

**Appeal No: VA19/5/0408**

**AN BINSE LUACHÁLA  
VALUATION TRIBUNAL**

**NA hACHTANNA LUACHÁLA, 2001 - 2020  
VALUATION ACTS, 2001 - 2020**

**Clarke Machinery Ltd**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

In relation to the valuation of  
Property No. 1990339, Industrial Uses at LOCAL NO/MAP REF: 3 Moynehall, Cavan, County  
Cavan.

**B E F O R E**

**Majella Twomey - BL**

**Eamonn Maguire - FRICS, FSCSI, VRS, ARB**

**Gerard O'Callaghan - MRICS, MSCSI**

**Deputy Chairperson**

**Member**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL  
ISSUED ON THE 10TH DAY OF NOVEMBER, 2022**

**1. THE APPEAL**

1.1 By Notice of Appeal received on the 14<sup>th</sup> day of October, 2019 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 €30,400.

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 : *“The NAV of the subject property is excessive and inequitable. The main bulk of the subjects value is on a canopy. Whilst the appellant accepts the principle of valuing this area at 50% of the base rate, the base rate remains elevated. The base rate should not exceed €20/m2 for this type of property.”*

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €22,500.

**2. REVALUATION HISTORY**

2.1 On the 15<sup>th</sup> day of March, 2019 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 €37,200.

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 €30,400.

2.3 A Final Valuation Certificate issued on the 10<sup>th</sup> day of September, 2019 stating a valuation of €30,400.

2.4 The date by reference to which the value of the property, the subject of this appeal, was determined is the 15<sup>th</sup> day of September, 2017.

### **3. THE HEARING**

3.1 The Appeal proceeded by way of an oral hearing held remotely, on the 21<sup>st</sup> day of September, 2022. At the hearing the Appellant was represented by Mr. Eamonn Halpin B.Sc. (Surveying), MRICS, MSCSI of Eamonn Halpin & Co. Ltd and the Respondent was represented by Mr Kevin O'Doherty of the Valuation Office.

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 oral 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 on the Ballinagh Road, approximately 2km southeast of Cavan town center and is situated adjacent to Moyne Hall Retail Park.

4.3 The property comprises two adjoining structures, one being an older structure comprising a steel frame workshop/ warehouse with concrete block walls with single-skin upper cladding and roof. The adjoining structure was constructed in 2018 and was variously described as an open canopy by the Appellant and a building with one side open by the Respondent. The newer structure was used for the display and sale of farm machinery. There is a smaller semi-detached store with a low eaves height and constructed with single skin cladding on steel frame. Finally, there is also a hardcore and blinded yard which is also used for the display of machinery.

4.4 The floor areas are agreed as follows;

	Floor	M2
WORKSHOP	0	359.90
STORE	0	924.85
STORE	0	95.94
TOTAL AREA OF BUILDINGS		1380.69
YARD (Hardcore)	0	2100.00

4.5 Both parties understand the subject property is held freehold.

### **5. ISSUES**

In determining this Appeal the Tribunal is required to decide whether the Rateable Valuation of €30,400 as determined by the Commissioner of Valuation for the relevant date of September 15<sup>th</sup>, 2017 has been shown to be excessive and if so by how much.

## **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 Mr. Eamonn Halpin set out the case for Clarke Machinery Limited.

7.2 Mr. Halpin described the property as a workshop and canopy located on the Ballinagh Road, Moynehall, Cavan, adjacent to Moyne Hall Retail Park.

7.3 Mr. Halpin stated that the Appellants case is that the canopy extending to 924.86 sq.m was inappropriately classified and over valued by the Commissioner. He described the property as being almost completely unique being an unusual property where the main structure is a canopy with no concrete floor. Mr. Halpin accepted the Commissioners valuation of the other components of the property and the Appellant’s case related to the canopy structure only.

7.4 As there were no comparable properties identified in Cavan Town, Mr. Halpin stated that the subject’s property value must be derived from the standard industrial level. He stated that the commissioner erred in applying a level of 50% of the standard industrial level which would be typical for structures with three independent walls.

7.5 Mr. Halpin emphasised the open sided nature of the property and whilst the unit abuts the workshop to the rear, it is a separate and independent structure. He disagreed with the Respondent’s view that the workshop wall was, de facto, an enclosing wall.

7.6 Mr. Halpin stated that, traditionally the commissioner would apply a level of 15% to the unwallled canopy. Mr. Halpin stated the structure is neither an open sided canopy or a standard single sided open structure and therefore proposed that a value equal to 33% of the standard industrial level should apply.

7.7 Mr Halpin cited two tone of list NAV comparisons as evidence of the different levels applied. The first was Property No. 2150757 in Legaland, Crossdoney, Co. Cavan where a single open sided structure had a level of 50% of standard industrial/ workshop level applied. The second comparison cited was Property No. 1990344 in Ballyjamesduff, Co. Cavan where Mr. Halpin stated that a level of 15% of the standard industrial level was applied to a loading bay with 3 open sides.

