

Appeal No. VA94/2/019

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

Mullingar Golf Club

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Clubhouse, shop and carpark at Map Ref. 25Ba, Townland: Lynn, Ward: Belvidere,
RD: Mullingar, Co. Westmeath
Quantum - 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 23RD DAY OF FEBRUARY, 1995

By Notice of Appeal dated the 26th day of July, 1994, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £130.00 on the above described hereditament.

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

"the valuation is excessive and inequitable having regard to the provisions of the Valuation Acts and on other grounds."

The Property:

The property comprises a clubhouse approximately 5 miles from Mullingar on the Kilbeggin Road. The buildings are single storey except for a small section which has a first floor meeting room. Walls are of concrete block, some with external-finish, but mainly of brick finish and roofed mainly with tiles. The "Professional's Shop" is located close to the clubhouse. The accommodation consists of ladies' and mens' locker areas, snooker room, lounge bar, dining and function areas, office and first floor meeting room, kitchen, bar, spirits, stores, veranda and porch. There is a tarmac surfaced car park for at least 155 cars. Extension upgrading and refurbishment work was completed in September 1991.

Valuation History:

A timber framed club house was erected in 1936 consisting of lounge, ladies and men's locker rooms, toilets, office bar and domestic accommodation. This building was rated as map reference 25a and valued at £20 in 1938. The timber framed building was extended, and the valuation was increased to £45 on revision in 1953. This valuation was unchanged at first appeal but reduced to £25 by the Circuit Court. The valuation was increased following further extension in 1967 to £50. In 1986 the building's valuation was increased to £65. At 1992 revision the wooden structure had been replaced by more substantial building. The entire had been upgraded and refurbished and building area increased to 12,702 square feet. The rateable valuation was increased from £65 to £130. No change was made at first appeal. 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 6th December 1994 from Mr. Eamon O'Kennedy, Principal of Eamon O'Kennedy & Company, Valuation and Rating Consultants on behalf of the appellant. In his written submission, Mr. O'Kennedy described the property as an attractive club house in good structural condition. He said old buildings had been updated and new buildings added in recent years. He said the property however, suffered a serious disadvantage due to its distance from Mullingar which had affected bar and function trade. He said the clubhouse closes early during the winter period at present. In his opinion the rental value on the open market of the subject premises was as follows:

1,125 square metres at £16 per square metre = £18,000

In his opinion the rateable valuation as of 1st November 1988 is £90 i.e.:

N.A.V. £18,000 @ 0.5% = £90

Mr. O'Kennedy gave examples of two golf courses near to Mullingar as follows:

1) Longford Golf Club R.V. £50

This valuation was fixed by the Tribunal in 1990, VA90/2/004

Devalues @ 6p per square metre.

2) Tullamore Golf Club R.V. £90 1990 First Appeal

Devalues @ 10p per square metre.

He offered the following other comparisons:

1) Portarlington Golf Club R.V. £45 1985 First Appeal

Devalues at 8p per square metre.

2) Birr Golf Club R.V. £50 1986 First Appeal

Devalues at 9p per square metre.

3) Nenagh Golf Club R.V. £60 1989 First Appeal

Devalues at 9p per square metre.

A written submission was received on the 30th November 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. He said that its trustees had freehold title to the site of the clubhouse, shop and car park. He also set out the valuation history and his assessment of the rateable valuation. Mr. Lyons said that the buildings were completed to the highest standard. He said that there are 540 full members paying £230 membership fees per annum and 240 members on half the membership rate. He said the club employed a manager and an administration assistant, two permanent bar staff and three ground staff. Mr. Lyons set out his estimate of the rateable valuation as follows:

1) Estimate of Nett Annual Value:-

Club house:	11,629 square feet @ £2.50 per square foot	=	£29,073
Open veranda & porches:	564 square feet @ £0.50 per square foot	=	£ 282
Professional's shop:	509 square feet @ £2.50 per square foot	=	<u>£ 1,273</u>
			£30,628

2) Rateable Valuation:-

Estimate of Nett Annual Value: £30,628 x 0.5% = £153.14

Allow for size and distance from Mullingar: Say = £130.00

Mr. Lyons set out a table of comparisons of golf clubs in his written submission and this is appended to this judgment as Appendix A.

Oral Hearing:

At the oral hearing which took place in Dublin on the 14th of December, 1994. The appellant was represented by Mr. Eamonn O'Kennedy. Mr. Noel Lyons of the Valuation Office appeared on behalf of the respondent.

At the outset Mr. O'Kennedy said that the appellant did not dispute the fact that there should be some increase in rateable valuation in view of the extensions and improvements to the club, but what was disputed was the extent of the increase.

Mr. O'Kennedy's view is that the closest comparable property is Longford Golf Club which has a valuation of £50.00. He referred also to Tullamore Golf Club as a reasonable comparison and submitted that in his view a rateable valuation of £90.00 was fair and reasonable for the subject.

Mr. O'Kennedy conceded that the subject golf club had been in receipt of a considerable income over the past number of years, but he submitted that this income could be expected to decrease dramatically due to the large number of new golf clubs in the Dublin area and the recent introduction of new and severe drink driving laws.

Mr. Lyons submitted that Mullingar Golf Club aimed for what he described as the up market sector of the sport.

Referring to the healthy state of the club's finances, Mr. Lyons pointed out that the rates at present paid amounted to less than 1% of the total expenditure of the club.

Mr. Lyons submitted that Longford Golf Club was not a good comparison by reason of the fact that it had suffered from declining membership over the years due to levies and various

other factors. He also said that Mullingar Golf Club was much superior to Longford Golf Club.

Determination:

It is undeniable that the subject property is an attractive, well managed golf club which enjoys considerable success. Nonetheless, it is an inland golf course with obvious limitations on play during the winter months.

The Tribunal accepts Mr. O'Kennedy's evidence in relation to the increase in golf clubs generally in the Dublin area and taking this into account, together with the location of the subject property at some remove from the town of Mullingar, the Tribunal is of the opinion that the correct rateable valuation of the subject premises is £100.00 and so determines.