

Appeal No. VA94/1/006

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

**Frank Brogan, Frank Brogan Limited**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Shop at Map Ref.: 15f, Townland: Bangor, Ward: Bangor, R.D.: Belmullet, Co. Mayo  
Quantum - Comparisons, location

**B E F O R E**  
**Mary Devins**

**Solicitor (Acting Chairman)**

**Paddy Farry**

**Solicitor**

**Patrick Riney**

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

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 11TH DAY OF JANUARY, 1995**

By Notice of Appeal dated the 26th day of April, 1994 the appellant appealed against the determination of the Commissioner of Valuation in fixing a valuation of £80.00 on the above described hereditament.

The grounds of appeal were set out in a letter addressed to the Secretary, Mayo County Council and attached to the Notice of Appeal. In summary these grounds were that the valuation was relevant to the centre of a big town rather than the size of Bangor with a population of 600 people.

**The Premises:**

The premises is located in the village of Bangor on the Belmullet/Ballina/Castlebar Road. It consists of a modern supermarket, hardware shop and ancillary stores. The accommodation comprises: supermarket, hardware shop, stores and tarmac yard at rear.

**Valuation History:**

The property was revised at 1992 revision as new at £90.00 - on first appeal the valuation was reduced from £90.00 to £80.00 by the Commissioner of Valuation. It is against this determination that an appeal lies to the Tribunal.

**Written Submissions:**

A written submission was received on the 3rd January, 1995 by Mr. Des Killen, F.R.I.C.S. I.R.R.V., a fellow of the Chartered Surveyors in the Republic of Ireland and a Director of Donal O'Buachalla & Company on behalf of the appellant. In the written submission Mr. Killen described the premises as a new purpose built retail premises in two distinct units - grocery and hardware with a linking section providing a store and basic toilets. He said that construction was typical being of concrete block walls, cement rendered externally with concrete floors under pitched semi-gabled concrete tiled roof. He said the floors were tiled in the retail areas, walls were cement rendered but not plastered internally and there is wall tiling in the fresh meat area. He said that the village of Bangor Erris is a small rural village with a population of approximately 250 persons. He said facilities were limited to a few shops, four licensed premises, two petrol outlets, church and primary school. He said banking services were not available and there was no pharmacy, drapery or footwear outlets. The nearest such facilities are 12 miles away westward in Belmullet or eastward at Crossmalina. Mr. Killen said that the builders yard which accommodates the supplies is comprised in a separate hereditament VO Lot: 5Bd, Townland: Ballybeg, stores and yard - R.V. £20.00. Mr. Killen said that in assessing the appropriate N.A.V. on the subject premises regard must be had to various factors effecting these estimates which were:-

- (1) the census of population for Bangor Erris and the surrounding towns
- (2) the personal import of Mr. Frank Brogan, in particular into the business

- (3) the fact that the two shops have been vacant for a number of years
- (4) the valuation assessed on other premises in Bangor, for example:-
- (a) **VO Lot: 4Bi**, Description: Shop, R.V. - £8, a small grocery shop nearby
  - (b) **VO Lot: 15b**, Townland: Bangor, Description: Licensed House, R.V. - £40.00, westend bar immediately opposite
  - (c) **VO Lot: 17de**, Townland: Bangor, Description: Licensed House, R.V. - £50.00
  - (d) **VO Lot: 17h**, Townland: Bangor, Description: House, garage, petrol tanks, funeral parlour and yard, R.V. - £45.00
  - (e) The valuation assessed on **Erris Co-op in Belmullet** of £110.00. This hereditament, Mr. Killen said, was the best comparison much superior to the subject in letting value. He said it was located in Belmullet with a population of 986 people where there are such facilities as banks, building societies, pharmacies, draperies, shops, hotels, golf clubs and industrial estate.

Having regard to the above Mr. Killen set out his calculation of the rateable valuation as follows:-

(A)	(1)	Grocery Shop with Store	1,860 sq. ft. @ £2.25	£4,185
	(2)	Hardware Shop incl. Office and Store	1,860 sq.ft. @ £2.25	£4,185
	(3)	Passage Store	211 sq.ft. @ £1.00	£211
	(4)	Store	407 sq.ft. @ £1.00	£407
				£8,988 N.A.V.

## (B) Estimated Capital Value

Site and Building	£75,000 @ 12%	£9,000 N.A.V.
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**£45 R.V.**

A written submission was received on the 22nd December, 1994 from Mr. Jim Gormley a District Valuer with twenty years experience in the Valuation Office. In his written submission Mr. Gormley set out the valuation history, grounds of appeal, location and description of the property.

