

Status of Judgment: Distributed

Appeal No. VA97/3/005

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

Oliver Malone & Sean McGuigan

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Licensed Shop at Map Reference 97a, Main Street, UD: Cavan, Co. Cavan.

Quantum

B E F O R E

Con Guiney - Barrister at Law

Chairman

Finian Brannigan - Solicitor

Member

Ann Hargaden - FRICS.FSCS

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 22ND DAY OF JANUARY, 1999

By Notice of Appeal dated the 3rd June 1997 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £50 on the above described hereditament.

The Grounds of the Appeal as set out in the notice of appeal are that "taking into account the location and the size and comparable rateable valuations in the area and the difficulty marketing any business in this economically deprived and social welfare dependent part of Cavan town the rate is submitted to be excessive".

The relevant valuation history is that at the 1995/4 revision the subject property was valued to take account of the conversion of part of the lounge to a restaurant/take-away at ground floor level and the addition of a restaurant at first floor level together with a store serving the restaurant at second floor level. The restaurant/take-away and the restaurant at first floor level together with the store are separately valued. Following the first appeal there was no alteration in the rateable valuation by the Commissioner of Valuation.

The subject is a licensed premises with an agreed floor area of 527 sq. ft.

A written submission prepared by Mr. Raymond Sweeney, a District Valuer with 27 years experience in the Valuation Office, was received by the Tribunal on 18th November 1997.

The written submission set out the valuation basis in the following terms:

Rent passing December 1994: £250 per week x 52 = £13,000 p.a.	
Adjust 11/88 in accordance with Drinks	
Price index	<u>x 135.5</u>
	170.00
	= £10,362
@ 0.5%	= £ 51.80
Say	= £ 50.00

Mr. Sweeney's written submission contained one comparison, namely "The Old Mill" bar at 71 Main Street, Cavan town with a rateable valuation of £40.00.

A written submission prepared by Donohoe Mackey & Co., Solicitors on behalf of the appellant was received by the Tribunal on 20th November 1997. This written submission also dealt with valuation appeals VA97/3/006 and VA97/3/007. The written submission listed eight comparisons.

The appeal proceeded by way of an oral hearing which took place in the Circuit Court in Cavan town on 28th November 1997. The appellant was represented by Mr. James Donohoe, Solicitor of Donohoe Mackey & Co. The respondent was represented by Mr. Raymond Sweeney.

At the hearing Mr. Donohoe submitted an additional written submission with respect to the subject premises and Mr. Sweeney made no objection to this. This written submission stated that the most relevant comparison was the licensed premises at 34/36 Main Street. The written submission further stated that this comparison had an area of 806 sq. ft. and a rateable valuation of £20.00. Finally Mr. Donohoe's additional written submission stated that a fair rateable valuation for the subject premises would be £25.00.

In his oral submissions to the Tribunal Mr. Donohoe stated that no incentives for urban renewal in Cavan town had been made available by the Government. The landlord had fitted out the premises and he had found it difficult to secure a tenant for the premises.

Mr. Donohoe suggested that the licensed premises known as "The Hide Away Bar" at 34/36 Main Street, Cavan was the most appropriate comparison to the subject. This premises has a rateable valuation of £20.00. This premises Mr. Donohoe suggested was in a much better location in the town being located near its main commercial centre. Finally Mr. Donohoe stated that £25.00 would be a fair rateable valuation for the subject premises.

In his sworn testimony Mr. Sweeney adopted his written submission as his evidence to the Tribunal. He stated that the rent of £250 per week for the subject premises was an arms length transaction. This rent which he had adjusted back to November 1988, was the best evidence for net annual value and rateable valuation.

Under cross-examination by Mr. Donohoe, Mr. Sweeney accepted that the rent of £250 per week for the subject premises included the contents and fittings. Mr. Donohoe put it to Mr. Sweeney that his comparison the "Old Mill" was in a better location than the subject premises. Mr. Sweeney replied there was very little difference between the two properties.

Mr. Sweeney commented on the appellant's principal comparison the Hide Away Bar, 34/36 Main Street, Cavan. He stated the rent for this bar in 1994/1995 was £100 per week. It was located on a lane way of the Main Street and it had no frontage on to the Main Street.

Mr. Donohoe intervened to state that the rent for the Hide Away Bar was £200 per week. Mr. Sweeney replied that the property was valued for rates on the basis of £80 per week in November 1988.

The Tribunal has considered the written submissions of the appellant and the respondent. The Tribunal has also considered the oral submissions made by Mr. Donohoe on behalf of the appellant and the evidence given by Mr. Sweeney.

In arriving at its determination the Tribunal considers Mr. Sweeney's comparison the "Old Mill" to be the most relevant. This property is approximately the same size as the subject and is located on the same street. It is in a somewhat better location than the subject.

Taking the adjusted rent of the "Old Mill" at £8,280 per annum this reflects a rate of £18.07psf.

In determining the rateable valuation of the subject premises the Tribunal has taken into account its locational disadvantage but the Tribunal has also taken into account its better interior layout when all these factors are compared to the "Old Mill" property.

Accordingly the Tribunal considers that a value of £18.00psf is the appropriate one to apply to the subject premises.

527 sq. ft. @ £18.00psf	=	£9,486.00
@ 0.5%	=	£ 47.43
Say	=	£ 47.00

The Tribunal therefore determines the rateable valuation of the subject premises to be £47.00.

