

Appeal No. VA92/2/051

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

**Gerard McNulty**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Store and yard at Lot 19A/Unit 2 Ballypheasan, Roscommon Urban, Co. Roscommon  
Quantum - Ratio

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

**S.C. Chairman**

**Mary Devins**

**Solicitor**

**Joe Carey**

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

**JUDGMENT OF THE VALUATION TRIBUNAL  
ISSUED ON THE 9TH DAY OF SEPTEMBER, 1992**

By notice of appeal dated the 27th 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 £50.

The grounds of appeal as set out in the Notice of Appeal are that "the valuation is excessive, inequitable and bad in law".

**The Property:**

The premises, formally known as Abbey Garage, is an industrial type building located on Rahara Road on the outskirts of Roscommon Town. Construction is of concrete block walls/cladding and corrugated asbestos roof covering.

**Valuation History:**

In 1981 the valuation of the garage was fixed at £115 and reduced to £95 at 1st appeal. In the 1990/3 Revision the property was valued as two separate units; £50 on the subject portion and £30 on the vacant portion.

**Written Submissions:**

A written submission was received on the 1st of September, 1992 from Patrick J. Nerney, Rateable Valuation Consultant, Valuer and Auctioneer, on behalf of the Appellant. In this submission Mr. Nerney said that the premises comprises front showroom, former offices (used as stores), warehouse, stores and toilets. He said that 1,600 sq.ft. is lofted and used for storage/sale of furniture, bedding etc..

He said that the greater part of the premises was let on a 2 year 9 month lease from February 1990 and that in April 1991 Mr. McNulty was in occupation of the premises. Mr. Nerney said, that in his opinion, the Net Annual Value of the subject of this appeal is £5,600. He set out his estimate of Net Annual Value as follows:-

**Nett Annual Value of portion under appeal**

Showroom	1100 @ £2.50 = £2,750
Offices as stores	500 @ £1.00 = £ 500
Stores under loft	1070 @ £0.50 = £ 535
Part of warehouse	1730 @ £0.80 = £1,384
Loft	1600 @ £0.25 = <u>£ 400</u>
	£5,569

**R.V.**

N.A.V. say £5,600 @ 0.5% = £28

In arriving at his estimate of N.A.V. Mr. Nerney took the following into consideration:-

- 1) Rent at which premises are let.
- 2) Premises were vacant for a long period and proved difficult to let.

- 3) Premises were purchased by lessor for £80,000 including the adjoining lot 19a/Unit 1.
- 4) This is not a good business location despite being near the town of Roscommon.
- 5) Unit 1 the former tyre centre was vacant for a long time but was let last year. Rent is £60 per week for 1,628 sq.ft. and this equates to £1.90 per sq.ft. R.V. £13 equates to 0.42% of rent.

Mr. Nerney compared a purpose built carpet/furniture shop/warehouse and bungalow situated on lot 11A Ballypheasan. He said a valuation of £85 on shop/warehouse with an area of 10,060 sq.ft. and £15 on bungalow was agreed in 1984 1st appeal. He said that the principal differences between the two properties are that:-

- (a) McNulty's was built as a garage and layout has not been changed.
- (b) McNulty's is on the Rahara Road - the other on the Athlone Road.

A written submission was received on the 10th of August, 1992 from Mr. Christopher Hicks on behalf of the Respondent. Mr. Hicks described the property and said that it is now used for the storage and sale of carpets and furniture. He said the total covered area is 4,400 sq.ft. including 1,600 sq.ft. of mainly disused office space with an open loft. Mr. Hicks said that the Net Annual Value of the appeal is determined by the open market rent of £7,800 p.a. which was fixed in June 1989 on a 2 year 9 month lease from Coyle Brothers.

He set out the N.A.V. of £7,800 @ 0.63% = £49.14  
Say rateable valuation = £50

Mr. Hicks compared the subject with S. Doyle & Sons Limited, Circular Road, Lot 4C Ballypheasan. This, he said, is a plain uninsulated structure of 11,000 sq.ft. used as a workshop for the manufacture of aluminium windows and doors. The R.V. was agreed at £100 based on an overall rental value of £1.50/sq.ft. and an R.V./N.A.V. ratio of 0.63%. Mr. Hicks also supplied the Tribunal with an analysis of Rateable Valuations in County Roscommon. This document is attached hereto as Appendix "A".

### **Oral Hearing:**

The oral hearing took place in Galway on the 9th of September, 1992. Mr Patrick J Nerney appeared for the appellant and Mr Christopher Hicks appeared for the respondent. From the

outset there appeared to be confusion as to the extent of the take of the appellant and the passing rent. Mr Nerney said that he had difficulty obtaining precise instructions but that in the last analysis he was prepared to run the case on the basis of the passing rent stated by Mr Hicks to apply, which was £7,800. Both valuers had comparative evidence which tended to reinforce their own case. Mr Hicks relied on the S. Doyle and Sons comparison, which they agreed (without prejudice by Mr Nerney) did show a valuation fixed on the basis of a NAV of £16,500 at 0.63% conversion ratio. Mr. Nerney on the other hand argued that his unit one comparison showed a R.V./N.A.V. ratio of 0.43% and in the alternative suggested that the N.A.V. might be adjusted for the subject premises, having regard to the deduced N.A.V. for Unit 1 based on the fixed valuation of £13.

While the Tribunal is reluctant to determine any R.V./N.A.V. ratio for a particular location it is concerned that the application of a 0.63% achieved in Co. Roscommon in the face of the application of 0.5% in surrounding counties might work unacceptable anomalies.

Notwithstanding the reluctance of the Tribunal to accept the ratio of 0.63% as an acceptable rule of thumb in Co. Roscommon, the Tribunal is mindful of the obligation on Appellants to prove their case and to satisfy the Tribunal, even within the context of the informal hearings thereof, that there are clear grounds for a reduction in valuation. In this appeal the Tribunal finds that the Appellant has not proven his case and the Tribunal accordingly finds that it cannot reduce the valuation below £50. In so doing the Tribunal makes no decision in relation to the applicability or otherwise of the 0.63% ratio.