

Appeal No. VA94/1/013

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

Rina Myers t/a Rockland Stables

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Stable and Land at Map Reference: 3Gb, Townland: Gornacarriga, E.D. Killarney Rural,
R.D. Killarney, Co. Kerry
Agricultural exemption - Riding school

B E F O R E

Henry Abbott

S.C. Chairman

Joe Carey

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

Fred Devlin

F.R.I.C.S. A.C.I. Arb.

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 23RD DAY OF NOVEMBER, 1994

By Notice of Appeal dated the 3rd day of May, 1994 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £34 on the above described hereditament.

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

- "(1) The valuation is excessive and inequitable.
- (2) The valuation is bad in law
- (3) That the Buildings or part thereof are Agricultural Buildings and not 'Training Stables' and that the valuation should be deleted or reduced accordingly.
- (4) That the correct Rated Occupier is Rena & Jerry Myers."

The Property:

The property comprises a range of equestrian structures located approximately four miles north of Killarney on the Main Limerick/Tralee/Killarney Road.

The buildings are all single storey of concrete, metal cladding and corrugated iron construction. There is a tarmacadam yard to the front of the structures which is used for vehicular circulation.

Accommodation:

The floor areas were agreed as follows:-

1)	Office	200 square feet	19 square metres
2)	Indoor Arena	7,618 square feet	708 square metres
3)	Six Stables & Store	2,058 square feet	191 square metres
4)	Twelve Stables & Trek Room	1,534 square feet	144 square metres
5)	Four Stables (excluded from valuation)	545 square feet	50 square metres

Valuation History:

The hereditament was listed for revision in 1992. The valuation was assessed at £75. The occupier, Mr. Gerry Myers, lodged an Appeal to the Commissioner of Valuation and at First Appeal two separate lots were created as follows:

1)	Lot 3GA*	Occupier:	Gerry Myers
		Description:	House
		R.V.:	£48
2)	Lot 3GB*	Occupier:	Rina Myers
		Description:	Stable & Land
		R.V.:	£34

Written Submission:

A written submission was received on the 14th November, 1994 from Mr. Des Killen, F.R.I.C.S., F.S.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 Limited, on behalf of the appellant.

In his written submission, Mr. Killen said that in estimating N.A.V. on the subject premises regard had to be had to the fact that the subject premises are not the type readily placed on the market for letting and thus evidence of actual rent was not available. He said that building costs herein are of some assistance. He quoted a Valuation Tribunal Decision, **VA93/3/035 - Trustees of Punchestown Racecourse**, wherein stables were valued at 50p per square foot. Taking the above into consideration Mr. Killen estimated the net annual value on the subject premises as follows:-

1)	Office	200 sq.ft. @ 75p	=	£ 150
2)	Exercise Building	7,618 sq.ft. @ 50p	=	£3,809
3)	Open Shed	2,058 sq.ft. @ 40p	=	£ 823
4)	Stables and Tack Room	1,534 sq.ft. @ 50p	=	<u>£ 767</u>
				£5,549
			R.V. =	£28

In conclusion, Mr. Killen submitted that Block 2, the Exercise Building, should be deemed 50% agricultural and Block 3 should be 100% agricultural, thereby reducing the net annual value to £2,822 and rateable valuation to £14.

A written submission was received on the 22nd August, 1994 from Mr. David Moloney, a Valuer with eleven years experience in the Valuation Office, on behalf of the respondent.

Mr. Moloney estimated the net annual value on the subject premises as follows:-

1)	Office	200 sq.ft. @ £1.00 psf	=	£ 200
2)	Indoor Arena	7,618 sq.ft. @ £0.60 psf	=	£4,570
3)	Six Stables, Store & Hay Shed	2,058 sq.ft. @ £0.60 psf	=	£1,235
4)	Twelve Stables & Tackroom	1,534 sq.ft. @ £0.50 psf	=	£ 767

or £.125 per stable

5)	Four Stables	545 sq.ft. allocated for occupiers own use		£6,772
	Estimated N.A.V. £6,772 x 0.5%	=		£33.86

Mr. Moloney offered comparisons as follows:-

1)	1989 First Appeal			
	Lot 14A Killeen, R.D. Cashel, E.D. Killeneule			
	Description: House, Racing Stables and Land			
	R.V. £90			
	<u>Valuation</u>			
	House	6,996 sq.ft. @ £105.00 p.w.	=	£ 5,460
	Stables - 54 Old Stables	8,665 sq.ft. @ £0.80 p.s.f.		
		or £3.00 per stables	=	£ 6,932
	24 New Stables	4,004 sq.ft. @ £1.00 p.s.f.		
		or £3.50 per stables	=	£ 4,004
	Canteen, Stores & Toilet	2,273 sq.ft. @ £1.00 p.s.f.	=	<u>£ 1,704</u>
				£18,100
	Estimated N.A.V. - £18,100 @ 0.5%	=		£90.50

