

Appeal No. VA92/2/060

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

Gerry Holmes Limited

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Shop stores, petrol tanks at 27 Main Street, Ballygard, E.D. Kileroran, Co. Galway
Quantum

B E F O R E

Paul Butler

S.C. (Acting Chairman)

Brian O'Farrell

Valuer

Joe Carey

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

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 8TH DAY OF SEPTEMBER, 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 £65.

The grounds of appeal as set out in the Notice of Appeal are that "inter alia, the same is excessive. The property is located in a disadvantaged area - trading is slow - the town businesses are declining - the existing valuation is out of line with the Rateable Valuation of similar businesses in the town of Ballygar - the Commissioners Valuer/Inspector indicated that the valuation before Appeal of £35 was already too low (in spite of being determined by Appeal previously) and the said Inspector compared my premises with the business and premises of Murray Timber Yards at Cloonlyon, Ballygar.

The Property:

The premises consists of a supermarket, stores and toilet on the ground floor with the first floor being used for storage. It is situated in the Main Street, Ballygar. There are three petrol tanks outside.

Valuation History:

In 1986 the R.V. was increased to £35 and at 1987 1st appeal was reduced to £30. To take account of a small addition to the rear the R.V. was increased to £35. In 1990 it was increased to £65 and it is against this R.V. that the appeal lies with the Tribunal.

Written Submissions:

A written submission was received on the 26th of August, 1992 from Mr. Tony Brooks of Tony Brooks & Company, Valuation, Rating and Property Consultants on behalf of the Appellant. In his submission Mr. Brooks described the property and gave the valuation history. He said that all the main services including water, sewage, electricity and telephone cables are supplied and connected to the premises. He outlined the area of the subject property and his estimate of N.A.V. as follows:-

Supermarket	1,734 sq.ft. @ £3/sq.ft.	= £5,202
Ground floor stores	417 sq.ft. @ £1.50/sq.ft.	= £ 625
First floor stores	806 sq.ft. @ £1.50/sq.ft.	= <u>£1,209</u>
		£7,036
Petrol tanks	3 x 1,000	<u>£1,400</u>
		£8,436
N.A.V. = £8,400 - R.V. = £42		

Mr. Brooks gave the following reasons why the R.V. should be reduced:-

- (1) This premises has a higher valuation than any other in the town of Ballygar.
- (2) Ballygar is a town of some 450 people, which has been ravaged by emigration and unemployment.
- (3) This is a small supermarket which caters for local needs.
- (4) It is in direct competition with larger supermarkets in the nearby towns of Roscommon, Athlone and Tuam.
- (5) The general state of the economy and the hardships experienced by the local community in this area would certainly suggest that this is not the right climate for increasing this valuation by almost double.
- (6) The minor alterations that have taken place since the last revision do not warrant such an increase.
- (7) The only financial institution of any consequence in this town is the Bank of Ireland premises which has an R.V. of £55.
- (8) Irish Permanent did have a branch here but it has been closed for some time now.
- (9) This town does not have any worth while industry or any major employer.

Mr. Brooks also supplied one comparison and a list of R.V.'s of other businesses in Ballygar. These are attached as Appendix "A".

Mr. Christopher Hicks of the Valuation Office presented a written submission on the 10th of August, 1992 on behalf of the Respondent. In his comments on the grounds of appeal, Mr. Hicks said that there is no other business in the town as substantial as the subject. He said that Mr. Holmes owns "The Elm Rest" public house in Ballygar which he compares to the subject. Mr. Hicks said that the R.V. was appealed on "The Elm Rest" in 1986 and agreed at Circuit Court stage at £44.00. He said the turnover at the time was no more than £1,000 per week and he would regard it as being significantly less valuable than the subject property.

Mr. Hicks sets out his method of valuation as follows:-

Shop & ground floor stores	2,043 sq.ft. @ £5.00 = £10,215		
First floor stores	904 sq.ft. @ £1.25 = £ 1,130		
Fuel sales 50,000 gals. p.a. @ 2.7p		= <u>£ 1,350</u>	
N.A.V.	£12,695		
0.5%	= £69.75	R.V.	£65

Mr. Hicks also supplied the Tribunal with five comparisons which are attached to this judgment as Appendix "B".

Oral Hearing:

The oral hearing took place in Galway on the 8th of September, 1992. Mr. Tony Brooks of Messrs. Tony Brooks and Company, appeared on behalf of the Appellant and Mr. Christopher Hicks appeared on behalf of the Respondent. Mr. Gerry Holmes, the Appellant, also gave evidence.

Mr. Brooks said that in 1986 the rateable valuation was £35 and the same was reduced by agreement to £30. In 1989/90 it was increased to £35 and appealed but there was no change. Mr. Brooks said the only thing that happened since then is that the Appellant re-roofed and incorporated about 51ft² into his shop and, on the first floor, he added a tea-room and a small store. Mr. Brooks referred in detail to his written submission and stressed that the subject premises held the highest rateable valuation in the town.

As to what he thought the market value of the premises to be Mr. Brooks indicated that it was about £70,000. Mr. Holmes said that the turnover is at present approximately £10,000 per week.

Mr. Hicks referred to his written submission. He said when the Appellant appealed he referred to a general decline in business but did not say that his own business was on the decline. Mr. Hicks said that on the 7th January, 1992 he wrote to the Appellant asking for accounts and fuel sale figures. No response was received despite a reminder sent on the 6th July, 1992.

Determination:

The Tribunal is satisfied that, through no fault of Mr. Brooks who came into the case at a very late stage, Mr. Hicks's hands were entirely tied in this matter by the complete lack of cooperation on the part of the Appellant. Not only were figures not supplied to the Respondent but Mr. Holmes failed to give any figures or estimate of figures of his turnover other than his present turnover which, as indicated, amounts to about £10,000.

The Tribunal is further satisfied that Mr. Hicks's estimate of Net Annual Value at £12,695 is, in particular having regard to the current turnover figure, fair and reasonable and affirms the rateable valuation of £65.