

**Appeal No: VA17/5/081**

**AN BINSE LUACHÁLA  
VALUATION TRIBUNAL**

**AN tACHTANNA LUACHÁLA, 2001 - 2015  
VALUATION ACTS, 2001 - 2015**

**JOHN DALTON & SONS LTD**

**APPELLANT**

**AND**

**COMMISSIONER OF VALUATION**

**RESPONDENT**

**In relation to the valuation of**

Property No. 210231, Industrial Uses at Local No/map Ref: 4Ba, Talbotsinch (Pt of), Kilkenny, County Kilkenny.

**B E F O R E**

**John Stewart – FSCSI, FRICS, MCI Arb**

**Deputy Chairperson**

**Frank O’Grady – MA, FSCSI, FRICS, FIABCI**

**Member**

**Caroline Murphy - BL**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL  
ISSUED ON THE 17<sup>TH</sup> DAY OF OCTOBER, 2018**

**1. THE APPEAL**

1.1 By Notice of Appeal received on the 4<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 €397,000.

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 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 as shown by rent for comparable properties.”*

*“The subject property is comprised of a large number of grain stores of varied construction types. The original buildings (1960s) are single skin workshops with asbestos roofs, whilst the majority of the remainder are single skin (1990s/2000s) structures. Grain stores by their nature are basic buildings designed primarily to keep the weather off grain.”*

*“The level of value (€25/m<sup>2</sup>) applied by the Commissioner takes no account of the age and variety of the building types and seeks to value the entire complex at a flat industrial rate. This approach is flawed.”*

*“A large number of buildings on site are used solely for storing the occupiers own grain from their own land. This factor should be taken into account in the valuation.”*

*“The values suggested are also out of line with those applied in other comparable grain complexes some of which have superior buildings.”*

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €154,700.

## **2. REVALUATION HISTORY**

2.1 On the 11<sup>th</sup> day of May, 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 €143,500.

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 increased to €397,000.

2.3 A Final Valuation Certificate issued on the 7<sup>th</sup> day of September, 2017 stating a valuation of €397,000.

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, 2017.

## **3. THE HEARING**

3.1 The Appeal proceeded by way of an oral hearing held in the offices of the Valuation Tribunal at Holbrook House, Holles Street, Dublin 2, on the 23<sup>rd</sup> day of July, 2018. At the hearing the Appellant was represented by Mr Eamonn Halpin BSc (Surveying), MRICS,

MSCSI of Eamonn Halpin & Co Ltd and the Respondent was represented by Mr Terry Devlin BSc, MSCSI, MRICS 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 Freshford Road, approx. 2 km. north of Kilkenny City on the edge of Kilkenny urban environs adjoining a mainly agricultural area.

4.3 The property is a grain storage and processing complex on a 5 hectare (12.35 acre) site comprising 20 different buildings constructed on a piecemeal basis between 1959 and 2015. The major part of the complex was constructed in the 1960s and is of single skin corrugated asbestos sheeted roofing with reinforced concrete walls and the later buildings comprise a mixture of double skin corrugated asbestos/metal deck roofs and reinforced concrete walled construction. They are generally basic structures with limited or no services, heating or lighting.

4.4 The overall floor areas were agreed between the parties;

Warehouse/stores including ‘shop’ and offices	15,123.92 sq.m.
Mezzanine)	<u>442.89 sq.m.</u>
Additional items as agreed;	
silos / plant	€15,355
weighbridge	<u>€ 1,800</u>
	€17,155

4.5 We are advised that the property is freehold and owner occupied.

#### 5. ISSUES

5.1 The matter at issue is quantum.

5.2 The Appellant claims that the valuation is excessive and unequitable and should be set at €154,000 to reflect the age, nature and size of the buildings in the complex.

5.3 The Respondent states that the valuation of €397,000 is in line with the Tone of the List for Kilkenny County Council and requests the Tribunal to affirm same in accordance with the valuation Acts.

## **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. Halpin for the Appellants adopted his precis and described the location of the complex on the outskirts of Kilkenny City and stated how over the years the City had grown and expanded out the Freshford Road to almost surround the property. He commented on the growth of the business since 1959 and the development of the complex to 15,500 sq.m. (166,780 sq. ft.) to become one of the largest industrial holdings in Kilkenny, with the only major exception being the Glanbia factory in Ballyragget.