He set out his calculation of the rateable valuation on the subject premises as follows:-

**VALUATION**

Net Area:	4,443 sq.ft. @ £3.50/sq.ft.	=£15,550.00
	x 0.5%	= £77.75
	Say	= <u>£80.00</u>

**OR**

Gross Area:	4,863 sq.ft. @ £3.30/sq.ft.	=£16,048.00
	x 0.5%	= £80.23
	Say	= <u>£80.00</u>

In relation to the grounds of appeal Mr. Gormley said that although the premises was located in Bangor Erris it drew its customers from a wide catchment area and is trading very well. He said that the valuation was not considered excessive when turnover was taken into account and compared with similar premises in other small towns in the county. He said that the appellant comparisons of valuations as low as £8.00 referred to very small shops, for

example **4Bi Bangor**, revised in 1987 to £8.00 comprises a shop and store of total area 387 square feet. Mr. Gormley said that the **Erris Farm Services Co-operative Society Limited**, R.V. £110.00 was a co-operative founded in 1968 with the objective of the promotion of farming, fishing and forestry in the area. He said that its turnover had remained static for five years and the staff had been put on a four day week.. He also said the buildings were old and in very poor condition. Mr. Gormley gave details of three comparisons as follows:-

(1) **Comhar Iorrais Teoranta**

(Erris Farm Services Co-op. Society Ltd.)

Lot 1, 2, 3, 4 Chapel Street, Belmullet.

R.V. £110.00 - 1990 First Appeal.

Turnover £12,000/week.

Supermarket:	3,533 sq.ft. (net) @ £3.20/sq.ft.	=	£11,305
Old Hardware Shop:	2,173 sq.ft. (net) @ £1.20/sq.ft.	=	£2,607
Meal Store:	8,428 sq.ft. (net) @ £1.20/sq.ft.	=	£8,428
Office canteen, etc, (old):	718 sq.ft. (net) @ £1.00/sq.ft. =		£718
1st Fl. shop/stores (old):	1,590 sq.ft. (net) @ £0.30/sq.ft.	=	<u>£477</u>
			£23,535

x 0.5% = £117.00

Agreed= £110.00

(2) **McIntyres**

William Street, Belmullet

(formerly Licensed house)

1991 Revision - R.V. £36.00

Shop/Supermarket:	1,464 sq.ft. @ £4.00/sq.ft.	=	£5,856
Stores:	657 sq.ft @ £2.00/sq.ft.	=	<u>£1,314</u>
			£7,170

x 0.5% = £35.85

Agreed = £36.00

(3) **Val Cummins**

9.10 New Street, Ballinrobe.

1992 First Appeal. R.V. £200.00

Turnover £27,000/week.

Supermarket and first floor canteen:

	9,943 sq.ft .@ £3.80/sq.ft.	=	£37,738
Stores	1,689 sq.ft. @ £2.00/sq.ft.	=	<u>£3,378</u>
			£41,161

x 0.5% = £200.00

R.V. £110.00 - 1990 first appeal.

**Oral Hearing:**

At the oral hearing which took place in Castlebar on 11th January, 1995, Mr. Des Killen of Messrs. Donal O'Buachalla & Company appeared on behalf of the appellant. Mr. Jim Gormley of the Valuation Office appeared on behalf of the respondent. Also present was Mr. Frank Brogan.

Mr. Killen submitted that it seemed that the appellants' business acumen, experience and sheer hard work may have been taken into account by the respondent in estimating N.A.V. Mr. Killen pointed out that Mr. Brogan's personal input in the business was extraordinary, with the grocery shop and hardware business open at unsociable hours and for 6-7 days a week.

Referring to the comparison put forward by both parties, viz: Erris Co-op in Belmullet Mr. Killen stressed the fact that Belmullet was a considerably larger town than Bangor Erris and had a similar catchment area. He said too that taking into account the total floor area of the Erris Co-op its N.A.V. as assessed by the respondent did not logically relate to the valuation placed on the subject premises.

Mr. Brogan in evidence stressed the remote and under-populated nature of the region generally and said that any commercial success he had achieved was because of his hard work and commitment.

Mr. Gormley submitted that his assessment of N.A.V. was not based on the profits method and therefore that turnover figures and Mr. Brogan's personal expertise were not relevant.

Mr. Gormley referred to the Erris Co-op in Belmullet and said that a considerable portion of these premises was very old, some of it in fact in disuse and that only the supermarket and meal store were of relatively recent construction. He further submitted that the co-op was in a secondary location off the main street in Belmullet and that there was very little through traffic unlike Bangor-Erris.

**Determination:**

There is no doubt that the subject premises are attractive and well built. The Tribunal accepts the Erris Co-op premises in Belmullet as the most appropriate available comparative evidence.

Mr. Gormley has stated that the appellant's volume of business was not taken into account in assessing N.A.V. and undoubtedly Mr. Brogan must not be penalised for operating the subject premises at their maximum potential.

Bearing in mind the location and size of Bangor-Erris together with the undisputed attractiveness of the appearance and physical layout of the subject premises the Tribunal has had regard fundamentally to the rent that the hypothetical tenant might be willing to pay.

In all the circumstances and in the light of all of the evidence adduced the Tribunal is of the opinion that the correct R.V. of the subject is £65 and so determines.