

Appeal No. VA93/4/028

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

Lakeland Dairies

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Stores and Land at Map Reference: 45 abcde, Mullanarry, Ward: Carrickmacross Urban,
U.D.: Carrickmacross, Co. Monaghan
Quantum - Adjacent comparisons preferred

B E F O R E
Henry Abbott

S.C. Chairman

Paddy Farry

Solicitor

Patrick Riney

A.R.I.C.S. M.I.A.V.I.

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 29TH DAY OF JUNE, 1994

By Notice of Appeal dated the 4th day of November, 1993 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £106 on the above described hereditament.

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

"The valuation is still excessive and inequitable when rental levels are taken into consideration."

The Property:

A 'drive-in' agri-store with tarmac yard, six bulk feed storage bins, two molasses tanks, a gravel surfaced compound with a large complex of old disused cut stone and slate roofed buildings. Built originally as the workhouse for the area and now listed as worthy of preservation. There is a newly built canteen.

The property is situated on the outskirts of Carrickmacross approximately 230 metres from the main trading area on the Shercock Road in an industrial and residential area.

Tenure:

The land and buildings are held in fee simple.

Valuation History:

The building was first valued at the primary Revision when it was listed as Lot 12 Mullinarry in the rural district of Carrickmacross and consisted of the Union Workhouse and six acres of land with a buildings valuation of £200 distinguished in the lists as exempt.

By 1979 the buildings were partially used as stores and a fruit processing venture with valuations of £30 and £50. Around this time Lough Egish Co-op built a new store for feedstuffs and fertilizers which was valued separately at £40.

By 1992 a small section only of the buildings was in use as a store for wool and animal feed. The hereditament was revised and an extension to the store, a new canteen, bulk feed bins, molasses tanks and yards were valued. The rateable valuation was increased from a combined total of £50, £30 and £40 (£120) to £145. This decision was issued to Carrickmacross U.D.C. in May 1992. The occupiers appealed to the Commissioner of Valuation. On First Appeal the rateable valuation was reduced to £106. It is against this valuation that an appeal lies to the Tribunal.

Written Submissions:

A written submission was received on the 22nd June, 1994 from Mr. Tadhg Donnelly of Brian Bagnall & Associates, Surveyors and Valuers, Property and Rating Consultants, on behalf of the appellant.

In the written submission Mr. Bagnall described the property as an agricultural co-op comprising of a number of buildings with a total accommodation of around 9,500 square feet. He described the accommodation as follows:-

Store and Slate Wool Store	1,974 sq.ft.
Canteen and Toilet	362 sq.ft.
Iron Pillar and Corrugated Iron Haybarn Type Store	6,565 sq.ft.
Shops and Offices	543 sq.ft.
Yard	19,776 sq.ft.
Tanks and Bins	
Weighbridge	

Mr. Donnelly said that the rateable valuation on the subject should be calculated bearing the following in mind:-

- 1) The levels adopted by the Valuation Office on similar type properties.
- 2) The unique use of the property.
- 3) The type of buildings involved.

In his opinion the rateable valuation on the subject premises should be calculated as follows:-

Store and Slate Wool Store	1,974 sq.ft. @ 35p	= £ 691.00
Canteen and Toilet	362 sq.ft. @ £1	= £ 362.00
Iron Pillar and Corrugated Iron Haybarn Type Store	6,565 sq.ft. @ 50p	= £3,282.50
Shop cum Office	543 sq.ft. @ £1	= £ 542.00
Yard	19,776 sq.ft.	= £2,570.00
Tanks and Bins		= £ 600.00
Weighbridge		= £1,000.00
Old Derelict Buildings	No Value	_____
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	N.A.V.	£8,147.00
	@ 0.5% = £40.73	
	Say £40	

Mr. Donnelly gave a number of comparisons as follows:-

- 1) **Lakeland Co-op - Trim, Co. Meath**
 1989 First Appeal
 R.V. £100. (£80 @ .5% fraction)
 Rented by Lakeland on a five year lease starting in 1982. Renewed in 1986,
 rent fixed at £16,000 per annum.

- 2) **Lakeland Co-op - Ballinamore Branch, Co. Leitrim**
 Lot 1 Townland of Tully
 Held on 2 year 9 month lease from May 1991 at £2,860 per annum. The
 tenant is responsible for rates, repairs and insurance. He said that the rent
 devalued at 65p per square foot to include office, shop and store.

- 3) **Lakeland Co-op - Goremone Branch, Co. Longford**
 Held on a 2 year 9 month lease from May 1991 at £3,200 per annum. The
 tenant is responsible for rates, repairs and insurance. The rent devalues at 67p
 per square foot to include office, shop and store.