7.2 He stated that it would be difficult to find a hypothetical tenant who would rent the entire complex in one lot due to the size and disjointed layout of the buildings. He stated that in his opinion the excessive size of the complex 15,500 sq.m. would require a substantial discount on market rents, for quantum, to attract any interest.

7.3 Mr. Halpin took issue with the Commissioner on the urban / rural or city and county divide/attitude in assessing the NAV and stated that the rating authority for the area was singular in all the county of Kilkenny and that there should be no city rents and county rents particularly for an agricultural based operation.

7.4 He introduced 3 market comparisons to support his claim for a reduction (Appendix 1, N/A to public);

**1. Kilkenny Road, Bennettsbridge, Co. Kilkenny. PN 215184**

Part of the former Glanbia grain stores/workshop, in 4 units with a total area 2,153 sq.m available in lots 338 sq.m. – 816 sq.m. He stated that it was similar to the poorer buildings on the subject complex.

Quoting rent €6.50/ sq.m but reported as subsequently let but no details provided.

NAV €37,390. Based on €17.00/sq.m for offices/stores/workshops.

**2. Units O & D, Textech Factory, Purcellsinch Business Park, Kilkenny. PN210046**

Part of the former Fieldcrest factory, a purpose-built IDA factory, now divided into smaller units. Total area 4,145 sq.m. office/warehouse and reported at €13.45/sqm with a total rent of €55,750/pa and based on a 2012 letting reported in the commercial lease register.

The NAV of €144,600 according to the evidence adduced appears to be made up of levels of €35.00/sqm for modern office and warehouses with €7.0/sqm for mezzanine stores.

**3. Unit 5, Purcellsinch Business Park, Kilkenny PN 210050**

This property comprised a modern terraced industrial unit also located in the Fieldcrest estate and comprised an office and warehouse building. The letting details which had been sourced from the Valuation Office referred to a 3-year letting from 1<sup>st</sup> June 2014 at €20,000/pa for 855.78sqm. The NER devalued to €17,249.13 or €20.16/sqm

Mr. Halpin stated that the Valuation Office had an NAV €38,500 for the same property.

He deduced from these comparisons that the case for quantum had been proven as a unit below 1,000sqm had a level of €20.00/m<sup>2</sup> whereas a unit more than 4,000sqm had a level of €13.50/m<sup>2</sup>. He further stated that in his opinion the quality of the Purcellsinch units was significantly superior to the subject property which in effect comprised agricultural sheds.

7.5 He stated that the evidence provided shows that the Commissioners approach to valuation clearly conflicted with the rents achieved.

7.6 Mr Halpin also provided five Tone of the List comparisons:

**1. Cemex, Castlecomer Road, Kilkenny** **PN 206237**

Located 1.5 km from subject with good high bay storage facilities.

Office/ stores 1,521 sq.m. with weighbridge and large yard.

The offices/stores and workshop had a NAV of €15.00/sqm. He further commented that this property was located property 1.5 km from the subject property and comprised good quality high bay storage facilities. He argued that the best buildings on the subject site should not be valued higher than this level-€15.00/sqm.

NAV €93,700.

(Mr Halpin confirmed that the plant element only was on appeal and that no challenge had been raised in relation to the buildings.)

**2. Rednut Complex, Gowran, Co. Kilkenny.** **PN 2166232**

This property comprised a modern animal feed warehouse, 9,291 sq.m. in one single entity and included a weighbridge. The warehouse and offices had a NAV of €14.0/sqm. Mr Halpin stated that in his opinion the hypothetical tenant was unlikely to pay more than this level for the subject property.

NAV €133,900.

**3. Brett Brothers, Kilkenny Road, Callan, Co. Kilkenny. PN 191536**

Mr Halpin stated that in his opinion this property comprised a similar complex to subject one however it contained more modern buildings and some high bay units. The offices store and main warehouse had a NAV of €15.00/sqm and a smaller warehouse had a NAV of €18.00/sqm. Mr Halpin stated that this property was also constructed on a piecemeal basis and while being fairly similar to the subject property some of the warehouse elements had an exceptional eaves height. He further argued that this property was substantially smaller than the subject property and consequently a deduction for quantum could be applied to the NAV for the subject property.

