

Appeal No: VA17/5/1173

**AN BINSE LUACHÁLA
VALUATION TRIBUNAL**

**NA hACHTANNA LUACHÁLA, 2001 - 2015
VALUATION ACTS, 2001 - 2015**

ROSEWELL RACING LTD

APPELLANT

AND

COMMISSIONER OF VALUATION

RESPONDENT

In relation to the valuation of

Property No. 1738213, Leisure at Local No/Map Ref: ON 8A Loughbrown, Pollardstown,
Naas, County Kildare,

B E F O R E

Dolores Power – MSCSI, MRICS

Deputy Chairperson

Barra McCabe – BL, MRICS, MSCSI

Member

Fergus Keogh – MSCSI, MRICS

Member

JUDGMENT OF THE VALUATION TRIBUNAL

ISSUED ON THE 14TH DAY OF JULY, 2021.

1. THE APPEAL

1.1 By Notice of Appeal received on the 12th day of October, 2017 the Appellant appealed against the determination of the Respondent pursuant to which the net annual value ‘(the NAV’) of the above relevant Property was fixed in the sum of €70,800.

1.2 The sole ground of appeal as set out in the Notice of Appeal is that the determination of the valuation of the Property is not a determination that accords with that required to be achieved by section 19 (5) of the Act because :

1. *“The Valuation of the subject property is excessive and inequitable. The property’s value as set by the Commissioner is not in line with its potential rental value.*

2. *The subject property is the largest collection of stables (110) on the Curragh and some of the oldest in terms of buildings, with the majority having been built in the 1940s-1960s.*
3. *The appellants accept the Commissioner's schematic for valuations of 40 stables or less in County Kildare but further allowance needs to be made for larger facilities such as the subject as demand in the market is very sparse [sic] for facilities of more than 40 stables due to the state of the equine industry at the valuation date."*

1.2 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €55,800.

2. REVALUATION HISTORY

2.1 On the 10th day of March, 2017 a copy of a valuation certificate proposed to be issued under section 24(1) of the Valuation Act 2001 ("the Act") in relation to the Property was sent to the Appellant indicating a valuation of €123,600.

2.2 Being dissatisfied with the valuation proposed, representations were made to the valuation manager in relation to the valuation. Following consideration of those representations, the valuation of the Property was reduced to €70,800.

2.3 A Final Valuation Certificate issued on the 7th day of September, 2017 stating a valuation of €70,800.

2.4 The date by reference to which the value of the Property, the subject of this appeal, was determined is the 30th day of October, 2015.

3. THE HEARING

3.1 The Appeal proceeded by way of an oral hearing held remotely on the 16th day of October, 2020, ("the Hearing"). At the Hearing the Appellant was represented by Mr. David Halpin M.Sc. (Real Estate), Ba. (Mod) of Eamonn Halpin & Co. Ltd and the Respondent was represented by Mr. Don Donovan of the Valuation Office, ("the Parties").

3.2 In accordance with the Rules of the Tribunal, the Parties had exchanged their respective reports and précis of evidence prior to the commencement of the Hearing and submitted them to the Tribunal. At the Hearing, each witness, having taken the oath, adopted his précis as his evidence-in-chief in addition to giving oral evidence

4. FACTS

4.1 From the evidence adduced by the Parties, the Tribunal finds the following facts:

4.2 The Property is located at Loughbrown, Pollardstown, Naas, County Kildare and is adjacent to the Curragh Racecourse and horse training gallops. It is a race horse training facility which originally dates from the c. 1920's and was further developed in a piecemeal fashion throughout the 1950's and the 1960's. All buildings within the facility are a minimum of 30 years old.

4.3 The accommodation within the Property has been agreed by the Parties and comprises:

- 1) 110 no. Horse Boxes
- 2) Various Ancillary Buildings of 1,732.95 sq. m. in total to include covered gallops, a lunge ring and hay barns.

4.4 The Parties previously appeared before the Tribunal in an appeal in relation to a similar and nearby training facility, appeal number VA17/5/370. In this case The Tribunal confirmed the Valuation Schematic adopted by the Respondent as it applies to the valuation of horse boxes in on-Curragh and off-Curragh locations in County Kildare.

4.5 At the commencement of the Hearing the Parties acknowledged their acceptance of the Respondent's Valuation Schematic as it applies to horse boxes agreeing to apply a NAV of €53,500 to the boxes within the Property and requested that at this Appeal that the Tribunal only consider the valuation assessment to be applied to the ancillary buildings within the Property.

5. ISSUES

5.1 The issue of this Appeal is one of quantum in relation to the ancillary buildings.

6. RELEVANT STATUTORY PROVISIONS:

6.1 The net annual value of the Property has to be determined in accordance with the provisions of section 48 (1) of the Act which provides as follows:

“The value of a relevant property shall be determined under this Act by estimating the net annual value of the property and the amount so estimated to be the net annual value of the property shall, accordingly, be its value.”

6.2 Section 48(3) of the Act as amended by section 27 of the Valuation (Amendment) Act 2015 provides for the factors to be taken into account in calculating the net annual value:

“Subject to Section 50, for the purposes of this Act, “net annual value” means, in relation to a property, the rent for which, one year with another, the property might, in its actual state, be reasonably be expected to let from year to year, on the assumption that the probable annual cost of repairs, insurance and other expenses (if any) that would be necessary to maintain the property in that state, and all rates and other taxes in respect of the property, are borne by the tenant.”

7. APPELLANT’S CASE

7.1 At the outset of his oral evidence, Mr. Halpin for the Appellant said that the Parties were in agreement as to the rental value to be attributed to the stables being an NAV of €53,500. The contention between the Parties arose with regard to the appropriate rate to be applied to the ancillary buildings.

