

Appeal No. VA97/4/006

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

**Allied Irish Bank, West Street, Drogheda**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Bank and yard at Lot No. 10/11, West Street, Ward: West Gate, C.B. Drogheda, Co. Louth  
Quantum

**B E F O R E**

**Con Guiney - Barrister at Law**

**Deputy Chairman**

**Ann Hargaden - FRICS.FSCS**

**Member**

**Finian Brannigan - Solicitor**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 17TH DAY OF JULY, 1998**

By Notice of Appeal dated the 10th day of July 1997 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £405 on the above described hereditament.

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

- "1. The valuation is excessive and inequitable
2. The valuation is bad in law."

### **The Property**

The Property is located on the south side of West Street, Drogheda and is regarded by both parties as being located in a prime-trading street. The property consists of an original terraced three storey former retail premises of rendered probably masonry construction together with a single storey ground floor extension (over basement) of typical modern concrete framed construction. The Valuation Office deemed the tenure to be freehold.

### **Valuation History**

The subject premises was inspected and revised in September 1996 and when the valuation lists issued in 1996 the rateable valuation was fixed at £405. In December 1996 an appeal against the revised valuation was lodged. On the 1st July 1997 the Commissioner issued his decision making no change in the rateable valuation. On the 18th July 1997 the agent for the appellant lodged an appeal with the Valuation Tribunal.

### **Written Submissions**

A written submission was received by the Tribunal on the 16th day of January 1998 from Mr. Alan McMillan ASCS ARICS MIAVI of Messrs Donal O'Buachalla & Co. Ltd., Valuers, Rating and Property Consultants, Estate Agents and Auctioneers on behalf of the Appellant.

In his written submissions he set out the Valuation History, location and description of the subject premises. He said the floor areas had been agreed between the parties and are as follows:-

<i>Ground Floor</i> :	Bank, Hall etc.	<b>Sq.ft.</b> 4580
<i>First Floor</i> :	Offices/ Store	355 63
<i>Second Floor</i> :	Offices	<b>Sq.ft.</b> 725
<i>Basement</i> :	Stores	486
<i>Mezzanine</i> :	Store	486

Mr. McMillan pointed out that all main services are connected, oil fired central heating is provided, there are adequate separate male and female toilets and staff facilities available and lighting is by means of modern inset fluorescent units at ground floor level.

He commented that the premises is a well located town centre branch on West Street on the eastern end of that street where most of the banks/building Societies are clustered. The bank has not been recently refurbished and he stated that the most recent revision was apparently prompted by a small storage area to the rear. He said that extensive and primary comparative evidence is available in the immediate vicinity which he included in appendix one to his precis as the Ulster Bank, West Street, Drogheda, AIB branch at number 98/99 (West Street, Drogheda) and Bank of Ireland (Laurence Street, Drogheda) each of which he stated would be deemed to be recently revised on a NAV basis. He stated that to compliment this comparative evidence he also included a nearby 1988 shop rental at No. 106 West Street, Drogheda, i.e. Xtra Vision. He submitted that this evidence supported the rateable valuation sought. In addition he had regard to the Bank of Ireland and the TSB in Clanbrassil Street in Dundalk which he said was the County Town with a larger population. He also included examples of branches of very similar size in Tullamore which he said is a smaller town. He summarised his comparisons as follows:

Property	Area (sq.ft.)	Rate (p.s.f.)	RV
<b>DROGHEDA-</b>			
AIB (98/99)	2,691	£13.00	£300
Ulster Bank	1,416	£14.15	£180
Bank of Ireland (Laurence Street)	2,505	£12.00	£255
Xtra Vision	551	£19.00	—
<b>DUNDALK</b>			
Bank of Ireland	3,260	£10.50	£365
TSB	2,137	£11.00	£215
<b>TULLAMORE</b>			
AIB	4,323	£10.00	£270
BOI	4,706	£10.00	£290

Mr. McMillan noted that each of the above except AIB and BOI Tullamore is substantially smaller than the subject premises. Mr. McMillan stated that it appeared the Commissioner's opinion of value was in the order of £14 p.s.f. on the ground floor and he stated this would not be sustainable on quantum grounds alone and referred the Tribunal to the Ulster Bank at a similar level but less than one-third the size (ground floor). He stated that there was no on site parking at the subject premises.

Mr. McMillan on behalf of the Appellant gave his opinion that a reasonable estimate of valuation is in the sum of £328 which devalued as follows:-

*GROUND FLOOR*

Banking Hall	:	4580 sq.ft. @ £10.25	=	£46,945
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*FIRST FLOOR*

Offices	:	355 sq.ft. @ £5	=	£ 1,775
Stores	:	63 sq.ft. @ £3	=	£ 189

*SECOND FLOOR*

Offices	:	725 sq.ft. @ £3	=	£ 2,175
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*BASEMENT & MEZZANINE*

Store	:	972 sq.ft. @ £1	=	£ 972
		NAV	=	£52,056
		RV @ 0.63%	=	£ 328

A written submission from Mr. Malachy Oakes a District Valuer with over 24 years experience in the Valuation Office was received by the Valuation Tribunal on the 19th day of January 1998. Mr. Oakes commented that the valuation of £405 is not considered excessive when compared to recently revised banks in Drogheda. He stated that the bank is located on West Street, Drogheda between Shop Street and the Town Centre and that this has to be regarded as the prime pitch in Drogheda. He inspected the property in March 1997 and found that the entire appeared to be in good condition and that areas had been agreed between himself and Mr. McMillan. There was only one discrepancy between Mr. McMillan's figures and his and that was in relation to the ground floor where Mr. Oakes gave the area as 4588 sq.ft. which is a difference of 8 sq.ft. from Mr. McMillan's figure of 4580. On the first floor he made no distinction between offices and stores and gave an overall figure of 418 sq.ft. as the area.

