

**Appeal No: VA17/5/1237**

**AN BINSE LUACHÁLA  
VALUATION TRIBUNAL**

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

**GERALDINE BLEAKLEY ON BEHALF OF  
MOYNE CROSS STORES LTD**

**APPELLANT**

**AND**

**COMMISSIONER OF VALUATION**

**RESPONDENT**

**In relation to the valuation of**

Property No. 1988672, Retail (Shops) at Local No/Map Ref: 33a, Ballyduffy, Moyne,  
Granard, County Longford.

**BEFORE**

**Liam Daly - FSCSI, FRICS**

**Deputy Chairperson**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 4<sup>TH</sup> DAY OF JANUARY, 2021**

**1. THE APPEAL**

1.1 By Notice of Appeal received on the 12<sup>th</sup> 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 €11,860.

1.2 The grounds 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:

*“I consider the valuation of €11,860 to be excessive as this is supposed to reflect the potential rental income annually for this country shop. This is almost double what would be achievable”*

*“Kitchen is down as been [sic] rateable which it should not as it is not used for any commercial use. The Post Office part of the building was previously a full Post Office offering all postal services but has since been downgraded to that of an agency for An Post so does not have the potential to turnover the same as a Post Office would have so should be valued accordingly”*

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €5,930.

## **2. REVALUATION HISTORY**

2.1 On the 12<sup>th</sup> day of January, 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 €11,860.

2.2 A Final Valuation Certificate issued on the 7<sup>th</sup> day of September, 2017 stating a valuation of €11,860.

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

## **3. DOCUMENT BASED APPEAL**

3.1 The Tribunal considered it appropriate that this appeal be determined on the basis of documents without the need for an oral hearing and, on the agreement of the parties, the Chairperson assigned the appeal to one member of the Tribunal for determination.

3.2 In accordance with the Tribunal's directions, the parties exchanged their respective summaries of evidence and submitted them to the Tribunal.

## **4. FACTS**

4.1 From the evidence adduced by the parties, the Tribunal finds the following facts.

4.2 The property is situated in a rural location in the north of County Longford, close to both the County Cavan and County Leitrim borders. It is located at a crossroads in Moyne. Moyne is located just off the R198 circa 25km north of Longford town, 14km north of Drumlish and 4km west of the town of Arvagh. The property is located 3km from the main Longford-Cavan road.

4.3. The property comprises a single storey detached retail unit. The shop is also an agent to An Post. Internally, the subject property comprises a shop, kitchen and a WC. There is carparking space to the front of the property.

4.4 The accommodation has been agreed between the parties;

Shop : 138.20 sq. m

Kitchen : 14.00 sq. m

4.5 We are advised that the subject property is held freehold.

## **5. ISSUES**

5.1 The matter at issue is Quantum

5.2 The Appellant claims that the valuation is excessive and inequitable and should be set at €5,930 to reflect the type, nature and quantum of the property.

5.3 The Respondent is contending for a valuation of €11,860

5.4 The Respondent has relied on four key rental transactions in arriving at a valuation level of €100 per sq. m. (Zone A) to be utilised in determining the NAV.

## **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 The Appellant is of the opinion that their valuation is excessive and does not reflect the actual rental value of the property. It was the Appellants contention that the valuation did not reflect current rental demand, the remoteness of the property or the implication of downgrading from Post Office to an agent for An Post.

7.2 The Appellant emphasised the significance of the property’s location. It is their opinion, the property is remote and lacks any ancillary facilities.

7.3 In terms of rental value, the Appellant included correspondence from an Auctioneer estimating open market rental value at €100.00 per week. (dated 28<sup>th</sup> July 2020)

7.4 The Appellant explained the negative implications on their business as a result of the downgrading from a Post Office to an agent for An Post. The appellant also highlighted reduced footfall as a consequence of social welfare & pension payments being paid directly to customers back accounts.