Mr. Donnelly said that over the last three years Lakeland Co-op have rented out a substantial portion of their branch co-ops. He said that the above comparisons indicated the levels of rent that had been adopted. He said that, in this opinion, Comparison No: 1, Lakeland Co-op, Trim, Co. Meath, was a much superior premises to the subject.

A written submission was received on the 13th June, 1994 from Mr. Noel Lyons, B.Comm, a District Valuer with over 20 years experience in the Valuation Office, on behalf of the respondent.

In the written submission Mr. Lyons described the property as set out above and its valuation history. In his opinion he said that the rateable valuation on the subject premises was as follows:-

Estimate of Net Annual Value:

Shop and Office Area - Gross Internal:	543ft ² @ £2.50 psf = £ 1,358
Store	Gross: 6,565ft ² @ £1.35 psf = £ 8,863
Canteen	Gross: 362ft ² @ £2.00 psf = £ 724

Tarmac yard - having allowed circulation area and site of tanks and bins:	16,864ft ² @ £0.15 psf = £ 2,530
Gravel surfaced compound:	2,939ft ² @ £0.12 psf = £ 353
Ground floor store - in part of an old building	1,941ft ² @ £0.75 psf = <u>£ 1,456</u>
	£15,284

R.V. on buildings and yard = Estimate of N.A.V. 15,284 x .5% =	£ 76.42
Add scaled valuation on feed storage bins:	
6 x 18 tonnes = 108 tonnes @ 2½p per ton	£ 2.70
Add scaled valuation on molasses tanks:	
25 tonnes = 5,500 gallons @ 30p per 1,000 gals	£ 1.65
Add scaled valuation on weighbridge pit:	£ 10.00
Add nominal valuation on old buildings (approx. 24,200ft ²)	<u>£ 15.00</u>
	£105.77
Say	£106.00

Mr. Lyons gave details of two comparisons as follows:-

- 1) Large haybarn type workshop used for repair of heavy machinery in a rural situation. R.V. £60 fixed by agreement with appellant's solicitor at 1990 First Appeal.

Estimate of N.A.V.:

Workshop - haybarn type	4,380ft ² @ £1.40 per ft ² = £ 6,132
Mezzanine Store	631ft ² @ £0.70 per ft ² = £ 442
Yards	45,475ft ² @ £0.12 per ft ² = <u>£ 5,457</u>
	£12,031

- 2) Good Warehouse built on part of old railway station at edge of Carrickmacross used as a dry goods store for toiletries, washing powders, etc.. Occupier by P & M Wholesalers. R.V. £55.

Estimate of N.A.V.:

Offices, Toilets & Canteen, Gross	484ft ² @ £3.25 per ft ²	= £ 1,573
Warehouse	4,210ft ² @ £2.23 per ft ²	= <u>£ 9,473</u>
		£11,046
R.V.: Estimate of N.A.V. £11,000 x 0.5%		= £55.00

Oral Hearing:

The oral hearing took place herein in the Courthouse, Monaghan on the 29th June, 1994. Mr. Tadhg Donnelly of Brian Bagnall & Associates appeared for the appellant and Mr. Noel Lyons of the Valuation Office appeared for the respondent.

From the outset it appeared that there were two different approaches taken by the valuers in relation to the comparisons offered as a basis for valuation. Mr. Donnelly's estimate of the valuation based on his precis was quite consistent with the comparisons offered, but the Tribunal is of the view that it should prefer the comparisons offered by Mr. Lyons on the basis of their proximity and also on the basis that many of the comparisons offered by Mr. Donnelly may have involved other trading factors such as tied retailing agreements between former manager and co-op. The more rural locations of Mr. Donnelly's comparisons also are considered to render them less useful as comparisons in this case.

The Tribunal acknowledges that Mr. Lyons has allowed for some of the yard and circulation area to be taken out of the valuation on the basis that the shop, store and canteen valuations would incorporate some of this. This approach, in the view of the Tribunal, might in fairness be extended somewhat further.

It emerged that the old buildings are marred by the existence of rusty plant and their only future may well be the development of a Fas Scheme to rehabilitate them into commerciality. It seems that the consensus now is that they cannot be used until such restoration and the approach of the Tribunal would be to place a zero valuation on them. The Tribunal sees no reason to depart from the scaled valuation approach on the bins and tanks and would accept the valuation of £10 on the weighbridge pit.

Taking this approach and accepting other elements of the valuation of the premises as set out on Page 4 of the respondent's precis and having regard to all the circumstances and the evidence offered, the Tribunal finds that the valuation of the premises is £76 and so determines.

