

Appeal No. VA94/2/014

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

**Donal Lucey (Trustees Na Gael G.A.A. Club)**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Clubhouse and Land at Map Reference: 1A, Townland: Ragoonane, Ward: Tralee Urban,  
U.D. Tralee, Co. Kerry  
Quantum - Method of Valuation

**B E F O R E**  
**Veronica Gates**

**Barrister (Acting 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 22nd day of July, 1994 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £50 on the above described hereditament.

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

- "(1) The valuation is excessive when compared to that of other G.A.A. Clubs in the Tralee area.
- (2) The bar takings to date are showing a loss, as will be obvious from the accounts."

**The Property:**

The property comprises a new purpose built club house. In addition, there is a detached building accommodating player's changing facilities. The building adjoins car parking and playing fields amounting to approximately 12 acres.

The premises are located approximately one mile from the town centre in the heart of the residential suburbs of Tralee.

The clubhouse has a seven day licence to sell intoxicating liquor.

**Accommodation:**

Total Accommodation of the Clubhouse -	3,643 square feet
Lounge -	1,711 square feet
Function Hall -	861 square feet
Detached Players Accommodation -	710 square feet

**Valuation History:**

The premises were first valued in 1992 at £60. Following an appeal to the Commissioner the valuation was reduced from £60 to £50. It is against this determination of the Commissioner of Valuation that an appeal lies to the Tribunal.

**Written Submissions:**

A written submission was received on the 14th November, 1994 from Mr. Anthony Brooks, B.Agr. Sc., M.I.A.V.I., Rating Consultant and Auctioneer of Tony Brooks & Company, Valuation, Rating and Property Consultants, on behalf of the appellant.

In his written submission Mr. Brooks said that the rateable valuation on the subject premises should be reduced for the following reasons:-

- 1) The subject premises is on the outskirts of Tralee, off the Listowel Road.
- 2) It is in competition with four other G.A.A. Clubs in the area.
- 3) In the first 2¼ years trading the Club has accumulated losses.
- 4) The building housing the dressing rooms is a very basic structure.
- 5) This is a community based Clubhouse erected for the benefit of residents in the area.

Taking these considerations into account, in addition to the very high rate in the pound, applying £42 in Tralee U.D.C., Mr. Brooks gave an estimate of N.A.V. as follows:-

Gross Area of Clubhouse -	4,514 sq.ft. @ £1.50 psf	=	£6,771
Gross Area of Dressing Rooms	706 sq.ft. @ £0.50 psf	=	<u>£ 353</u>
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	Net Annual Value		£7,124
	Rateable Valuation		£35

Mr. Brooks gave three comparisons in Tralee as follows:-

- 1) **John Mitchells G.A.A. Club**  
Bothar Bui, Tralee, Co. Kerry  
R.V. £30
- 2) **Austin Stacks G.A.A. Club**  
Connolly Park, Tralee, Co. Kerry  
R.V. £8
- 3) **Kerins O'Rahilly G.A.A. Club**  
Strand Road, Tralee, Co. Kerry  
R.V. £35

A written submission was received on the 15th November, 1994 from Mr. Patrick Conroy, a District Valuer with 20 years experience in the Valuation Office, on behalf of the respondent.

Mr. Conroy said that he had estimated a net annual value on the subject premises on the basis of comparisons of similar valuations. He said that a number of tests were applied to estimate net annual value which he described in the written submission as follows:-

#### **Comparative Method**

Clubhouse	3,643 sq.ft. @ £2.50	=	£9,107
Dressing Rooms	710 sq.ft. @ £1.00	=	<u>£ 710</u>
<hr/>			£9,817
	@ 0.5%	=	£49.00
	Say	=	£50.00

#### **Contractors Method**

The construction cost of buildings amounted to c.£200,000 on which a quite low return was adopted.

$$\begin{aligned} \text{£200,000 @ } 5\frac{1}{2}\% &= \text{£11,000} \\ \text{@ } 0.5\% &= \text{£55.00} \end{aligned}$$

### Profits Test

$$\begin{aligned} \text{Potential Turnover amounts to approximately} &= \text{£100,000} \\ \text{@ } 8\% \text{ for rent} &= \text{£ } 8,000 \\ \text{@ } 0.5\% &= \text{£40.00} \end{aligned}$$

Add for buildings outside of Lounge Bar -

$$\text{Function Hall - } 861 \text{ sq.ft. @ £2.50} = \text{£2,152}$$

$$\text{Dressing Rooms - } 710 \text{ sq.ft. @ £1.00} = \text{£ } 710$$

$$\text{£2,826}$$

$$\text{@ } 0.5\% = \text{£14.31}$$

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$$\text{£54.31}$$

Mr. Conroy offered four comparisons as follows:-

#### 1) John Mitchell G.A.A. Club

1992 Revision

R.V. £30

Purpose built clubhouse with detached changing rooms.