He gave as his valuation the following:-

<i>Ground Floor</i>	:	Bank Hall	4588 f <sup>2</sup>	@ £12.50	£57,350
<i>Lower Ground Floor</i>	:	Store	486f <sup>2</sup>	@ £ 2.00	£ 972
<i>Mezz</i>	:	Store	486f <sup>2</sup>	@ £ 3.00	£ 1,458
<i>First Floor</i>	:	Office	418f <sup>2</sup>	@ £ 5.00	£ 2,090
<i>Second Floor</i>	:	Office	725f <sup>2</sup>	@ £ 3.00	<u>£ 2,175</u>
					£64,046
				<b>RV @ 0.63% =</b>	£403
				say	£405

Mr. Oakes's comparisons were similar to the first three comparisons of Mr. McMillan i.e.-

**Allied Irish Bank**, 98/99 West Street

**Ulster Bank**, West Street

**Bank of Ireland**, Laurence Street

### **Oral Hearing**

At the oral hearing which took place on the 26th day of January 1998 in Dublin, Mr. Alan McMillan appeared on behalf of the Appellant and the Respondent was represented by Mr. Malachy Oakes.

Mr. McMillan in his sworn evidence referred to his written submission which he adopted as his evidence in chief. He stated that the revision appears to have been asked for by the Corporation of Drogheda. He stated that the area of the subject premises had been agreed and the Tribunal accepted Mr. Oakes's figure for the ground floor of 4,588 ft<sup>2</sup>. which was contained in his precis and which was not disputed by Mr. McMillan. He stated that there was a small two-storey building at the back of the subject premises with no on-site parking and that it was a well located Town Centre Bank that had not been recently refurbished. He

also stated that he had a nearby 1988 shop rental comparison which was comparison No. 4, Xtra-Vision and that the subject premises is 27% larger than the Clanbrassil Street Bank of Ireland Branch in Dundalk which backs onto the Long Walk. Mr. McMillan described the TSB in Dundalk as not being well located and that the subject was 115% larger than it. The two branches in Tullamore he said had been the subject of Tribunal appeals and both were similar in size and both had a break-down of £10 p.s.f. With regard to on-site parking in reply to the Tribunal he stated that access is difficult to the back lane at the rear of the subject premises. He said there was a room with no natural lighting in the stores on the first floor.

Mr. Malachy Oakes for the Commissioner of Valuation in his sworn evidence adopted his precis and referred to his comparisons. He stated that he dealt with the Bank of Ireland, Laurence Street Appeal and that he believed a figure of £12.50 p.s.f. in relation to the ground floor of the subject premises was very reasonable. He accepted under cross examination that the head room could possibly be higher in other banks and that the head room in the Allied Irish Bank was 8 foot 3 inches.

Mr. Oakes submitted on behalf of the Respondent that we had in this situation the evidence of three recently revised banks and that this is not often the case. He stated that it was his belief that we need not look beyond this.

In conclusion Mr. McMillan stated that the subject was not a purpose built bank and that an allowance should be made for quantum and that the quantum had been reflected in the Tullamore cases.

### **Determination**

On the issue of the area of the Ground Floor the Tribunal accepts the figures given by the Valuation Office of 4588 sq.ft. which the Appellant does not appear to contest and notes that all other areas are agreed. The Tribunal however refers to the Appellant's division of the first floor between offices at 355 sq.ft. and stores at 63 sq.ft. and accepts that these ought to be valued differently. The Tribunal gives due weight to the fact that the subject has no on-site parking and is not a custom built bank.

However, both the Appellant and Respondent agreed that the subject is probably in one of the very best trading locations in the municipal Borough of Drogheda. Location is of prime importance in determining the NAV of this premises. Both the Appellant and Respondent cite the comparison of the Ulster Bank which appears to the Tribunal to be the nearest financial institution in West Street, Drogheda among the comparisons furnished to the Tribunal. The Tribunal notes that the Dundalk comparisons given by the Appellant are not similar in size to the subject whereas although the Tullamore comparisons are comparable in size they are situated in a much smaller provincial town.

Mr. Oakes in his precis accepts that the Bank of Ireland, Laurence Street is in a secondary location and it appears that despite the difference in size that the best comparison is the Ulster Bank in West Street, Drogheda. The Tribunal accepts however, that the quantum is greater in the subject premises than in the Allied Irish Bank 98/99 West Street, Drogheda or the Ulster Bank at 104 West Street, Drogheda and it determines that the ground floor of the subject premises should be valued at £12 p.s.f. to take this into consideration.

In all the circumstances the Tribunal determines as follows:-

<i>Ground Floor</i>	:	Banking Hall	4588 f <sup>2</sup> @ £12.00 p.s.f. = £55,056
<i>First Floor</i>	:	Offices	355 f <sup>2</sup> @ £ 5.00 p.s.f. = £ 1,775
<i>Stores</i>	:		63 f <sup>2</sup> @ £ 3.00 p.s.f. = £ 189
<i>Second Floor</i>	:	Offices	725 f <sup>2</sup> @ £ 3.00 p.s.f. = £ 2,175
<i>Basement &amp; Mezz</i>	:	Store	972 f <sup>2</sup> @ £ 2.00 p.s.f. = <u>£ 1,944</u>
			£61,139
			RV at 0.63% = £385.175
			say £385.00

The Tribunal therefore determines the rateable valuation of the subject premises at £385.