2)	1989 First Appeal			
	Lot 1AA*.Do.E.2A. Ballydoyle, R.D. Cashel, E.D. Tullamain			
	Description: House, Racing Stables, Offs and Land			
	R.V. £250			
	<u>Valuation</u>			
	House	11,980 sq.ft. @ £165 p.w.	=	£ 8,580
	Staff Accommodation	4,768 sq.ft. @ £165 p.w.	=	£ 4,420

Stables - 72 Stables	18,170 sq.ft. @ £0.90 p.s.f.		
	or £4.35 per stable	=	£16,353
Office, Canteen & Toilet	2,055 sq.ft. @ £2.00 p.s.f.	=	£ 4,110
Stores etc.	4,736 sq.ft. @ £1.00 p.s.f.	=	£ 4,736
Training Areas - Covered Gallops, Warm up Areas and Schooling Shed			
	50,796 sq.ft. @ £0.75 p.s.f.	=	£12,669
Hay Sheds	15,048 sq.ft. @ £0.30 p.s.f.	=	<u>£ 1,504</u>
	(2/3 rds. agricultural, 1/3 rd. commercial)		
Estimated N.A.V. £52,372 @ 0.5%		=	£261.86

Mr. Moloney said that the subject premises was in an excellent location on a main route and is prominently advertised by a sign on the main road. He said that the development was well planned and laid out and access shared from the Main Road between the residence and riding stables. He said the Equestrian Centre had their own paddocks defined by post and railed fencing.

Mr. Moloney said that despite all the buildings being used for commercial purposes an allowance was given for four stables, Block 5. Accordingly, this hereditament had been assessed for rateable valuation purposes for eighteen stables, indoor arena, offices and store.

Oral Hearing:

The oral hearing took place herein in the Courthouse, Tralee, Co. Kerry on the 23rd November, 1994. Mr. Des Killen of Donal O'Buachalla & Company Limited represented the appellant and Mr. David Moloney of the Valuation Office represented the respondent. Mr. Terence Casey, Solicitor, also attended as the appellant's advisor. Mr. Gerry Myers and Mrs. Rina Myers gave evidence.

From the outset Mr. Killen indicated that the appellant agreed items 1 and 4 were exclusively used by the riding school. He claimed that Block 3 on the map in his precis was used by Mr. Myers as a horse breeder for his brood mares and young stock. He also claimed that the hayshed element in Block 3 was used permanently for the breeding stock as the riding school horses were fed primarily on silage.

The most contentious issue on rateability emerged when Mr. Killen asserted that he also claimed an apportionment in relation to non rateability arising from part agricultural use of the riding arena (Block 2).

Mr. and Mrs. Myers gave evidence that the riding arena was used at specific times, Monday, Wednesday and Friday, and at other casual times. Mr. Myers said that, when free, the riding arena was used by him to allow his young stock free exercise and sometimes to practice on leading and lunging prior to sale of 3 year olds for the flat or national hunt market depending on their breeding. The riding arena was built in 1988 at a cost of approximately of £28,000 inclusive of VAT and there was a grant which had been recently introduced for equestrian facilities of £13,500. The six stables and tack room were built for £6,000.

For most of the year until January after foaling the brood stock consisting of five mares grazed on the 19 acres or so adjoining the stables.

Mr. Moloney cross-examined the witnesses in relation to the advertisement exhibited in his precis of evidence which referred to all the stables in the establishment and asserted that this indicated all the stables were used in connection with the riding school.

The witnesses replied that this add was more of a marketing device than reflecting the reality of the situation.

Mr. Myers added that the keeping of a stallion and brood stock in the hayshed cum stables complex required visitors to be excluded from that area. He added that in fact there was a chain excluding visitors from that area for much of the time.

Mr. Killen repeated that there was not much of a rental market for this type of premises and offered his valuations of rent per square foot on a look back and see basis having regard to the cost of the structure.

Mr. Moloney offered his comparable estimates of N.A.V. based on premises in Cashel, Co. Tipperary and said that he had made allowances for the superior location of Cashel for the bloodstock industry in making his estimate.

Findings:

By agreement both Rina and Gerry Myers may be noted as rateable occupiers. The Block 3 hayshed cum stables had been constructed before the riding school activity commenced and had obviously and exclusively farm use from that stage. The use has not changed significantly enough to remove the agricultural definition and accordingly this block is entitled to the agricultural exemption.

The riding arena block, while it has a joint use, is primarily a riding school facility and by reason of the fact that Mr. Myers said that it was used only by him "when free", the Tribunal is convinced that it should remain rateable as a non agricultural facility.

Having regard to the foregoing the valuation may be determined primarily on the basis of Mr. Moloney's estimate of net annual value which were reasonable as follows:-

1)	Office	200 sq.ft. @ £1.00 psf	=	£ 200
2)	Indoor Arena	7,618 sq.ft. @ £0.60 psf	=	£4,570
4)	Twelve Stables & Tackroom	1,534 sq.ft. @ £0.50 psf or £.125 per stable	=	£ 767
				£5,537
	Estimated N.A.V. £5,537 x 0.5%		=	say £28

Accordingly, the Tribunal determines the rateable valuation at £28.