

Appeal No. VA95/5/004

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

Halton Enterprises t/a The Knick Knack Shop

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: House and Shop at Map Ref: 3/3, Tullow Street, Urban District of Carlow, Co. Carlow
Quantum

B E F O R E
Con Guiney

Barrister (Acting Chairman)

Patrick Riney

FSCS.FRICS.MIAVI

Rita Tynan

Solicitor

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 1ST DAY OF NOVEMBER, 1996

By Notice of Appeal dated the 6th October, 1995 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £90 on the above described hereditament.

The grounds of appeal are that:-

"In comparison to other similiar properties and having regard to the NAV we consider the RV to be excessive."

1. The appeal proceeded by way of an oral hearing before the Tribunal which took place on the 9th day of July, 1996 in the Council Chamber, Kilkenny County Council, John Street, Kilkenny. Mr. John Kenneally of Kenneally McAuliffe, Rating Consultants and

Valuers represented the appellant and Mr. Phil Colgan, District Valuer in the Valuation

Office represented the respondent. Having taken the oath both valuers adopted their written submissions as their evidence in chief.

2. The property is a completely refurbished three storey building with a shop on the ground floor, stores on the first floor and a domestic flat on the second floor.

In the course of the hearing Mr. Kenneally for the appellant and Mr. Colgan for the respondent agreed the areas for the ground floor and the first floor as certain discrepancies in their submissions with respect to each floor area had emerged in the course of the hearing. The agreed floor areas are; 815 square feet for the ground floor and 680 square feet for the first floor.

The domestic premises on the second floor consists of two bedrooms, living/dining area and bathroom.

3. This property was formerly part of Lot 2.3.4 with a rateable valuation of £65 fixed on 1989 First Appeal at which stage it was a drapery shop. It was subsequently divided into three lots and sold individually. The current revision arises out of this and a complete refurbishment /fit out of the entire building.

4. Mr. Kenneally in his evidence adverted to the narrow frontage of the shop. Additionally the shop was long and narrow with a stairs on the ground floor. All this contributed to making the ground floor unattractive for the successful commercial display and sale of goods.

Again Tullow Street was no longer the principal business street of Carlow, it had been superseded by the Carlow Shopping Centre with its financial benefits due to its status as a designated centre. Additionally the Carlow Shopping Centre has car parking

while in Tullow Street there was parking on one side of the street only. All these factors would have an adverse effect on the rent that a potential tenant would pay for the premises.

Mr. Kenneally contended that £9.50 per square foot for the ground floor and £2.50 per square foot for first floor was the rent achievable on the current open market for the subject premises. Rents of £20 per square foot and £24 per square foot were not to be obtained in Carlow town. In this respect he referred to 'Japan' trading in the designated Carlow Shopping Centre. This shop of similar size to the subject premises was being rented in 1994 at £15.62 per square foot.

Mr. Kenneally also gave evidence of the capital value basis for arriving at an NAV. This produced a result close to that achieved using a square foot basis. He therefore submitted that the rateable valuation on a capital value basis was £44 and on a square foot basis £41 with respect to the ground floor and the first floor of the subject premises. He finally submitted that an equitable rateable valuation on the premises was £43.

5. Mr. Colgan in his evidence argued that the premises was situate on the principal shopping street in Carlow. His argument was that the new shopping centre would bring more business to Tullow Street and that property prices were rising.

Mr. Colgan gave evidence on a capital value basis and a square foot basis for arriving at an NAV and consequent rateable valuation for the premises of £90.

Mr. Colgan submitted that on a square foot basis £15 per square foot was appropriate to the ground floor, £7 per square foot for the first floor and £1,500 per annum for the domestic portion on the second floor (or £30 per week). Mr. Colgan contended that the rent on the domestic portion was low due to the lack of separate access to the domestic section of the premises. Access was through the shop. Mr. Kenneally had offered no evidence as to the rent obtainable on the domestic portion of the premises. In his comparisons Mr. Colgan relied principally on the shop next door to the subject premises, namely No. 2 Tullow Street which was the subject of a Tribunal decision (VA93/3/031 - Michael Byrne, Byrne's Electrical v. Commissioner of Valuation).

That

premises had certain similarities with the subject premises. On a square foot basis Mr.

Colgan contended that the Tribunal had determined the ground floor of 570 square feet at £18.70 per square foot and the first floor of 281 square feet at £7 per square foot.

6. The Tribunal is satisfied that its decision in VA93/3/031 - *Michael Byrne, Byrne's Electrical v. Commissioner of Valuation* is the appropriate starting point to reach a decision in this case. That decision of the Tribunal was based on comparisons of adjoining premises. The Tribunal considers that Byrne's Electrical premises which is next door to the subject premises, is the most useful comparison in arriving at its decision.

The Tribunal considers, however, that the various negative factors adverted to in the evidence of Mr. Kenneally must be given some weight. Accordingly the Tribunal determines that the:-

Ground Floor of	815 sq.ft.	@ £13.00 per sq.ft.	= £10,595
First Floor of	680 sq.ft.	@ £7.00 per sq.ft.	= £ 4,760
Second Floor domestic (£30.00 per week)			= <u>£ 1,500</u>
			£16,855

$$\text{NAV Say } £17,000 \times 0.5\% = \text{RV } £85$$

In taking into account Mr. Colgan's evidence as to the rent obtainable on the domestic portion of the premises in arriving at an NAV for the premises the Tribunal is making no determination as to the apportionment of the valuation of the premises between its non-domestic and domestic use.

Accordingly the Tribunal determines that the rateable valuation of the premises in its entirety is £85.