7.2 Mr. Halpin said that the Respondent’s Valuation Schematic as it applies to ancillary buildings at horse training facilities applies a uniform, rate of €10 per sq. m. to the buildings regardless of the size. Referencing the Tribunal decision in case VA17/05/370, Mr. Halpin advised that in this decision the rate to be applied to ancillary buildings was reduced to €5 per sq. m. based on the fact that the quantum of the ancillary

accommodation was 3,411 sq. m. and was recognised as being double the size of that at the largest facility in the area.

7.3 Mr. Halpin said that whilst the ancillary buildings in the Property were not as extensive as those in case VA17/5/370, he considered that they were large relative to the number of boxes and contended that a reduction was merited on a quantum basis and proposed that a rate of €6.50 per sq. m. should be applied. This rate applied a value of €11,264.18 to the buildings and Mr. Halpin contended for a total NAV of €64,700 as follows;

Accommodation	Box Number / Ancillary Building Size	€ Rate psm	NAV €
Stables / Horse Boxes	110		53,500.00 *
Ancillary Buildings	1,732.95 sq. m.	€6.50	11,264.18
			64,764.18
Total, say			€64,700.00

*Agreed by the Parties per Valuation Office Valuation Schematic

7.4 Mr. Halpin submitted statistics on the 19 training facilities which he represented clients at representations stage commenting that the Property is the largest training complex on the Curragh by stable number and that the ancillary accommodation was almost exactly twice the average on a per stable / per box basis. The following information was submitted:

Average Number of Stables per complex:	53
Median Number of Stables per complex:	36
Average size of ancillary space per complex:	832.24 sq. m.
Median size of ancillary space per stable:	655.76 sq. m.
Average size of ancillary space per stable:	15.7 sq. m.
Median size of ancillary space per stable:	18.21 sq. m.

- 7.5 Mr. Halpin submitted details of five comparisons which are summarised in **Appendix 1**. The ancillary buildings in Mr. Halpin's comparisons range in size from 140 sq. m. to 1,378 sq. m. and each is valued at €10 per sq. m. as per the Respondent's Valuation Schematic. All are smaller than the ancillary buildings in appeal case VA17/4/370 with the largest being approximately 20% smaller. Having regard to the quantum allowance made in that case Mr. Halpin contended that the rate of €6.50 per sq., m. was appropriate to be applied to the ancillary building in the Property and that this rate would maintain relativity.
- 7.6 Under cross examination by Mr. Donovan, Mr. Halpin confirmed the nature and the various elements of the facility and confirmed that the ancillary buildings were largely purpose built agricultural buildings. The Parties disagreed on the relative usefulness of a covered running track with Mr. Halpin advising that this element was now dated and its use no longer popular.

8. RESPONDENT'S CASE

- 8.1 At the outset of his oral evidence, Mr. Donovan for the Respondent confirmed that the Parties were in agreement to the rental value of €53,500 being attributed to the stables and that the contention between the Parties arose with regard to the appropriate rate to be applied to the ancillary buildings. Mr. Donovan corrected a numerical error in his précis in relation to the value he had submitted as having been inserted in the original proposed valuation certificate, confirming the correct valuation of €97,400 and also deleted comparison number five from his précis.
- 8.2 Mr. Donovan contended that the ancillary buildings in the Property were valued in line with the Valuation Schematic for such facilities and submitted details of five comparisons which are summarised in **Appendix 2**. The ancillary buildings in Mr. Donovan's comparisons range in size from 78 sq. m. to 1,378 sq. m. and each is valued at €10 per Sq. M. All are smaller than the ancillary buildings in appeal case VA17/4/370 with the largest being approximately 20% smaller. Mr. Donovan acknowledged that the Tribunal's Decision in this case recognised the quantum of the ancillary buildings and contended that the ancillary buildings in the subject Property were not of a scale to merit a similar quantum reduction.

8.3 Under cross examination by Mr. Halpin, Mr. Donovan acknowledged that the ancillary buildings in the subject exceeded 1,000 sq. m. He said that in his opinion that they were of a better quality to those in appeal case VA17/5/370 and advised that they contained differing elements including a covered gallops. Mr. Donovan contended that some of the elements of the ancillary buildings were used for differing purposes but that they were not specialist.

9. SUBMISSIONS

9.1 No legal submissions were made by the Parties.

10. FINDINGS AND CONCLUSIONS

10.1 On this appeal the Tribunal has to determine the value of the Property so as to achieve, insofar as is reasonably practical, a valuation that is correct and equitable so that the valuation of the Property as determined by the Tribunal is relative to the value of other comparable properties on the valuation list in the rating authority area of Kildare County Council.

10.2 The Tribunal commends both parties for their research and work adopted to find an equitable approach to the assessment of the NAV and for their collaborative efforts in trying to reach agreement which was obvious from the written evidence submitted and oral evidence adduced at the Hearing. The Tribunal acknowledges the acceptance by the Appellant of the Respondent's Valuation Schematic for the valuation of stables.

10.3 Having considered the evidence adduced by the Parties, the Tribunal finds that the Appellant did not provide any compelling evidence to prove that the value applied by the Respondent to the ancillary buildings in the Property should be decreased and the Tribunal accepts that the rate applied by the Respondent is not excessive having regard to the quantum of the accommodation. This is supported by the five comparisons submitted by the Respondent in his précis where in all comparisons the rate applied to the ancillary buildings was either not appealed by the relevant occupant or following representations having been made was agreed in line with the Valuation Schematic prior to an appeal hearing taking place.

DETERMINATION:

Accordingly, for the above reasons, The Tribunal disallows the Appeal and confirms the decision of the Respondent.

And the Tribunal so determines.