

Appeal No. VA94/3/017

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

Patrick McGinley

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Shop, stores and yard at Map Ref: 59/35a. 37, 39a/1, Townland: Ballyconnell, Village of Falcarragh, E.D. Crossroads, R.D. Dunfanaghy, Co. Donegal
Quantum - Comparisons

B E F O R E

Veronica Gates

Barrister (Acting Chairman)

Patrick Riney

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

Fred Devlin

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

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 4TH DAY OF APRIL, 1995

By Notice of Appeal dated the 25th day of October 1994 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £100 on the above described hereditament.

The grounds of appeal as set out in a note attached to the Notice of Appeal are inter alia:

- 1) The valuation is excessive and inequitable
- 2) The valuation is bad in law.

The Property:

The property consists of a licensed supermarket in the village of Falcarragh, with a range of buildings in a yard to the rear which were formerly used in connection with a hardware business. The supermarket with ancillary offices comprises 3,067 square feet with street frontage of 44 feet 10 inches. There is separate access to the yard and buildings to the rear. The first floor has a storage area of 2,603 square feet with access from the ground floor shop. There is a plain store of 2,723 square feet and an open fronted lofted timber store of 2,703 square feet in the yard to the rear. In addition there are poor quality outbuildings.

The premises has a full 7 day licence.

Valuation History:

Prior to the current appeal the property was last revised and subsequently appealed in 1984. At that stage it was part of a larger property which had a rateable valuation of £120.

Note: The rateable valuation of £120 included lot 35a.37.39a/2 Ballyconnell which is the subject of VA/94/3/018.

In 1992 the hereditament was again the subject of an annual revision. The revision request was "store demolished, now a carpark, 2 shop units to be valued separately." In November 1992 the valuation lists were issued and the buildings valuation fixed at £100. No change was made to the valuation at first appeal. It is against this determination by the Commissioner of Valuation that the appeal lies to the Tribunal.

Written Submissions:

A written submission was received on the 23rd of March 1995 from Mr. Patrick McCarroll, Auctioneer and Rating Consultant on behalf of the appellant. In the written submission Mr. McCarroll described the property and its location, accommodation, services and condition. He said the property was situated in the townland of Ballyconnell, in the village of Falcarragh. He said Falcarragh is a small bilingual village located in the Donegal Gaeltacht and dependent on the short tourist season that takes place in the summer months. Mr. McCarroll said for a town the size of Falcarragh, with its proximity to Letterkenny there was little demand for this type of property. The first floor has limited use and as there is no

separate access the ground and first floor must be considered as one unit. He said that Letterkenny, 22 miles from Falcarragh, is one of the fastest growing towns in the country. He said that it had become a pivotal retail area and it has had an adverse effect on the retail activity of towns and villages such as Falcarragh.

Mr. McCarroll estimated the rateable valuation on the subject premises as follows:-

Valuation:

Ground Floor	2,743 sq. ft.	@	£3.00 p.s.f	=	£ 8,229
Office/Store	324 sq. ft.	@	£3.00 p.s.f.	=	£ 972
First Floor	2,603 sq. ft.	@	£1.50 p.s.f.	=	£ 3,904
Store (open)	1,350 sq. ft.	@	£0.30 p.s.f.	=	£ 405
Store	2,669 sq. ft.	@	£0.50 p.s.f.	=	<u>£ 1,334</u>
					£14,844
			Say		£15,000
			£15,000 @ 0.5%	=	£75.00

Mr. McCarroll gave details of three comparisons in the Donegal area which are summarised below:

1 Charles Kelly Limited, 76 Castle Street, Ramelton

6,100 square feet	@	£0.50 per square foot	=	£3,050
1,100 square feet	@	£0.30 per square foot	=	<u>£ 330</u>
				£3,380

£3,380 @ 0.5% = £17.00

2 VA92/2/053 Molloy Brothers Limited

E.D. Roscommon Urban				
Shop 2,271 square feet	@	£3.50 per square foot	=	£7,949
Yard				<u>£ 900</u>
				£8,849

£8,849 @ 0.5% = £44.24
Say = £45.00

3 VA92/3/017 Topline Fashions Limited Buncrana

Ground floor	2,960 square feet	@	£4.00 per square foot
Basement	3,095 square feet	@	£2.00 per square foot
First floor	3,185 square feet	@	£2.00 per square foot
Second floor	3,466 square feet	@	£0.50 per square foot

A written submission was received on the 15th day of March 1995 from Mr. Paschal Conboy, Chartered Surveyor and Valuer with 14 years experience in the Valuation Office.

