

Appeal No. VA98/1/004

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

Ray Moynihan

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Guest House and Land at Map Reference 6Gb, Townland: Dromhale, E.D. Killarney
Urban, UD: Killarney, Co. Kerry
Quantum - Location and bedroom numbers

B E F O R E

Con Guiney - Barrister at Law

Deputy Chairman

Barry Smyth - FRICS.FSCS

Member

Ann Hargaden - FRICS.FSCS

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 20TH DAY OF SEPTEMBER, 1999

By Notice of Appeal dated the 5th January 1998, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £105 on the above described hereditament.

The Grounds of Appeal which were set out in a letter accompanying the Notice of Appeal and which is appended to this judgment, were interalia "that the valuation was unfair and excessive when local comparisons were taken into account".

The appeal before this Tribunal was heard in the Council Chamber of Tralee Urban District Council, on the 17th day of September 1999. Mrs. Emer Moynihan appellant appeared on her own behalf and Mr. Colman Forkin B.Sc.(Surveying), ARICS, ASCS, a Valuer with 19 years experience in the Valuation Office, appeared on behalf of the Commissioner. Having exchanged their written précis and having submitted the same to this Tribunal, the appellant and respondent, having taken the oath, adopted their said précis as being and as constituting their evidence in chief. This evidence was supplemented by the additional oral evidence of the above named parties, obtained either directly or via cross-examination. From the above the following, essential facts, emerged as being both material and relevant to the issues the subject matter of this appeal.

The Property

The property comprises a newly built 4 star guesthouse consisting of 1 single and 10 double bedrooms, all ensuite, ground floor reception and dining rooms (seating capacity 23), kitchen and utility room.

Valuation History

The property was inspected and revised in August 1996. The RV of £105 was placed on it. No change was made to the valuation at first appeal, decision issued on 12th December 1997. An appeal was lodged to the Tribunal on 5th January 1998. The appeal was listed for hearing on 23rd March 1999 but did not proceed to hearing on that date and was relisted to 17th September 1999.

The Appellants's case

It was submitted that the calculation of R.V. based on square footage prejudices the appellant's business as there is 384 sq.ft of balcony space used in conjunction with the business for only 4 – 6 weeks of the year due to Irish weather conditions . The bedrooms in the Earls Court are bigger than average but they do not yield a higher bedroom rate. Mrs. Moynihan gave evidence as to the inferior location and shorter season and commented that there was only one additional bedroom in the subject vis a vis her main comparison. She indicated that the best comparison is Fuchsia House in terms of number of bedrooms, Bord Failte rating and rate charged per room. It is situated about 150 metres from the subject on the main Muckcross Road. However it

is smaller than the subject premises at 4,865 sq.ft. with ten bedrooms rather than eleven in the subject. Mrs. Moynihan set out in tabular form the number of bedrooms and RV's of the main comparisons *vis a vis* the subject and this table is appended to this judgment. She submitted that a fair valuation on the subject premises based on this table is R.V. £90.

Respondent's Case

Mr Forkin gave evidence that the subject premises was valued on the same square footage basis as other similar properties in the immediate area and that all relevant factors had been taken into account. He submitted a number of comparisons and confirmed that Killarney Lodge was far superior but that he had only incorporated it to reflect the range of values in the area. He indicated that Fuschia House is very comparable, however it is 32% smaller in floor area than the subject.

Mr. Forkin's valuations was as follows;

Guesthouse	642 m ² = 6,911sq.ft.	@	£2.75	=	£19,005
Domestic	142 m ² = 1,528sq.ft.	@	£2.00	=	£ 3,056
Estimate NAV	£22,000	x	0.5%	=	£110

In view of location say £105 R.V.

On further analysis of Fuschia House by the Tribunal, it appears that, with the domestic element set at £20, the guesthouse in fact analyses back to circa. £2.60 p.s.f.

Determination

We have considered the written submissions and oral evidence offered by both parties and find as follows;

1. Fuschia House was considered by both parties as being the most relevant comparison. This in fact analyses at £2.60 p.s.f.

2. The balconies attaching to the subject premises consist of external space infrequently capable of use because of Irish weather conditions and therefore should be disregarded in floor area terms for the purposes of assessing N.A.V. However they do add to the general amenity of the guesthouse facility which can be reflected in the overall rate p.s.f.
3. The floor area in the subject, even adjusted to allow for the balconies, is significantly larger than Fuschia House, and obviously reflects better facilities.
4. Fuschia House is in a superior location to the subject premises, but the better facilities provided in the subject, reflected in bigger bedrooms and guest areas may offset somewhat the advantage which Fuschia House has in location terms. Indeed for pre-bookings guests may in fact prefer to locate off main traffic thoroughfares. In the light of the above factors the Tribunal finds as follows;

Guesthouse	6,527 sq.ft. @ £2.55	=	£16,643.85
Domestic element	1,528 sq.ft. @ £2.00	=	<u>£ 3,056.00</u>
	N.A.V.	=	£19,699.85
	@ 0.5%	=	£98.49
Say		=	£98.00 R.V.

Comparisons

Table of Valuation Office Comparisons

<i>Name</i>	<i>No of B/rooms</i>	<i>RV</i>	<i>Rate Per Sq. Ft.</i>	<i>NAV</i>	<i>Comments</i>
<i>Killarney Lodge Countess Road 4 Star</i>	<i>12 ensuite</i>	<i>£100 1996/4FA</i>	<i>(633m²)= 6814sq.st @ £2.80</i>	<i>£19,000 @ .5% = £95</i>	<i>RV increased to £100 in view of location</i>
<i>Old Weir Lodge Countess Rd. 3 Star</i>	<i>15 ensuite</i>	<i>£165 1996/4FA</i>	<i>(991 m²)= 10,667sq.ft. @ £2.70 Dom. 1,421@ £2.70</i>	<i>£33,000 @ .5% = £165</i>	<i>Domestic £20</i>
<i>Slieve Bloom Manor Guesthouse# Muckross Road 3 Star</i>	<i>11 ensuite</i>	<i>£100</i>	<i>(462 m²)= 4,973sq.ft. @ £2.75 Dom. 2,142@ £2.70</i>		
<i>Victoria house Muckross Rd. 3 Star</i>	<i>15 ensuite</i>	<i>£100</i>	<i>(678 m²)@ £2.75</i>	<i>£20,000 @ .5% = £100</i>	
<i>Fuchsia Hse. Muckross Rd 4 Star</i>	<i>10 ensuite</i>	<i>£85</i>	<i>(452 m²)= 4,865sqft @ £2.70 Dom 1,356sqft @£2.70 Out Off. 344sq.ft@ £1.35</i>	<i>£17,000 @.5% = £85</i>	<i>Domestic £20</i>
<i>Glena House Muckross Rd. 4 Star</i>	<i>26 ensuite</i>	<i>£160</i>	<i>(1,150 m²)= 12,380sqft @ £2.60 Dom 280sqft @£1.50</i>	<i>£32,000 @.5% = £160</i>	<i>Domestic £2</i>
<i>Subject Earls Court House</i>	<i>11 ensuite</i>	<i>£105</i>	<i>(642 m²)= 6,911 sqft @ £2.75 Dom 1528 sqft @£2.00</i>	<i>£22,000 @ .55% = £110</i>	<i>RV rounded to £105 for location</i>