

Appeal No. VA96/2/052

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

**Jobst (Ireland) Limited**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Factory at Map Ref: 11B, Townland: Turtulla, E.D. Thurles Rural, R.D. Thurles, Co.  
Tipperary  
Quantum

**B E F O R E**  
**Mary Devins**

**Solicitor (Acting Chairman)**

**Patrick Riney**

**FSCS.FRICS.MIAVI**

**Rita Tynan**

**Solicitor**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 20TH DAY OF JANUARY, 1997**

By Notice of Appeal dated the 25th April, 1996 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £735 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 in accordance with the provisions of the Valuation Acts, and on other grounds also".

This appeal was heard by way of oral hearing which took place in the Valuation Tribunal Offices at Ormond House, Upper Ormond Quay, Dublin 7 on the 2nd day of October, 1996. Mr. Tom

Davenport of Lisney represented the appellants and Mr. Denis Maher, Valuer from the Valuation Office represented the respondent.

The property comprises a purpose built factory standing on a rectangular shaped site of circa 8 acres. The site has frontage onto a narrow country, by-road. The entire is of steel portal frame constructed with concrete block walls to a height of 8 feet, brick faced to front elevation, fair faced internally, upper walls of metal cladding, aluminium faced windows and metal deck roof covering incorporating roof lights. Eaves height is circa 22 feet. The two storey office section is of similar construction. The building is used for the manufacture of soft surgical goods. Accommodation was agreed between the parties as follows:-

	<u>Sq.M.</u>	<u>Sq.Ft.</u>
Main Offices	900	9,700
Canteen/Lockers	371	4,000
Production Area	2,805	30,200
Warehouse	739	7,950
Store 1st Floor	<u>207</u>	<u>2,228</u>
<b>Total:</b>	<b><u>5,022</u></b>	<b><u>54,078</u></b>

Car Parking for 110 cars

Rateable Plant Agreed:-

3,000 gallon Oil Tank

Two Boilers @ 64,000 BTU output

Approx. 85 HP

**Total RV £10.**

The property was listed by Tipperary NR County Council for 1994 revision with a request to revise as appropriate and value new factory building built by Jobst (Ireland) Limited. No change was made at First Appeal and it is against this determination of £735 that an appeal has been brought by the ratepayer to the Valuation Tribunal.

In opening, Mr. Davenport adopted his précis of evidence as his evidence in chief given under oath. He pointed out that the property is situated in a predominantly rural area. The entire Industrial Estate comprises 80 acres and this unit, which occupies about 8 acres is the

only one which has been occupied. Despite the best efforts of Shannon Development to attract industry to that location, little or no other interest has been shown in the Estate.

Mr. Denis Maher, Valuer on behalf of the Commissioner of Valuation adopted his précis of evidence as his evidence in chief given under oath. He asked Mr. Davenport to indicate if he was aware that comparison No. 1 at Lisbunny Industrial Estate was liable to flooding. Mr. Davenport was not aware of this. Mr. Maher also asked if he was aware that the property had been sold in what is known as a 'forced sale'. Mr. Davenport did not accept this and said the property had been sold on the open market. In relation to comparison No. 2 Mr. Maher stated that the cost of construction of about £17 psf indicated that it was not constructed to as high a standard as Jobst which was constructed at a cost of £30 psf. Mr. Maher also pointed out that the comparisons submitted by the Valuation Office were from the same geographical area. He emphasised that the appellant's comparisons were in totally different locations. Mr. Maher also stated that Thurles was adjacent to the Dublin/Cork road. In relation to his comparisons, Mr. Maher stated that comparison No. 3 was occupied by a bottle manufacturing plant and mineral spring water company. He also stated that comparison No. 4 was a meat factory of about 25,000 sq.ft. and that it had been reduced to a rateable valuation of £330 at a Tribunal appeal (VA93/1/008).

Mr. Davenport stated that Mr. Maher's comparison No. 2 was under appeal and that only part of comparison No. 1 was rated, with the balance being separately rated. The hearing was adjourned to afford Mr. Maher the opportunity to consider the points raised in relation to his comparisons.

The resumed hearing took place on the 14th October, 1996 at the same venue. Mr. Maher stated that he had made further enquires relating to his comparisons. In relation to comparison No. 1 i.e., the GMX Limited factory, a first appeal was lodged in February/March, 1996 against the 1994/4 revision. As a result of the appeal the property is now divided into two parts because part was let and part was held freehold. Mr. Maher made the following further points in relation to the property arising from the First Appeal. He said that the part of the premises which was leased was let on a 25 year basis from the 1st January, 1990 at a rent of £2.45 psf. This is a semi-detached unit with an effective eaves height of 17 feet and he pointed out that at the time the lease was negotiated in 1990 it was a difficult time for the property market and that £2.45 psf was a good rent. He also stated that the revising valuer had stated in his report that this industrial estate was of poor quality. In relation to comparison No. 2, that is, Erin Foods, he stated that the main part of this property is subject

to a current First Appeal against the 1994/4 revision. However he pointed out he had used it to indicate levels at 1991 appeal. In regard to comparison No. 3, he stated that the rateable valuation of £950 related to the areas stated and that he had no evidence relating to additional space not taken into account.

**Findings:**

The Tribunal has given due consideration to all of the evidence submitted both in the précis of evidence and at the oral hearings. It is accepted that the most relevant comparisons, where available, would be those which are located within the geographical area. It is also accepted that because of the rural location of the subject property and the fact that it is the only unit occupied and built within an industrial estate of 80 acres, that it would be extremely difficult to obtain directly comparable local properties. However, in view of the issues raised at the oral hearing in regard to comparisons 1 and 2 of the Valuation Office's submission, we are of the opinion that the most relevant comparison from the respondent would be number 4. However, it was accepted by the respondent that this is a meat factory with cold stores and that it is substantially smaller than the subject property. The comparative evidence given by the appellant would seem to justify a substantial reduction in the rateable valuation assessed on the subject. The rates per square foot for warehouse/factory space range from £1.50 psf to £2.50 psf, whilst the rates for the office areas range from £2.50 psf to £3.75 psf. The Tribunal consider the application of £50 for each of the car spaces to be inappropriate in this location.

In view of the foregoing therefore, the Tribunal has assessed the net annual value/rateable valuation as follows:-

Offices	9,700 sq.ft.	@	£3.00 psf	=	£29,100
Canteen/Lockers	4,000 sq.ft.	@	£2.00 psf	=	£ 8,000
Factory	30,200 sq.ft.	@	£2.00 psf	=	£60,400
Warehouse	7,950 sq.ft.	@	£2.00 psf	=	£15,900
Stores (1st fl)	2,228 sq.ft.	@	£1.00 psf	=	£ 2,228

**Estimated NAV:**

£115,628 @ 0.5% = £578.14

Plus Agreed figure for Rateable Plant and H.P. £ 10.00

RV £588.14

**Say** £588

The Tribunal determines the correct rateable valuation on the subject premises to be £588..