NAV €115,300

**4. Former Ormond Brick Factory, Castlecomer, Co. Kilkenny. PN 199326**

This the property comprised the former Ormond Brick Factory a purpose-built factory c.1970. This property has been unoccupied since 2007 and comprises a single building and the store and warehouse had a NAV of €17.00/sqm.

NAV €121,900.

**5. Former Comerama Mills, Castlecomer, Co. Kilkenny PN 199334**

This property comprised a former IDA factory, built c.1980 and Mr Halpin stated that to his knowledge it had been vacant for over 15 years. It comprises a warehouse of 10,672.28 m<sup>2</sup> and had a NAV of €20.00/sqm

NAV €213,445.

7.7 In addition to the above Mr. Halpin commented on the former Braun factory in Carlow, which comprised 21,367 sq.m of high spec buildings which sold in June 2015 for €1,300,000 and is now to rent seeking offers of €150,000 pa or €7.00/sq.m. He stated that the size of the unit and the state of the market confirmed the need to discount rent to achieve lettings.

7.8 In summary Mr. Halpin was of the opinion that a letting of the complex to a single hypothetical tenant at the valuation date would be impossible and as there was no open market rental evidence for similar properties, and rents from smaller properties must be considered

and adjusted to allow for size, nature of construction, age etc. He referred to the Dunnes Joinery Ltd. case (VA 17/5/048) heard Sept.2017 to support his case for quantum on large and unique properties.

7.9 In conclusion Mr Halpin argued for two possible methodologies-one (a)based on differentiating for the types and ages of buildings or alternatively (b) adopting an overall level.

Method (a)

<b>Description</b>	<b>Size M<sup>2</sup></b>	<b>Rate/M<sup>2</sup></b>	<b>Totals</b>
Double skin modern construction	2,052	€15.00	€30,780
Single skin construction(modern)	7,576.56	€10.00	€75,766
Single skin construction (old) c.1960/70-galvinised iron/asbestos sheeting	4,578.14	€5.00	€22,891
Office/shop	778.3	€15.00	€11,675
Open sided	138.92	€2.50	€347
Mezzanine	442.89	€2.00	€885
Agreed items-plant /silos			€15,355
Total NAV			€157,699
Weighbridge			€1,800
Agreed items-plant /silos			€159,499 Say €159,500

Method (b)

<b>Description</b>	<b>Size M<sup>2</sup></b>	<b>Rate/M<sup>2</sup></b>	<b>Totals</b>
Industrial	15,123.92	€9.00	€136,115
Mezzanine	442.89	€1.80	€797
Agreed items-plant /silos			€15,355
			€152,267
Weighbridge			€1,800
Agreed items-plant /silos			€154,067 Say €154,000

7.10 In conclusion the appellants stated that the subject property comprises a grain storage complex constructed in a piecemeal fashion between 1959 and 2015. They state that most of the buildings in the front section facing the road were constructed in the 1960s with the majority to the buildings to the rear of the site constructed c.2000. The appellants have argued that it would be very difficult to complete a letting of the entire premises to a single occupier at the valuation date due to the number of large vacant premises in the area. They further state that there is no open market rental evidence for properties of this size and determining a market rent is further complicated by the variety and age of the different buildings. They refer to their comparisons which state that a level of approximately €6.50 per square metre in Bennettsbridge establishes a base level rising to €20 per square metre for top of the range accommodation in Purcellsinch. Accordingly, the appellant's developed an approach whereby they attributed €15.00/M<sup>2</sup> for the best double skinned space and office/shop accommodation; €10.00/ M<sup>2</sup> for modern single skin accommodation and €5.00/M<sup>2</sup> for the poorest/oldest single skin accommodation, with a rate of €2.00/ M<sup>2</sup> for mezzanine accommodation.

