flynn calculated that the rateable valuation of the property should be £69.

### **Oral Hearing**

At the oral hearing which took place on 19th November 1990 Mr. Peter O'Flynn represented the appellants and Mr. Colman Forkin represented the respondent. Both parties relied on their precis of evidence as outlined above. Mr. O'Flynn said that the £20,000 expenditure included fitting out as a betting office, fitting counters and closing off part of the premises. Mr. Forkin maintained that £11,000 was not the true rent and that the £30,000 premium must be taken into consideration. Mr. O'Flynn maintained that this was key money rather than any prepayment of rent. Mr. O'Flynn said that these comparisons were in the immediate vicinity while Mr. Forkin maintained that like should be compared with like. Mr. O'Flynn said that it was unfair to compare a betting office in Camden Street with the location of the subject premises. Mr. Forkin said that the rateable valuations in Mr. O'Flynn's comparisons are old and would have to be updated. He also maintained that Mr. O'Flynn had taken gross areas rather than net areas and

that this reduced the rate per square foot. There was general disagreement between the parties on the floor areas of comparisons and, hopefully in future such discrepancies will be sorted out prior to the hearing of an appeal.

While, for different reasons, both parties did not regard the Camden Street comparison as an excellent one the Tribunal nonetheless feels that being in the same business, and in reasonable proximity to the subject property, certain parallels exist that cannot be ignored. The Tribunal is also aware that the appellant moved into the subject property from a nearby location and must assume that normal business reasoning applied to such a move and that the appellants saw this as a good location given the rent and other costs involved. Indeed evidence was given by the appellant that they paid substantial key money to set up in this location. The Tribunal also feels that some benefit would be derived from the expenditure on the building which would increase the net annual value. Taking all these factors into consideration the Tribunal determines that the decision of the Commissioner of Valuation in fixing a rateable valuation of £100 on this hereditament be upheld.