In the written submission Mr. Conboy described the premises, its location and valuation history as set out above. He said the subject was a fully licensed supermarket in the village of Falcarragh with a range of buildings in a yard to the rear.

Mr. Conboy said that the subject property had been assessed at 0.5% of Nett Annual Value in line with the basis adopted in the determination of recently revised property in the locality.

He set out his calculation of rateable valuation as follows:

Basis: Ground floor	3,067 square feet	@	£4.00	=	£12,268
First floor	2,063 square feet	@	£1.50	=	£ 3,905
Store	2,723 square feet	@	£0.75	=	£ 2,042
Lofted timber store	2,703 square feet	@	£0.40	=	£ 1,081
Poor stores	5,176 square feet	@	£0.20	=	£ 1,035
Add for full 7 day licence					<u>£ 1,000</u>
					£21,331
		Say		=	£20,000
		R.V. = 0.5% of N.A.V.		=	£100.00

Mr. Conboy gave details of three comparisons in Falcarragh village which are summarised below:

1 Lot 59/21a Ballycarroll, village of Falcarragh. Occupier: Bank of Ireland

N.A.V. devalues: Ground floor - 1,246 sq.ft @ £9.63.

R.V. £60. Agreed 1992 First Appeal.

2 Lot 59/27 Ballycarroll, village of Falcarragh. Occupier: Mr. Alfie Green

N.A.V. devalues: Ground floor - 2, 150 sq. ft. @ £3.60

First floor - 704 sq. ft. @ £1.50

R.V. £44. 1992 First Appeal.

3 Lot 59/21b Ballyconnell, village of Falcarragh. Occupier: Mr. Michael Sweeney

N.A.V devalues: First floor - 1,598 sq. ft @ £3.00.

R.V. £23. 1992 First Appeal.

Oral Hearing:

The oral hearing took place at the Courthouse, Letterkenny on the 4th day of April 1995. Mr. Patrick McCarroll appeared on behalf of the appellant and Mr. Paschal Conboy appeared on behalf of the respondent. Mr. Patrick McGinley was also present to give evidence.

Both parties gave evidence in line with their written submissions. Mr. McCarroll described Falcarragh as a small village with little or no industrial background. The village is primarily dependent on the short tourism season during the summer months. He said that Letterkenny is a fast growing town with three well-established shopping centres. He was of the opinion that the recent peace initiative in the North of Ireland would mean that Derry will be re-established as the pivotal retail area it was in earlier times, although this may take some time.

Mr. McCarroll said that the subject premises has been on the market for sale or to let for the last 5 years, but that there has been no real interest in the property to date. Mr. McGinley would be willing to accept any reasonable offer on the property.

Mr. Conboy said that the peace initiative has no application to this valuation as the relevant date is 1992. He said that the comparisons which he has put forward are relevant in that they are located in the immediate area and show that the rate per square foot applied to the subject premises is not excessive.

Mr. McGinley gave evidence that in the last number of years over 10 businesses in Falcarragh have failed. He said that potential purchasers have been deterred by the fact that the rates are high. He described Falcarragh as a difficult town in which to succeed in business in contrast to Letterkenny whose retailers benefit from rates and tax incentives.

Determination:

Having regard to all the evidence adduced by the parties and also the comparisons, of which the most compelling is Lot 59/27 Alfie Green's which is situated within a few yards of the subject, the Tribunal is of the opinion that the correct rateable valuation is £85.00.