7.5 The Appellant rejected to the inclusion of the kitchen area as part of the demise.

7.6 The Appellants commented on the Respondents 4 Key Rental Transaction evidence as follows:

- PN 2167646, Longford Road, Drumlish, Co Longford. This property is located in Drumlish Village which is circa 14km south of the subject property. The Appellant

disputed the inclusion of this property. It was their opinion it was not a suitable comparable as it operates as a Take Away and the rent stated does not reflect open market value ( See Appendix 1)

- PN 1988508, Main Street, Edgewardstown, Co Longford. The Appellant disputed the inclusion of this property. It was their opinion it was not a suitable comparable as it operates as a Beauty Salon in an dissimilar location ( See Appendix 1)
- PN 19967611, Main Street, Newtownforbes, Co Longford. The Appellant disputed the inclusion of this property. It was their opinion it was not a suitable comparable as it operates as a Take Away in a dissimilar location ( See Appendix 1)
- PN 2167522, Pound Street, Edgewardstown, Co Longford. The Appellant disputed the inclusion of this property. It was their opinion it was not a suitable comparable as it operates as a Take Away in a dissimilar location ( See Appendix 1)

7.7 The Appellants commented on the Respondents 4 NAV Comparison evidence as follows:

- PN 1988853 Gaigue, Ballinamuck, Co Longford The Appellant disputed the inclusion of this property as it is no longer in commercial use.
- PN 1988920 Ballagh, Newtownforbes, Co Longford. The Appellant contended this property is in an area of higher population density offering greater trading potential.
- PN 1988840 Enybegs, Drumlish, Co Longford. The Appellant contended this property is in an area of higher population density offering greater trading potential.
- PN 1988688 Augnacliffe, Co Longford. The Appellant contended this property is in an area of higher population density offering greater trading potential.

7.8 The Appellant included five NAV comparisons (See Appendix 1) to contextualise what they deemed as a variance in the level been applied to their property. The Appellants comments were as follows:

- PN1988409 Augnacliffe Co. Longford. The property is located within 5km of the Appellant's property. It has a large catchment area. The premises operates as a fully functioning deli, petrol pumps and a larger retail area. This property's NAV is €60 per sq. m.

- PN 1988838 Drumlish, Co. Longford. It was the Appellant's opinion this was superior trading location. It was the Appellant's opinion the property was a third larger than the subject property. The NAV for this store is €69 per sq. m.
- Retail Unit (Identified by name, no PN provided), Drumlish, Co. Longford. The property operates as franchise retail, beauty salon and pharmacy. It was the Appellant's opinion it was a superior location serving a larger catchment area. The NAV for this premises is €47
- Retail Unit (Identified by name, no PN provided), Aughtnaclyffe, Co. Longford. It was the Appellant's opinion the property was not appealed due to personal circumstances and it is no longer a business operating from the premises ( no evidence submitted to the Tribunal to substantiate this claim)
- Retail Unit (Identified by name, no PN provided) Arvagh Co. Cavan. It was the Appellant's opinion that Arvagh is the nearest town to the subject property. It was the Appellant's opinion it was a superior location. The property has the same NAV as the subject property.

7.8 The Appellant contends for a NAV of €5,930

## **8. RESPONDENT'S CASE**

8.1 The Responded applied a valuation level of €100 per sq. m. (Zone A) to arrive at an NAV of €11,860

8.2 The Respondent has relied on four key rental transactions in arriving at a valuation level of €100 per sq. m. to be utilised in determining the NAV. None of the key rental transactions were subject to further consideration at Representative Stage or are subject to Valuation Tribunal Appeals.

