

Appeal No. VA92/2/043

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

Bank of Ireland, Portlaoise

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Bank and Yard at Lot No. 21 Main Street, Town of Portlaoise, Townland of Maryborough
(part of), E.D. Portlaoise Urban, District of Mountmellick, Co. Laois
Quantum - Ratio

B E F O R E
Henry Abbott

S.C. Chairman

Brian O'Farrell

Valuer

Joe Carey

P.C. M.I.A.V.I.

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 10TH DAY OF NOVEMBER, 1992

By notice of appeal dated the 25th day of March, 1992, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation on the above described hereditament at £290.00.

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

The Property:

The premises are located in the centre of the town on the south side of Main Street and extend at the rear to Lyster Lane/Lyster Buildings. This is a newly developed retail area of the town between Main Street and the Portlaoise By-Pass. The premises comprise a two storey front section with a substantial single storey area connecting to a further two storey building and yard at the rear. Customer access is available from Main Street and through a yard at the rear.

Valuation History:

The property was purchased in 1975 for £35,000. In 1980 the existing buildings were demolished and the bank premises were erected for approximately £278,000. It was valued at 1980 revision at R.V. £285 reduced at 1980 First Appeal to R.V. £275. The premises were again listed in 1990 on the grounds that the valuation was excessive. The Commissioner made no change to the valuation. An appeal was lodged in May, 1990 by Lisneys. The Commissioner increased the valuation at first appeal to £290. It is against this valuation that an appeal lies with the Tribunal.

Written Submissions:

A written submission was received on 3rd June, 1992 from Mr. Raymond Ward, F.R.I.C.S. of Lisney on behalf of the appellants. In his written submission Mr. Ward set out details of the property and the valuation history attaching to it. He also set out details of rental evidence on retail premises in Portlaoise and these are attached as Appendix 1.

Mr. Ward also set out details of recent agreements with the Commissioner of Valuation or decisions of the Valuation Tribunal in relation to Bank premises and these are set out at Appendix 2.

Mr. Ward stated that any reasonable analysis of the evidence of rental values in Portlaoise demonstrated that the N.A.V. on which the existing valuation of the Bank of Ireland premises was based by the Commissioner of Valuation is grossly excessive. The developments in Portlaoise since this assessment was first made have been to the disadvantage of the Bank of Ireland premises. Mr. Ward also stated that the examination of the ratio between rental value and current rateable valuations in Portlaoise demonstrate that the factor should not be more than .33%.

A written submission was received on the 12th May, 1992 from Mr. John Smiley, Valuer with 17 years experience in the Valuation Office on behalf of the respondent. In the written submission Mr. Smiley described the property and the valuation history attaching to it. Mr. Smiley set out the manner in which the valuation of the property had been calculated as follows:-

Valuation:

Banking Hall & Entrance	2760 s.f. @ £17.60	=	£48,576
Offices	267 s.f. @ £10.00	=	£ 2,670
Strongroom	153 s.f. @ £12.60	=	£ 1,928
Computer/ATM/File Store	216 s.f. @ £ 6.30	=	£ 1,361
1st Fl. Canteen, store, Machine Room	<u>630 s.f. @ £ 6.30 = £ 3,969</u>		
			£58,504

N.A.V. £58,000 @ 0.5% = R.V. £290.00

Mr. Smiley offered 3 comparisons; the A.I.B. Bank at the rear of Main Street, Portlaoise and Units 3 and 5 Lyster House rear of Main Street, Portlaoise. Mr. Smiley's main comparison being the A.I.B. premises. Details of comparisons are attached at Appendix 3.

Mr. Smiley also submitted to the Tribunal a detailed analysis of the rents and valuations obtaining in Co. Laois and the ratio of R.V. to N.A.V. applying.

Oral Hearing:

At the oral hearing which took place in Dublin on Wednesday 10th June, 1992 and Friday 9th October, 1992, the appellant was represented by Mr. Hugh O'Neill B.L. instructed by Ms. Henrietta Lane Solicitor for the Bank of Ireland, and the Respondent was represented by Mr. Aindrias O'Caoimh B.L. instructed by the Chief State Solicitor. Mr. Raymond Ward, Valuer of Lisney, appeared as a witness for the appellants and Mr. John Smiley appeared as a witness for the respondent.

Mr. O'Neill contended that because of the location of the new shopping centre in Portlaoise, which is situated to the rear of the old town centre, the Bank of Ireland premises now finds itself, 'back to front', so to speak, as it faces Main Street or the old Town Centre. While the premises has a frontage onto the new shopping centre, this could only be considered a secondary frontage as it has no proper shop window or attractive facade. He also contended that the business of the bank was diminished because of the above and because of the prominent location of a competing banking institution in the centre of the parking facilities and new shopping centre. Mr. Raymond Ward, gave supporting evidence. He also set out to demonstrate that because the Bank of Ireland premises was long and narrow, extending from Main Street to the new shopping centre with c.33 feet street frontage comprising c.3987 in total area being in excess of 100 feet in length, it should be zoned in prominent retail areas and less valuable retail areas.

He also gave comparisons of the rents passing in adjoining and adjacent shop premises including Messrs. Bradburys, Xtravision and the Nationwide Building Society, together with valuations applying to similar banks in other towns. Mr. Ward also gave a history of the banks development and adaptation later, and suggested that the premises should now be

substantially remodelled to relate more to changing circumstances, especially the location of the new shopping centre.

Mr. O'Caoimh, for the respondent indicated that the bank premises has now the best of "both worlds" with one frontage on the old town centre and another frontage on the new shopping centre. He further pointed out that the bank had even installed its new automatic cash points to the rear. He contended that the Bank of Ireland's location was as good as, if not better than, the location of the competitor bank.

Mr. John Smiley, for the respondent detailed the scale of investment involved in the construction of the bank which in today's terms was in excess of half a million pounds. He held that a bank in terms of valuation has a separate identity and is comparable only to another bank. Mr. Smiley, explained that the subject premises was in many ways more attractive than the premises of its main competitor in the shopping centre which is of similar area, and therefore comparable for valuation purposes.

He appropriated the total area of the bank under the headings of main banking area, offices, strong room, canteen area, a computer room without reference to other zoning and applied rental values, accordingly. He compared these rental values with those existing for the Allied Irish Bank in the new shopping centre. During a recession of the Tribunal Mr. Smiley had researched and produced a most comprehensive report on the rents and valuations obtaining in Co. Laois and demonstrated that a certain ratio and factor was indicated. This ratio was accepted by the Appellants.

Findings:

Taking all the above into account the Tribunal thinks that an overall N.A.V. for the subject premises is in the sum of £40,000. Having regard to the percentage agreed between the

parties at .5% the Tribunal determines that the correct R.V. for these premises is in the sum of £200.