He described this comparisons as having a poor location on the ring road and turnover had diminished dramatically in recent years.

The valuation was calculated as follows:-

$$\begin{aligned} \text{Net Turnover} &= \text{£45,000} \\ \text{@ } 8\% \text{ for rent} &= \text{£ } 3,595 \text{ (£1.23 psf)} \\ \text{Add for dressing rooms - } 1,924 \text{ sq.ft. @ £1.25} &= \text{£ } 2,405 \\ &\text{£ } 6,000 \\ \text{@ } 0.5\% &= \text{£30 R.V.} \end{aligned}$$

#### 2) Tralee Golf Club

Rural District of Tralee

1990 First Appeal

New Clubhouse erected in 1989.

Basis of First Appeal agreement as follows:-

Construction Costs	=	£290,000
@ 5.5% yield	=	£ 15,950 N.A.V.
@ 0.5%	=	£80.00 R.V.

**or**

6,695 sq.ft. @ £2.40 =	£ 16,068
@ 0.5%	= £80.00 R.V.

**3) Killarney Golf Club**

R.V. £300

1989 First Appeal agreement as follows:-

Construction Costs	=	£1,000,000
@ 5.5% yield	=	£ 60,500 N.A.V.
@ 0.5%	=	£302.50 R.V.

**or**

21,366 sq.ft. @ £2.83 psf

**4) Lot 44.45 Garryruth**

Tralee Urban

Comprises a poorly located residential licensed premises in Tralee.

1992 First Appeal agreement as follows:-

Bar/Lounger (1,091 sq.ft.)	T.O. £113,029 p.a. @ 8%	=	£ 9,042
Domestic	2,839 sq.ft. @ £2.25	=	<u>£ 6,837</u>
			£15,679
	@ 0.5%	=	£78.39
	Agreed	=	£78.00

**or**

Bar	1,091 @ £8.38 psf
Domestic	2,839 @ £2.25 psf

Mr. Conroy said that although it was not a clubhouse, such was the nature of the subject premises with a large portion devoted to lounge bar use, that it was in direct competition with premises such as the above comparisons.

### **Oral Hearing:**

The oral hearing took place in Tralee, Co. Kerry on the 23rd November, 1994. Mr. Tony Brooks M.I.A.V.I. appeared on behalf of the appellant and Mr. Patrick Conroy, District Valuer, appeared on behalf of the respondent.

Both parties gave evidence in line with their written submissions. Mr. Brooks described the subject premises as comprising a single storey clubhouse with inferior dressing room space with concrete floor and flat roof. He said the subject is situate approximately 2 kilometres north of Tralee town centre in a semi rural area down a by-road. He said that most clubs are valued on a square metre basis as there are difficulties in assessing the net annual value on such premises. He said that in Tralee there are three main senior G.A.A. Clubhouses. In relation to the licence enjoyed by the club Mr. Brooks said that there is a clubhouse licence only and the bar opens at 6pm daily except on Sunday afternoons.

Commenting on the respondent's comparisons Mr. Brooks said that John Mitchell G.A.A. clubhouse is a much superior premises with a more central location.

In relation to the subject premises Mr. Brooks made the point that the other clubhouses have fenced in pitches unlike the subject which makes it difficult to raise revenue. In addition the subject is precluded by the G.A.A. from holding county matches.

Mr. Conroy said that the premises is situate 1 mile from Tralee Town Centre, in the heart of the residential suburbs. Most of the building is devoted to the bar with ancillary accommodation consisting of kitchens and toilets.

He said that, in his opinion, £2.50 and £1.00 on the clubhouse and dressing rooms was reasonable and was based on a devaluation of the various comparisons available in the Tralee area.

### **Determination:**

The Tribunal has had regard to the evidence adduced by the parties in both their written and oral submissions. The Tribunal has also had regard to the arguments put forward by the

parties in relation to the various methods of valuing clubhouse premises, ie, the comparative method, the profits method, and the contractors method.

Taking into consideration all the relevant factors urged by the parties, and in particular noting the location of the subject, the community and social and non-commercial aspect of the clubhouse, the devaluations of such comparisons as the John Mitchell G.A.A. Club and the Kerins O'Rahilly G.A.A. Club, the Tribunal is of the opinion that the correct rateable valuation for the subject premises is £42 and so determines.