

Appeal No. VA93/4/024

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

**Pearlstone Investments Limited t/a Naas Court Hotel**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Licensed Hotel at Map Reference: 44.45 Main Street, Townland: Naas West, E.D.: Naas  
No. 10, U.D.: Naas, Co. Kildare  
Quantum - Preservation order

**B E F O R E**

**Veronica Gates**

**Barrister (Acting Chairman)**

**Brian O'Farrell**

**Valuer**

**Paddy Farry**

**Solicitor**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 17TH DAY OF JUNE, 1994**

By Notice of Appeal dated the 28th day of October, 1993 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £300 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that:-

- "1. The R.V. is excessive in comparison to similar premises.
2. The R.V. is excessive having regard to the N.A.V. as at November 1988."

**The Property:**

The property comprises a hotel situated on Main Street in the centre of Naas beside the Courthouse. It is set back from the street with car parking to the forecourt.

The building is three-storey with single storey extension to side and rear. The main structure is of cut stone with pitched slated roof, the extensions are of concrete wall construction with concrete and glass roof respectively.

Prior to conversion the building was for many years Naas Garda Station.

The accommodation comprises:

<u>Ground Floor:</u>	Entrance Hall, Lounge (residents), Dining Room, Lounge Bar, Toilets, Kitchen, Cold Room, Stores and Locker Room.
<u>First Floor:</u>	Meeting Room, Office, Store and 4 ensuite Bedrooms.
<u>Second Floor:</u>	6 ensuite Bedrooms.
<u>Outside:</u>	Keg and Bottle Store.

The hotel is ungraded and the property is held freehold.

**Valuation History:**

The property was in State ownership for many years as Naas Garda Station and had an exempt rateable valuation of £90. On 1992 Revision following conversion to a hotel the R.V. was increased to £300 (rateable). No change was made on First Appeal and it is against this R.V. of £300 that an appeal lies to the Tribunal.

**Written Submissions:**

A written submission was received on the 31st May, 1994 from Kenneally McAuliffe, Surveyors, Valuers and Estate Agents, on behalf of the appellant.

In the written submission the location, accommodation and history of the subject premises were described and the calculation of the net annual value was set out as follows:-

<b>1) Capital Value Basis</b>		
Net Book Value 31st May 1992		£570,350
N.A.V. @ 7%		£ 39,924
N.A.V. 1988 (reduced by 15%)		£ 33,935
R.V. @ 0.5%		£169.67
	Say	£170.00
 <b>2) Turnover Basis</b>		
Year ended 31st May, 1992		
Turnover (net of VAT)		£474,424
Net Profit 18%		£ 85,396.32
N.A.V. 50%		£ 42,698.16
N.A.V. 1988 (reduced by 15%)		<u>£ 36,293.43</u>
R.V. @ 0.5%		£181.46
	Say	£181

In the written submission comparisons were offered as follows:-

- 1) **Harbour View Hotel**  
Limerick Road, Naas, Co. Kildare  
R.V. £175
- 2) **Hazel Hotel**  
Dublin Road, Monasterevan, Co. Kildare  
R.V. £310
- 3) **Tulfarris House Hotel**  
Blessington, Co. Wicklow  
R.V. £300
- 4) **Ardenode Hotel**  
Ballymore Eustace, Co. Kildare  
R.V. £265

A written submission was received on the 19th May, 1994 from Mr. Malachy Oakes, a District Valuer with 20 years experience in the Valuation Office, on behalf of the respondent.

In his written submission, Mr. Oakes described the property and valuation history as set out above. Commenting on the grounds of appeal Mr. Oakes said that the valuation was fixed having regard to the actual and potential trading levels, capital value and valuation of other properties and as such was not considered excessive.

Mr. Oakes set out his calculation of the rateable valuation as follows:-

The Capital Value is estimated at:	£600,000 for 1988
N.A.V. @ 10%	£ 60,000
R.V. @ 0.5%	£300.00

Mr. Oakes offered comparisons as follows:-

- 1) **Town House Hotel**  
R.V. £148 fixed at 1980 Revision
- 2) **The Harbour View Hotel**  
R.V. £175 fixed at 1990 Revision

**Oral Hearing:**

An oral hearing took place on the 10th June, 1994. Mr. Nicholas McAuliffe and Mr. John Kenneally of Messrs. Kenneally McAuliffe, appeared on behalf of the appellant. Mr. Malachy Oakes appeared on behalf of the respondent.

Both parties relied on their written submissions.

Mr. McAuliffe described the subject premises as having a number of disadvantages; firstly because it is a preserved building and secondly it does not adapt very easily to hotel use. In addition expansion is further restricted in the future because of the size of the areas to the rear and to the front of the building. He said that therefore the subject will always be a 10 bedroom hotel which cannot be developed further for wedding or conference trade and this means that there are severe limitations in regard to turnover.

Mr. McAuliffe said that it was an expensive operation to undertake the conversion of the property from a former police station to a hotel because of the thickness of the stone walls and the general layout.

He said that since the completion of the Naas by-pass the major traffic through the town has been diverted and the hotel must, therefore, rely on local trade. In his opinion, the hotel needs to generate a greater turnover through the accommodation end of the business in order to increase the profits of the hotel generally.

Mr. McAuliffe disputed the estimate of capital value for 1988 at £600,000, put forward by Mr. Oakes, as being far too high. In support of this contention he said that he had sold a 40 bedroom hotel, namely; the La Touche Hotel in Greystones, Co. Wicklow, in 1989 for £600,000.

Mr. Oakes said that the subject has good private car parking facilities with some 24 car spaces. He said that the subject enjoys a good central location beside the Courthouse on the Main Street in Naas.

Commenting on the comparisons put forward, Mr. Oakes said that the Harbour View Hotel in Naas was agreed at First Appeal stage at R.V. £175. He said that this was a much more down market hotel than the subject and was, in reality, only a glorified guesthouse.

In reply Mr. McAuliffe said that the Harbour View Hotel has the same \*(2 Star) Board Failte grading as the subject. In addition it does not have the restriction of being a preserved building and so the owners are free to extend their premises as they please.

Mr. Oakes said that generally speaking the subject premises is geared to a more upmarket standard of clientele than the Harbour View Hotel, particularly in relation to food and accommodation. He said that it is the only hotel in Naas that has any quality about it and it enjoys an excellent location.

**Determination:**

The Tribunal has had regard to the written and oral submissions of both parties and to the evidence adduced in relation to the comparisons both in Naas town and elsewhere.

The Tribunal finds that whilst the subject has certainly a prepossessing aspect, it is severely disadvantaged in terms of expansion by the preservation order and also by the limited front and rear areas.

Taking these and all other relevant factors into consideration the Tribunal is of the opinion that the correct rateable valuation for the subject hereditament is £235 and so determines.