8.3 The Respondent outlined details of the four key rental transactions as follows:

- PN 2167646, Longford Road, Drumlish, Co Longford. This property is located in Drumlish Village which is approximately 14km south of the subject property. The lease

commenced in September 2015 close to the Valuation Date of October 2015. This property is valued at a Retail Zone A of €115 per sq. m. which is higher than the Zone A of the subject property. ( See Appendix 2)

- PN 1988508, Main Street, Edgewardstown, Co Longford. This property is located approximately 27km from the subject property. The lease commenced in January 2016, close to the Valuation Date of October 2015. This property is valued at a Retail Zone A of €130 per sq. m. which is higher than the Zone A which is applied to the subject property. (See Appendix 2)
- PN 19967611, Main Street, Newtownforbes, Co Longford. This property is located approximately 23 km from the subject. This property is valued at a Retail Zone A of €115 which is higher than the Zone A of the subject property. (See Appendix 2)
- PN 2167522, Pound Street, Edgewardstown, Co Longford. This property is approximately 27km from the subject property. The lease commenced in January 2016, close to the Valuation Date of October 2015. This property is valued at a Zone A of €110 per square metre which is higher than the Zone A which is applied to the subject property.

8.4 In terms of Evidence of Equity and Uniformity, the Respondent delineated the following in terms of the NAV comparisons on the list. There are 29 retail properties valued in the Longford County Council area valued at €100/sqm Zone A. Four of these properties were subject to representations to the Commissioner of Valuation. No changes were made to the €/sqm Zone A to any of these 4 properties at representation stage. The subject property is the only one which is under appeal to the Valuation Tribunal. (See Appendix 2)

8.5 The Respondent made the following retorts to the Appellants argument's on the justification of the level been applied to the property,

- The Commissioner has taken the location of the property into consideration and the similarly located rural retail properties have been valued at the same Zone A rate per sq. m as the subject

- The kitchen area of the property is rateable under the terms of the Valuation Act 2001. The subject property is a detached commercial premises. The definition of a domestic premises in the Valuation Acts 2001 to 2020 is as follows; “domestic premises” means any premises which consists wholly or partly of premises used as a dwelling and which is neither a mixed premises or an apart-hotel;” The subject property is not a dwelling.
- No premium has been applied to the Zone A rate per sq. m for the An Post agency.
- The two properties which the Appellant has referred to are valued at the same Zone A rate per sq. m as the subject property. The retail areas of the two properties cited by the Appellant are smaller than the subject property and this contributes to the NAV for each of these properties being lower than the subject property. The two properties referred to by the Appellant were subject to further consideration at Representations Stage however the Zone A rate per sq. m was not reduced in either case. Neither of these properties are subject to a Valuation Tribunal Appeal.
- The valuation report submitted by the Appellant dated July 28th 2020 stated the following; “the advertised market letting value is in the region of €100 per week”. The statutory valuation date for the purposes of this valuation is 30th October 2015. The valuation suggested is not in line with the Net Annual Value derived from the analysis of the market evidence in the Longford County Council area.

## **9. SUBMISSIONS**

9.1 There were no legal submissions

## **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 Longford County Council.



10.2 The Tribunal has examined the particulars of the property and considered the written evidence by the Appellant, who contended for a revised NAV of €5,930 and on the Respondent, who sought confirmation of the Valuations Office's determination of NAV €11,860.00.

10.3 The Tribunal found that the Appellant did not provide any compelling evidence that the subject property differs to any material extent in terms of location, condition or rental evidence from the relevant comparable properties on the Valuation list. The evidence presented by Appellant, misinterpreted the valuation methodology been applied by the Valuation Office in determining the NAV. The Tribunal found Valuation Office has taken the location of the property into consideration and the similarly located rural retail properties have been valued at the same Zone A rate per sq. m. as the subject

10.4 The Tribunal recognises the definition of a domestic premises in the Valuation Acts 2001 to 2020. Therefore it is the Tribunal's finding, that the kitchen area is rateable under the terms of the legislation.

10.5 The Tribunals could not consider the contents of a Valuation Report in Appellant's submission. The Valuation Report was dated July 28th 2020. The statutory valuation date for the purposes of this valuation is 30th October 2015.

10.6 The Tribunal found the valuation determined by the respondent to be correct and equitable and to represent the Net Annual Valuation of the subject property.

**DETERMINATION:**

The Tribunal disallows the appeal and confirms the decision of the Respondent

And the Tribunal so determines.