7.8 Mr. Halpin proposed the following methodology for his opinion on value;

DESCRIPTION	SQ.M	€/ SQ.M	NAV
Workshop	359.90	€27	€9,717
Canopy	924.86	€9	€8,324
Store	95.94	€27	€2,590
Yard	2100.00	€2.70	€5670
		Total	€26301

Rounded say €26,300

## 8. RESPONDENT'S CASE

8.1 Mr. Kevin O'Doherty of the Valuation Office set out the case for the Commissioner of Valuation.

8.2. Mr. O'Doherty described the property as comprising two portal steel frame industrial buildings, one of which is semi-detached structure comprising a separate store and workshop. The other a larger store and display area which was open at one side. Eaves heights vary from c.2.88m to 4.36m for the front building and circa 4.88m for the open sided building which overlooks Moynehall Retail Park.

8.3 Mr. O'Doherty confirmed that the only matter in dispute regarding the Rateable Valuation was the classification and value applied to the open sided structure. Mr. O'Doherty stated in his opinion the structure was enclosed on 3 sides and that it was a modern purpose built structure designed for the purposes of storing and displaying farm machinery and differed in all respects to a canopy as described by Mr. Halpin.

8.4 Mr. O'Doherty had stated that following Representations made after the proposed Valuation Certificate was issued, the Valuation was reduced from €37,200 to €30,400 as a consequence of amending the property categorisation from showroom, workshop and a yard to one describing the property as two separate buildings, one a store and workshop plus a larger store that was open on one side.

8.5 Mr. O'Doherty outlined 3 Key Rental Transactions (See Appendix 1 – N/A to public) in support of the Valuation applied, the first of which was another farm machinery business located in Bailieboro, Co. Cavan where the workshop was assessed at a higher level than the subject.

8.6 Mr. O'Doherty offered 9 comparisons for Net Annual Value outlined in the table below to support the Valuation adopted by the Commissioner

	Property No.	Description	Location	Valuation	NAV SQ.M
1	2214626	Workshop and offices.	15a/5 Dublin Road, Cavan, Co. Cavan.	€6,600	€37
2	2198270	Warehouse and offices.	7d/3 Oldtown, Moynehall, Cavan, Co. Cavan.	€32,900	€27
3	2172802	Factory and offices.	1f/2b Moynehall, Cavan, Co. Cavan.	€50,700	€27
4	1990344	Warehouse and offices.	6aa Moynehall, Cavan, Co. Cavan.	€42,700	€27
5	2214623	Workshop and Store.	15a/2 Dublin Road, Cavan, Co. Cavan.	€3,530	€37
6	1557736	Workshop and Store.	15a Dublin Road, Cavan Co. Cavan.	€3,310	€37
7	1990291	Warehouse and factory.	The Green, Kilnaleck, Co. Cavan.	€92,500	€8.50

8	1990328	Warehouse and open canopy	14a Crumlin, Moynehall, Cavan, Co. Cavan.	€37,600	€1.60
9	1989464	Grain Mill and warehouse.	1aa.2 Shinan, Shercock, Bailieboro, Co. Cavan.	€42,300	€16

8.7 Mr. O’Doherty emphasised the Commissioner had taken a very reasonable approach in proposing the Net Annual Value and had already agreed to a substantial reduction following Representations from the Appellant to re-classify the large open sided store from a showroom to store. Despite, the fact that the building was used for the storage and display of farm machinery for sale. The property was situated in prominent location overlooking Moynehall Retail Park with good profile to the Ballinagh Road.

## **9. SUBMISSIONS**

9.1 There were no Legal submissions by either party.

## **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 Cavan County Council.

10.2 Having heard the evidence from both parties describing the subject property and having seen the photographs produced by the parties, the Tribunal finds that the store which is the subject of the Appeal is an open sided store and not a canopy as described by the Appellant.

10.3 The Tribunal determined that the store in question was a good quality, modern, steel frame structure, purpose built for the storage and display of farm machinery.

10.4 The Tribunal finds no reason to disagree with the Appellants assertion that the property was a unique structure within Co. Cavan. However, in the view of the Tribunal the property is not unique in terms of its potential application for alternative uses in that the property could be adapted for uses such as builders merchants, farm supplies, fuel merchants, used car sales amongst other businesses.

10.5. The Tribunal finds that the Appellant failed to prove their case in that they failed to offer any open market rental evidence and the two tone of list comparisons were not of a similar nature to the subject property in terms of specification and location.

10.6. The Tribunal finds that the Respondent did offer good comparison evidence in the key rental transactions and tone of list NAV comparisons to support the Rateable Valuation proposed by the Commissioner and that “correctness of value” had been established in this case.

### **DETERMINATION:**

Accordingly, for the above reasons, the Tribunal disallows the appeal and confirms the decision of the Respondent to set the Rateable Valuation at €30,400.