7.11 They argued having reviewed the tone of the list that most comparable properties valued by the Commissioner were at €14/15.00M<sup>2</sup> but maintained that these levels should be reduced to €9.00M<sup>2</sup> to account for quantum and superiority. They also took issue with the Commissioners approach to the shop and disputed that any premium should apply as they claim converting a roller shutter to a glazed frontage does not materially change the character of the premises.

7.12 In conclusion, however the appellants were of the opinion that method (a) is more appropriate as it differentiates between the types of constructions on the site and takes account of the wide ranges of types and ages and consequently they are of the opinion that the total NAV should be €159,500.

7.13 During the course of cross examination Mr. Halpin confirmed that all the buildings were capable of being used. He said that a complicating factor is the fact that the subject property is located in a farmyard used for farm business during busy parts of the farming year. He said the buildings were fit for purpose. Mr. Devlin asked Mr. Halpin if he accepted that the subject property's location was in Kilkenny urban area. In reply Mr. Halpin stressed that as the business grew the city also expanded out towards the subject property and their grain growing clients now have to come into the city environment which is possibly a disadvantage. In relation to Mr. Devlin's contention that the balance of buildings or 63% are modern Mr. Halpin said he had not done the calculation but said that some of those buildings are single skin and would command a lower rental income for alternative use. Mr. Devlin questioned Mr. Halpin in relation to the shop noting that it had been re-roofed and he contended that it is a retail warehouse. Mr. Halpin in reply gave evidence that farmers purchased fence posts, weed killer and fertiliser from it and that it was an agri-shop. Mr. Halpin said calling it a shop was harsh. Mr. Devlin put it to Mr. Halpin that the buildings were purpose built to store grain. Mr. Halpin said they were not standard industrial units and that they are fully fit for purpose but could not be used for IDA uses. Mr. Devlin put it to Mr Halpin that there was one tone for the city and one tone for the county. Mr. Halpin replied that he did not accept this contention. He was asked if he accepted that there was a higher standard in the urban area and he said he did not. He repeated that the sheds had been built with grain storage in mind and that they were only suitable as basic stores. He said that there is a lot of grain growing across the county and that being located close to the city could be a disadvantage. Mr. Halpin said that if a purpose-built IDA building was valued at less than €20.00 M<sup>2</sup> how could the subject

property be worth more than that. Mr. Devlin said all the Appellant's comparisons were rural and in reply Mr. Halpin stated that this didn't stop them from being comparable. He said Rednut has no particular advantage and it is in Kilkenny urban area. In relation to the tone of the list comparisons Mr. Halpin said the subject property had been built as grain stores which were low value and that like for like comparisons had not been made by the Commissioner.

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

8.1 Mr. Devlin for the Respondent adopted his precis and contended for a NAV of €397,000. He stated that the property was 3 km from Kilkenny City and in the Kilkenny urban district. The floor areas, accommodation and title were agreed. He also stated that 63% of the buildings were modern, that the farm shop was a retail warehouse and that the yard areas were not valued separately but had been included with the buildings.

8.2 He stated that the buildings were purpose-built for grain storage and were fit for purpose with thick walls. Several photos of the complex were produced in evidence.

8.3 To support his case Mr. Devlin relied on 6 items of market information (Appendix 2, N/A to public). In this case the property valuation level was set at €25.00 /sq.m. to arrive at the NAV;

1. Loughboy Industrial Estate, Kilkenny.

Retail warehouse 334 sq.m. older type industrial warehouse.

NER €14,550 which provided a rate of €43.53/M<sup>2</sup> and was valued at €42.00/M<sup>2</sup>.

NAV €14,030.

2. Hebron Industrial Estate, Kilkenny.

Detached office/warehouse 332sq.m.in Kilkenny City.

NER €13,650 which provided a rate of €41.08/M<sup>2</sup> and was valued at €35.00/M<sup>2</sup>

NAV €11,630

3. Purcellsinch Business Park, Kilkenny.

Refurbished office/warehouse 855.78 sq.m.

NER €17,249.13 which gave a rate of €20.16/sqm however the NAV was determined at €45.00/M<sup>2</sup>

NAV €38,500.

4. Hebron Business Park, Kilkenny.

Detached office/warehouse 166.97sq.m.

