

Appeal No. VA92/6/101

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

Eamonn Cosgrave

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Filling Station and Workshop at Lot No. 11Aa, Townland of Newcastle, E.D. Ballysimon,
District of Limerick I, Co. Limerick
Quantum

B E F O R E

Padraig Connellan

Solicitor (Acting Chairman)

Veronica Gates

Barrister

Joe Carey

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

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 14TH DAY OF MAY, 1993

By Notice of Appeal dated the 4th day of November, 1992 the appellant appealed against the determination of the Commissioner of Valuation in fixing a Rateable Valuation of £105 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that: "the valuation is excessive and unfair".

The Property

The property is situated on the main Limerick/Dublin Road on the outskirts of Limerick close to the new Castletroy Park Hotel and the University of Limerick.

The premises comprise a Maxol filling station with underground tanks with a capacity of 12,200 gallons. There is a two storey service building which accommodates a restaurant, shop and office on the ground floor with offices and a hairdressing salon on the first floor. There is a free standing workshop adjacent to the service building. The restaurant and shop are separately let and independently valued. Service pumps are covered by canopy with small cash office in the main service building. There is one large office and two smaller offices on the first floor of the main service building. The work shop which was newly erected in 1991 has recently had the front section converted into a video shop, but this work was carried out passed the valuation date of November, 1991.

Valuation History

The recent valuation history dates from 1989 when the R.V. was increased from £80 to £150 to take into account the enlargement of the restaurant and the extension of the shop into a former store. There was no change to the valuation following 1989 First Appeal.

In 1991 the valuation was increased to £290 following the extension of the restaurant, new rere store and new workshop/showroom. A new lot 11Aa² was created to value the hairdressing salon independently on the first floor.

At first appeal two further tenancies were valued independently as follows:

Lot 11Aa ³	R.V. £110	(Restaurant)
Lot 11Aa ⁴	R.V. £75	(Shop)

The portion of the property which remained owner occupied and which is the subject of this appeal was assessed at £105.

Written Submissions

A written submission was received on the 25th January, 1993 from Mr. Patrick Conroy, a Valuer with 19 years experience in the Valuation Office on behalf of the Respondent

In the written submission Mr. Conroy set out details of the property and the valuation history as set out above. Commenting on the appellant's grounds of appeal, Mr. Conroy on behalf of the Respondent, stated that it was the Commissioners contention that the Appellant is bound by the terms of the agreement reached at first appeal stage and a copy of the letter of agreement from the appellant's agent at first appeal was attached to the written submission. He further stated that the agreement of Frank O'Donnell & Company in writing as qualified and professional valuers was compelling evidence of the correctness of the valuation. Mr. Conroy stated without prejudice to the above that the valuation of £105 is fair and reasonable and is comparable with recently revised properties which are of similar function. The property has exposure to heavy volumes of traffic on this national primary route. There is exposure to local traffic from surrounding residential areas, Limerick University Campus, Plassey International Science Centre as well as longer distance travellers associated with the national primary route. He set out his calculation of the rateable valuation on the subject premises as follows:-

Valuation:

Method 1

Cash Office	65ft ²	@ £12 p.sq.ft	=	£ 780
Workshop	215ft ²	@ £ 2 p.sq.ft	=	£ 4,302
First Floor Offices	871ft ²	@ £ 4 p.sq.ft	=	£ 3,484
Fuel Sales	30,000 gals	@ 4p	=	<u>£12,000</u>
		N.A.V.	=	£20,566
		@ 0.5%	=	£102.83

Say £105

Method 2

Building as per method 1 = £4,828 per annum

Calculation of the N.A.V. of the fuel sales by the following formula:-

<u>1988 Fuel Sales of Subject Property</u>	N.A.V. attributable to fuel
1988 Fuel Sales of Comparison No.2	Sales of Comparison No. 2
= <u>£945.162</u>	X £26.176 = <u>£20,405</u>
£1,212,440	£25,233
@ 0.5%	= £126 (R.V. £105)

Comment: Valuation from Method 1 = £105

Valuation from Method 2 = £126

Mr. Conroy also gave details of three comparisons of similar properties as follows:-

1. Artane Service Station

Lot No. 16A Rineanna South, R.D. Ennis.

Tenure: 2 year 9 month from 1.4.92 @ £14,675 F.R.I.

Expenditure by Tenant: £73,435 1988 on improved facilities.

R.V. £75 (1992 First Appeal agreement)

Shop	159 sq.ft.	@ £10	=	1,590
Offices	91 sq.ft.	@ £4	=	364
Store	83 sq.ft.	@ £2.50	=	207
Workshop and Stores	110 + 646 + 61 + 250ft ²	@ £2.50	=	2,667
Throughput	267,180 gallons	@ 0.4p/gallon	=	<u>10,687</u>
				£15,515

@ 0.5% = £77.57

Say £75

Mr. Conroy stated that this was an important comparison as real rental evidence was available as a check of estimates of N.A.V.

2. Shannon Self Service

Lot No. 2M Tullyvarraga, E.D. Clenagh, R.D. Ennis

1991 First Appeal. R.V. £165

Shop	303ft ²	@ £15	=	4,545 (1988 GTO £123,889p.a)
Store	140ft ²	@ £5	=	700
Throughput	581,696 gallons	@ 4½	=	26,176 (1988 £1,212,440p.a)
Car Wash				<u>2,500</u>
				£33,921

@ 0.5% = £169.60

Agreed £165

Certified accounts were provided in the case enabling a direct comparison to be made with the fuel sales of the subject property.

3. Lot No. 2A/8

Tullyvarraga (Shannon Town Centre)

R.D. Ennis

R.V. £135 (1991 Revision)

Shop	362ft ²	@ £12	=	4,344
Stores	166ft ²	@ £3	=	498
Yard	1,393ft ²	@ £0.15	=	2,089
Throughput	360,000 gallons	@ 5.5p/gallon	=	<u>19,800</u>
				26,731

@ 0.5% = £133.65

Say £135

Oral Hearing

An oral hearing took place on the 4th day of May, 1993. The Respondent was represented by Mr. Patrick Conroy, District Valuer. There was no appearance on behalf of the Appellant.

Prior notification of the date of the hearing of the appeals had been forwarded to the agent for the Appellant, Ms. Siobhan Fahy, Fahy & Company, John Street, Limerick by the Registrar by letter dated 12th March, 1993.

Having considered the precis of evidence submitted by Mr. Conroy, the Tribunal determines that the appeals be dismissed and the valuation affirmed. The Respondent made no application in relation to costs.