

Appeal No. VA95/1/026

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

Popular Homes Limited

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Workshop and land at Map Ref: 64B, Townland: Ballygar, Main Street, E.D. Killeroran,
R.D. Mountbellew, Co. Galway
Quantum - Market conditions

B E F O R E

Mary Devins

Solicitor (Acting Chairman)

Brid Mimmagh

Solicitor

Marie Connellan

Solicitor

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 8TH DAY OF DECEMBER, 1995

By Notice of Appeal dated the 14th day of April 1995 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £31.30 on the above described hereditament.

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

"the valuation is grossly excessive. It is double the valuation of a similar building situated nearby, namely the Town Hall, Ballygar, Lot No. 11Bc, Townland of Killeroran. The building was constructed to store stock to be used in connection with my trade, viz. building of rural houses when the demand appeared to be growing. Sadly, his business did not take off and has been in decline for a number of years. Consequently the building is now really a 'white elephant'. I could store any items required in my garage."

The Property:

The property is a light industrial building of standard construction with integral offices. It is located in a small industrial estate behind Main Street in the East Galway town of Ballygar. There is one other building in the estate, Lohan's workshop. This is fifty metres from the subject and is of similar construction but with four feet lower eaves height and no provision for offices.

Written Submissions:

A written submission was received on the 23rd day of November 1995 from Mr. Michael A. Kelly, appellant.

In his written submission Mr. Kelly reiterated his grounds of appeal and said that the building was constructed to store stock to be used in connection with his trade, the building of houses in rural areas. He said that this had not taken off and that the building was now a "white elephant". He said Ballygar was a remote area in Co. Galway where property values are low and it is almost impossible to sell or lease premises of this kind. He said that he had tried to lease the building but the auctioneer had no response to the advertisement. He said the valuation was double the valuation of a similar building situated nearby, namely, the Town Hall, Ballygar.

A written submission was received on the 22nd day of November 1995 from Mr. Christopher Hicks, Appeal Valuer in the Valuation Office on behalf of the respondent.

In his written submission, Mr. Hicks set out his calculation of rateable valuation as follows:-

In the Popular Homes building the office area is not fully developed and is therefore valued as part of the workshop/store.

Total 5,056 sq.ft. @ £1.20 = NAV £6,067 @ 0.5% = RV£30.

Mr. Hicks said that his valuation was based on comparison with the above described premises i.e. Lohan's Workshop. He said that this was dealt with in 1994 and was valued as follows:-

Lohan's

2,317 sq.ft. @ £1.30 = NAV £3,013 @ 0.5% = RV £15.

Mr. Hicks said that the comparison referred to by the appellant and described as parochial hall, was last dealt with in 1954 when the valuation was fixed at £15. He said that it was not a suitable comparison.

Oral Hearing:

The oral hearing took place in Galway on the 7th day of December 1995. Mr. Michael A. Kelly appeared on behalf of the appellant company. Mr. Christopher Hicks of the Valuation Office appeared for the respondent.

Mr. Kelly explained that the building had been built almost completely by direct labour in 1984/1985 at a construction cost of approximately £20,000. He further explained that he had bought the site of 1.8 acres from Galway County Council in 1984 for the sum of £10,800.

Mr. Kelly stated that the entire site comprising 17 acres approximately had been bought by the IDA, but he said, due to the decline in rural population trends generally "not a sod had been turned" on the site for the past 17 years.

Mr. Kelly said that the only building of comparable size in the area was the town hall in Ballygar which has a valuation of £15 and while accepting that the town hall has not been valued since 1954 Mr. Kelly stated that in 1954 Ballygar was a thriving community.

Mr. Hicks referred to his written submission and pointed out that the nearest comparison was Lohan's which was the only other occupied building in this so-called industrial estate. He pointed out that Lohan's was valued in 1994 at a valuation of £15 which devalued at £1.30 per square foot. He felt constrained therefore, in view of the proximity of Lohan's and its recent valuation to value the subject accordingly.

Determination:

The Tribunal accepts Mr. Kelly's evidence that due to difficulties in his own trade, the original purpose for which he built the subject premises had for the most part disappeared. It is also clear that the so-called industrial estate in which the premises are located is far from being a success.

The Tribunal accepts that it must have regard to the nearest suitable comparison which would seem to be Lohan's. However, the latter was built some years after the subject, would seem to be of somewhat superior appearance and is less than half the size of the subject property.

In the circumstances and in the light of all the evidence adduced the Tribunal is of the opinion that the correct rateable valuation of the subject property is £25 and so determines.