Rent was €10,731 and the NER was €10,179.75 which gave a rate of €60.79/ M<sup>2</sup> and was valued at €50.00/M<sup>2</sup> for the workshop & offices and €60.00/M<sup>2</sup> for the showroom.

NAV €9,190.

5. Hebron Business Park, Kilkenny.

Detached warehouse 262.40sq.m.

NER €7,000 which gave a rate of €20.59/ M<sup>2</sup> and was valued at €45.00/M<sup>2</sup> for the warehouse and the mezzanine at €9.00.M<sup>2</sup>

NAV €12,970.

6. Hebron Business Park, Kilkenny.

Rent was €8,400 and the NER was €6,306.21 which gave a rate of €40.68/ M<sup>2</sup> and was valued at €40.00/M<sup>2</sup>

Detached warehouse 155sq.m.

NAV €6,200.

8.3 In addition Mr. Devlin submitted 10 NAV comparisons to support his case:

1. Wolfe Tone Street, Kilkenny.

Office/stores/warehouse 3,898.53 M<sup>2</sup> @ €25.00/ M<sup>2</sup> .

NAV €97,400.

2. Thomas Street, Kilkenny

Cold room 440.90 M<sup>2</sup> @ €33.55/ M<sup>2</sup>

Workshop/office/store/workshop 2,582.2 M<sup>2</sup> @ €25.00/ M<sup>2</sup>

Workshop mezzanine 31.50 M<sup>2</sup> @ €5.00/ M<sup>2</sup>

Tanks €1,278.95

NAV €80,700.

3. Middleknock, Kilkenny.

workshop 2,693 M<sup>2</sup> @ €25.00/ M<sup>2</sup>

NAV €67,300.

4. Mr. Price, Kells Road, Kilkenny.

Detached warehouse, office and stores. 2,440.7 M<sup>2</sup> @ €25/ M<sup>2</sup>

NAV €61,000.

5. Heat Merchants, Middleknock, Kilkenny.

Offices/warehouse 1,080.92 M<sup>2</sup> @ €25.00/ M<sup>2</sup>

Showroom 775.81 M<sup>2</sup> @ €30.00/ M<sup>2</sup>

Store 118.13 M<sup>2</sup> @ €12.50/ M<sup>2</sup>

Yard 523.70 M<sup>2</sup> @ €2.50/ M<sup>2</sup>

NAV €53,000.

6. Parliament Street, Kilkenny.

3 storey workshop. 1,830 M<sup>2</sup> @ €25.00/ M<sup>2</sup>

NAV €45,700.

7. Lowry's, Parnell Street, Kilkenny.

Showroom 1,312.36 M<sup>2</sup> @ €30.00/ M<sup>2</sup>

Store & office. 355.67 M<sup>2</sup> @ €25.00/ M<sup>2</sup>

Store 459.14 M<sup>2</sup> @ €5.00

NAV €50,500.

8. New Street Lower, Kilkenny.

Warehouse/office 1,572 M<sup>2</sup> @ €25.00/ M<sup>2</sup> .

NAV €39,300.

9. Goal Road, Parnell Street, Kilkenny.

Showroom 1,287.65 M<sup>2</sup> @ €30.00/ M<sup>2</sup>

NAV €38,600

10. Garden Row, Kilkenny.

Warehouse & store 1,173 M<sup>2</sup> @ €25.00/ M<sup>2</sup>

NAV €29,300.

8.4 Mr. Devlin concluded that in his opinion the property was in the Urban District of Kilkenny and consequently he argued that this location was superior to County Kilkenny and that his evidence supported this opinion as all industrial premises, factories/showrooms were valued at a minimum of €25/sq.m. and he asked the Tribunal to affirm the valuation at €397,000.

