

Appeal No. VA93/2/059

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

Patrick Gleeson t/a The Port View Hotel

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Licensed Hotel and Yard at Map Ref: 6.7, Townland of Royal Marine Road, Dunlaoghaire
West-Central Ward, Dunlaoghaire - Rathdown, Co. Dublin
Quantum

B E F O R E

Paul Butler

S.C. (Acting Chairman)

Veronica Gates

Barrister

Brian O'Farrell

Valuer

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 20TH DAY OF DECEMBER, 1993

By Notice of Appeal dated the 25th of May, 1993 the appellant appealed against the determination of the Commissioner of Valuation in fixing a Rateable Valuation of £330.00 on the above described hereditament.

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

Mr. Frank O'Donnell of Messrs. Frank O'Donnell & Company, Valuation Rating & Property Consultants, presented a written submission on the 22nd October, 1993 on behalf of the appellant. The said submission is annexed to this judgement as Appendix A. Mr. O'Donnell described the premises and also set out five methods arriving at Net Annual Value, namely square footage basis, a Market Value basis, a Profit method, a Turnover basis and a bedroom basis. The rateable valuation, adopting these methods worked out at between £220 and £245. Mr. O'Donnell gave as comparisons the Kingston Hotel and Hotel Pierre he also mentioned the Royal Marine Hotel, Dunlaoghaire.

Mr. Denis Maher, a Chartered Surveyor, with 18 years experience in the Valuation Office presented a written submission on the 26th October, 1993 on behalf of the respondent. The same is annexed to this judgement at Appendix B. In his said submission, Mr. Maher described the property and its location, gave 4 methods of valuation, namely one based on accounts, one based on the estimated capital value for the premises, one based on the number of bedrooms and one on a square footage basis. In dealing with the valuation history he said that the property was listed by Dunlaoghaire Corporation for 1991 revision with a request to 'valuation alterations, extensions and additions' at that stage it was described as a 'licensed hotel, carpark and yard' with a rateable valuation of £215.00; this valuation arose from a 1983 First Appeal when the property had been valued at £225.00, the listing being to 'value alterations, additions and a beer garden'. Prior to this revision in 1974 and in 1981 the valuation had been brought up to £175.00 as a result of extensions and additions. The premises was then known as the 'Elfin Hotel'.

The two comparisons given were the Kingston Hotel in Haddington Terrace, Dunlaoghaire and the Hotel Pierre in Victoria Terrace, Dunlaoghaire. Mr. Maher said that the Kingston Hotel in Haddington Terrace was situate in a congested cul-de-sac. He said that both this and the subject property are Grade B hotels having roughly the same amount of bedrooms. Both have good lounge/bar and disco facilities with much the same capital investment. He said that the Kingston Hotel was revised in 1989 and that a valuation of £425 was placed on it. It was further revised in 1993 when a figure of £525 was placed upon it due to extension but that this latter figure is under appeal. Mr. Maher felt that the Kingston Hotel, of the two, was the best comparison.

Oral Hearing

The oral hearing took place in Dublin on the 3rd of November, 1993. Mr. Frank O'Donnell appeared on behalf of the appellant and Mr. Denis Maher appeared on behalf of the Respondent.

Mr. O'Donnell said that in 1988 the Owner was forced to carry out improvements to comply with Fire Regulations. In so doing, the ceiling of the ground floor collapsed and had to be replaced with a concrete floor. This was a very expensive unexpected item and the appellant continued repaying very high bank charges in relation thereto. He said that the subject premises has only 20 bedrooms which are small, eight of them are en suite but have shower rooms only. He thought that the market value was somewhat less than that referred to in his written submission and suggested a valuation of £350,000. He said that both the Hotel Pierre and the Kingston Hotel were sold in 1988. The former fetched £320,000 and the latter fetched £400,000. He said that there was no parking in the subject premises, it had a disused disco and was not used in Dunlaoghaire for any kind of function. He argued for a yield of 7% as opposed to Mr. Maher's 10%.

Mr. Maher argued that the 1991 accounts fixed the capital value of the premises at £750,000. He said that the fact that the disco was not operated was a matter of policy and suggested that the Kingston Hotel was more aggressively managed.

Determination

The Tribunal is satisfied that the best comparable evidence is to be found in the Hotel Pierre. That hotel has, according to its brochure, 40 bedrooms and according to Bord Failte 48 bedrooms all of which are en suite. It was recently revised having been revised in 1989. Taking the foregoing into consideration and having regard to the various methods adopted by both sides in arriving at a Net Annual Value, the Tribunal determines Net Annual Value at £45,000 giving a Rateable Valuation, on the agreed ratio of .63% of £283.00.