

Appeal No. VA95/1/079

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

First National Building Society, Enniscorthy

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Offices (ground floor) and yard (incl. No. 1 Wafer Street) at Map Ref: 14, Townland:
Rafter Street, Ward: Enniscorthy Urban, UD: Enniscorthy, Co. Wexford
Quantum - Fit out

B E F O R E

Veronica Gates

Barrister (Acting Chairman)

Paddy Farry

Solicitor

Patrick Riney

FRICS.MIAVI

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 11TH DAY OF JANUARY, 1996

By Notice of Appeal dated the 19th day of April 1995 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 the Notice of Appeal are that:-

"the valuation is excessive and inequitable."

The Property:

The property comprises the ground floor of a four storey corner building on the junction of two streets, Rafter Street and Wafer Street and also overlooking Market Square the principal shopping location in the town. The ground floor comprises the banking offices for the First National Building Society who are also the owners/landlords of the building. They have rented the upper three floors to John A. Sinnott, Solicitor. This is the subject of a Tribunal appeal - VA95/1/016.

Valuation History:

The property was formerly a licensed premises with a rateable valuation of £70 fixed in 1969 First Appeal. In 1982 the rateable valuation was increased to RV £100 when the licence was sold off and it was converted into a restaurant. Following an extensive refurbishment programme by the First National Building Society, they now occupy the ground floor and have leased the upper floors to a Solicitor. In 1993/94 First Appeal programme rateable valuation £100 was fixed on the ground floor and rateable valuation £56 on the upper floors.

Written Submissions:

A written submission was received on the 2nd day of January 1996 from Mr. Adrian Power-Kelly, an Associate of the Royal Institution of Chartered Surveyors, an Associate of the Society of Chartered Surveyors in the Republic of Ireland and an Associate partner of Harrington Bannon, Chartered Valuation Surveyors on behalf of the appellant.

In the written submission, Mr. Kelly set out details of the subject premises and its valuation history. Mr. Kelly said that the subject property comprised the ground floor offices of a three storey terraced building. He set out the accommodation as follows:-

	<i>Sq.m.</i>	<i>Sq.ft.</i>
Public area	52.5	565
Counter area	20.4	220
Manager's office	14.8	160
General office	13.5	145
Interview room	4.6	50
Lobby & hall	13.9	150
Kitchen	5.5	60
Toilets (2 w.c. & 1 w.h.b.)	-	-
Total	125.2	1,350

Mr. Power-Kelly said he understood that the property was held on a long lease for a term of 99 years from the 25th March 1966 at rent of £250 per annum. Mr. Kelly set out his opinion of rateable valuation as follows:-

Opinion of Value

Having regard to the above and the comparisons set out in the Schedule appended to my précis in my opinion, the net annual value and rateable valuation are as follows:-

1,103 sq.ft. @ £12.50 psf	£13,787
247 sq.ft. @ £ 4.50 psf	<u>£ 1,111</u>
	<u>£14,898</u>
	@ 0.005
	£ 74.49

Say : Rateable valuation £75.

Alternatively:-

Zone A (public area & cashiers)	448 sq.ft. @ £18.00	£ 8,064
Zone B (offices etc.)	655 sq.ft. @ £ 9.00	£ 5,895
Zone C (balance)	247 sq.ft. @ £ 4.50	<u>£ 1,111</u>
		<u>£15,070</u>
	@	0.005
		£ 75.35

Say: Rateable valuation £75.

A written submission was received on the 1st day of November 1995 from Mr. Philip Colgan, a District Valuer with 27 years experience in the Valuation Office on behalf of the respondent.

In his written submission, Mr. Colgan described the property and its valuation history as set out above. Mr. Colgan set out his calculation of rateable valuation based on comparisons as follows:-

Public office	1.2	483 sq.ft. @ £20 psf	=	£ 9,660
Public office	13	309 sq.ft. @ £16 psf	=	£ 4,944
Interview offices	4.5.6	311 sq.ft. @ £14 psf	=	£ 4,354
Passages, stores	7.8.9.11.			
Kitchen etc.	12.13.14.15	141 sq.ft. @ £ 4 psf	=	£ 564
Manager's office	10	70 sq.ft. @ £ 8 psf	=	<u>£ 560</u>
				<u>£20,082</u>

NAV Say £20,000 x 0.5% = £100.

Mr. Colgan said that the subject was one of the best located shops in Enniscorthy and a net annual value of £20,000 is only £385 per week or £15 per square foot on the entire ground floor of 1,314 square feet.

Oral Hearing:

The oral hearing took place in Wexford on the 11th day of January 1996. Mr. Philip Colgan appeared for the respondent and Mr. Adrian Power-Kelly appeared for the appellant.

Mr. Power-Kelly described the subject premises as comprising ground floor offices occupying a corner site at the intersection of Rafter Street and Wafer Street and looking onto Market Square. He contended that whilst Rafter Street is a prime trading location in the town the main retailing and business area is in the vicinity of the Dunnes Stores premises at the intersection with Church Street. He said that the main portion of the subject premises frontage is on Wafer Street which is a secondary retailing location in the town. He further contended that the premises is disadvantaged by its irregular L-shaped layout and restricted natural lighting to the rear of the premises.

Mr. Power-Kelly accepted that the building was purchased in 1990 for £200,000 and that a further £480,000 was expended in construction, renovation and fit out costs. He said that after building commenced it was discovered that there was a serious problem with dry-rot.

There followed a discussion of the comparisons adduced by both parties.

Mr. Colgan said that the subject premises enjoys a prime location at the junction of two streets and overlooking Market Square. In addition to its position in the towns best retailing location the premises has up to 50 ft frontage onto Wafer Street and 30 ft frontage onto Rafter Street. However, Mr. Power-Kelly indicated that the correct measurements were 45 ft and 24 ft 8" respectively. Contrary to Mr. Power-Kelly's contention, Mr. Colgan said that the subject's rectangular shape means that the counter area is long and fronts onto the street.

Determination:

The Tribunal has had regard to both the oral and written submissions of the parties and to the comparative evidence adduced. The Tribunal is satisfied that the premises is situated in a prime corner location overlooking Market Square in the main retailing and business area of Enniscorthy. Both parties accept that the sum of £480,000 was expended on the premises in addition to the 1990 purchase price of £200,000. The Tribunal is of the opinion that it would have been of considerable assistance had a breakdown of the £480,000 expended on construction and refurbishment been furnished. Having considered all the relevant factors including the comparative evidence on Rafter Street and in the town generally, the Tribunal is of the opinion that the decision of the Commissioner of Valuation should be affirmed at £100 and so determines.