Level	Use	Area M <sup>2</sup>	€/ M <sup>2</sup>	NAV
0	Offices	461.44	25.00	€11,536.00
0	Store	7,919.13	25.00	€197,978.25
0	Warehouse	6,743.35	25.00	€168,583.75
0	Weighbridge	1.00	1,800	€1,800
Mezz	Store	442.89	5.00	€2,214.45
	Plant/other silos	100.00	150.00	€15,000
	Tanks	1.00	355.00	€335.00
Total NAV				€397,467.45

**Say €397,000**

8.8 In cross examination Mr. Halpin put it to Mr. Devlin that he could only work with information available and that most of his comparisons comprised of small properties that were not comparable to the subject property. Mr Devlin stated that the rental evidence provided a base for establishing rental values and that this was the only rental evidence available. Mr. Halpin put it to Mr Devlin that there was a difference between a property of 15,000m<sup>2</sup> and 500m<sup>2</sup>. Mr. Devlin replied that rental evidence assisted in determining the appropriate rental levels. Mr. Halpin suggested to Mr Devlin that comparison No. 3 of the Commissioners market rental information at Purcellsinch Business Park was a premier rental example being in a business park and comparison No.. 5 on this list at Hebron Business Park as being too small to provide any meaningful guidance. Mr. Devlin did not accept this suggestion. Finally, Mr. Halpin put it to Mr. Devlin that the Rednut and Brett's properties put forward by the Appellant provided relevant rental evidence to which Mr. Devlin replied that relevant rental evidence was located in Kilkenny city.

## **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 Kilkenny County Council.

10.2 The Tribunal has examined the particulars of the property and considered the written and oral evidence adduced by Mr. Halpin on behalf of the Appellant who contended for a revised valuation of €159,500 and Mr. Devlin on behalf of the Respondent who sought confirmation of the revision managers determination of €397,000 NAV as fair and equitable.

10.3 The Tribunal noted the location of the subject property, it's position on the outskirts of the city environs and the fact that residential development was expanding in the direction of the property. However, no evidence was provided to show a demarcation line in rental value terms between the Urban District Council and the County Council areas and Kilkenny is a single rating authority. The Tribunal has noted that the subject property is substantially agricultural in terms of construction, use and nature and it has taken this into consideration in arriving at its decision.

10.4 The Tribunal finds that the sizes of the rental comparisons relied upon by the Commissioner were too small to be of assistance and were not comparable to the subject property (varying from 155 M<sup>2</sup> to 855 M<sup>2</sup>) and were generally in better condition.

10.5 The rental comparisons provided for larger premises were limited but still of assistance to the Tribunal in arriving at its determination.

10.6 The Tribunal has accepted that the NAV evidence provided by the appellants was more comparable to the subject property, whereas the NAV comparisons provided by the respondents referred to higher quality fully serviced premises in better locations.

10.7 It has also accepted that the large number of substantial vacant or unused premises in the county administrative area does have a negative effect on rental values. This is particularly so when considering large grain storage buildings which have very limited alternative uses due to the lack of services, such as lighting, heating and toilet accommodation. Many were open fronted and consequently cannot be secured.

10.8 The Tribunal is of the opinion that a generic rate across the city / council area, in this case €25.00/sq.m., for varying building types, structures and users should be tempered with a “step back and look approach” to ensure fairness and equity. Taking account of the quality of the subject buildings the Tribunal finds that the scale, quality and nature of the buildings would limit demand for these buildings.

10.9 The Tribunal has considered the evidence adduced and the state of the market for large industrial premises in Kilkenny as well as the standard and type of construction. It is not persuaded that a particular reduction for quantum should apply however it finds that the various buildings should be valued on a basis appropriate to their age and construction. The Tribunal has accepted the schematic of floor areas as provided by the Appellants.

**DETERMINATION:**

Accordingly, for the above reasons, the Tribunal allows the appeal and decreases the valuation of the Property as stated in the valuation certificate to €203,500.

Calculated as follows:

<b>Description</b>	<b>Size M<sup>2</sup></b>	<b>Rate/M<sup>2</sup></b>	<b>Totals</b>
Double skin modern construction	2,052	€17.50	€35,910
Single skin construction(modern)	7,576.56	€12.50	€94,707
Single skin construction (old) c.1960/70-galvinised iron/asbestos sheeting	4,578.14	€7.50	€34,336.05

Office/shop	778.3	€25.00	€19,457.50
Open sided	138.92	€2.50	€347.30
Mezzanine	442.89	€3.50	€1,550.11
Agreed items-plant /silos	agreed		€15,355
Weighbridge	agreed		€1,800.00
			203,462.96
NAV			Say €203,500

And the Tribunal so determines.