Appeal No: VA23/5/1098

AN BINSE LUACHÁLA
VALUATION TRIBUNAL

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

OLD HEAD INVESTMENTS LTD **APPELLANT**

and

TAILTE ÉIREANN **RESPONDENT**

In relation to the valuation of
Property No. 1359377, Hospitality at Local No/Map ref: 1AB3BA Old Head, Louisburgh, Westport, County Mayo.

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 10TH DAY OF AUGUST 2026

BEFORE
Allen Morgan - FSCSI, FRICS **Member**

1. THE APPEAL

1.1 By Notice of Appeal received on the 19th day of October, 2023 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 €24,000.

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: *"(a) The Valuation is Incorrect"*

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €8,000.

2. RE-VALUATION HISTORY

2.1 On the 23rd day of September, 2022 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 €24,000.

2.2 A Final Valuation Certificate issued on the 15th day of September, 2023 stating a valuation of €24,000.

2.3 The date by reference to which the value of the Property, the subject of this appeal, was determined is 1st day of February, 2022.

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 The Tribunal notes that the Appellant, Mr. Kieran Lydon, Director Old Head Investments Ltd., is representing himself in undertaking this appeal.

3.3 The Tribunal notes that Mr. Oliver Parkinson, valuer is representing the Respondents, Tailte Eireann,

3.4 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 Based on the evidence adduced by the parties, the following facts are agreed (or not contested).

4.2 LOCATION

Oldhead, is a townland and coastal area near the village of Louisburgh in Co. Mayo. It's located on the shore of Clew Bay and about 3-3.5km Northeast of Louisburgh and approx. 19km west of Westport on the R335 road.

4.3 DESCRIPTION

The subject, a former hotel, is located in Old Head near Old Head beach and set back approx. 1km from the R335 which connects Louisburgh to Murrisk and are the nearest towns to the subject and located approx. 3km/9km respectfully.

The business, originally established by the Appellant's late parents in the early 1970's, initially operated as a small hotel, the Old Head Hotel. In the mid-1990's it was converted to self-catering accommodation, consisting of 5 self-contained units. Of the original hotel what remains trading now is the Pub, consisting of Bar, Pool room, WCs and Store.

There is also separate three bed accommodation located in front of the subject which forms part of the relevant property.

There is a caravan park in immediate proximity to the subject, which is separately valued under PN 1359378. The parties have now confirmed to the Tribunal in response to a subsequent query, that this property, is not connected to or associated with the subject property under appeal.

The subject trades from June to August.

Condition
The subject is stated to be in good condition throughout.

Floor Areas (stated by Respondent not to be in dispute.) Areas identified in Respondents precis by a hand-drawn unscaled plan for general identification purposes only.

Block	Level	Use	Length	Breadth	Multiply	Total Area (sqm)
a	0	Bar	5.04	12.04	1	80.88
b	0	Bar	11	15.04	1	165.44
c	0	Bar	11	0.7	1	7.70
d	0,1	Accommodation	11.6	5.9	2	136.88
e	0,1	Accommodation	8.8	9.1	2	160.16
f	0,1	Accommodation	8.1	17.9	2	289.98
g	0,1	Accommodation	8.1	8.9	2	144.18
h	0,1	Accommodation	16	7.6	2	243.20
i	0	Accommodation	4.9	5.3	1	25.97
j	0	Accommodation	9.1	2.7	1	24.57
k	0,1	Accommodation	8.8	3.2	2	56.32
l	0,1	Accommodation	4.2	3	2	25.20
m	0	Accommodation	1.2	5.3	1	6.36
n	0	Accommodation	1.1	2	1	2.2
Total Area						**1 348.84**

Title: The subject property is understood to be held in freehold.

Valuation date: 1st February 2022

5. ISSUES

The issue under appeal is one of Quantum.

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
(see Appendix A at rear, N/A to public)

7.1 Summary of the Grounds of Appeal in the Notice of Appeal

1. The valuation is incorrect.
2. Appellants opinion of NAV: As per summary in the Grounds of Appeal and identified in the Notice of Appeal dated 19.10.2023: €8,000;

7.2 Summary of the Grounds of Appeal contained in the Appellant's Précis

1. The subject is only open in the summer months.
2. Rural location

7.3 Summary of Evidence relied upon by the Appellant

1. No NAV or KRT evidence provided in support of the NAV appeal figure of €8,000.

1. Internal and external photos of the subject to include the car park and roads.
2. Maps and location of the subject.

8. RESPONDENT'S CASE
(see Appendix B at rear, N/A to public)

8.1 Mr. Oliver Parkinson, valuer stated that in his opinion the valuation of the subject property had been conducted in accordance with the provisions of the Valuation Act 2001, as amended. He stated that the Net Annual Value (NAV) of the property had been estimated in accordance with Section 48 of that Act and the requirement to:

"achieve both (insofar as is reasonably practicable) (a) correctness of value and (b) equity and uniformity of value between properties on that valuation list"

as required by section 19(5) of the 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 expected to let from year to year, on the assumption that the probable average 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 and charges (if any) payable by or under any enactment in respect of the property, are borne by the tenant.

The actual rent for any individual property may be material in deriving that estimate but is not in itself conclusive of Net Annual Value (NAV) in the context of Section 48 and section 19(5). Accordingly, the estimate of value arrived at for this property is what a hypothetical tenant would pay by way of rent in accordance with section 48, which is not necessarily what any particular tenant is paying."

8.2 **Revaluation Milestones of the Subject Property listed by Mr. Parkinson**

1st February 2022: Valuation Date

- 23rd. September 2022. Proposed Valuation Certificate Issued - €24,000
- 15th. September 2023. Valuation Certificate Issued - €24,000
- 19th. October 2023 Valuation Tribunal Appeal Lodged - Occupier
- 14th. May 2025 Lease / Trading Data Requested
- 11th. December 2025 - Appellant Précis Received
- 9th January 2026 - Respondent Précis Submitted

Mr. Parkinson stated that no representations were made on the subject property.

He cited the following reasons for the appeal as identified by the Appellant:

1. The subject was only open in the summer months.
2. The rural location of the subject.
3. That the Appellant's witness was aware of several other seasonal businesses in the locality that he had contacted who had told him they also believed their properties had also been unfairly assessed for rates. Neither the properties nor the ratepayers referred to were identified.

Mr. Parkinson stated that his précis would address the issues raised by the Appellant as above and the evidence adduced in support of these grounds.

Mr. Parkinson stated that no specific figure of quantum had been provided by the Appellant. He also noted the following Evidence relied upon by the Appellant

1. Internal and external photos of the subject to include the car park and roads.
2. Maps and location of the subject.

8.3 **Mr. Parkinson's Response to the Appellant's Evidence**

He stated that Mr. Lydon, Director of Old Head Investments Ltd., the Appellant's witness, had not provided any comparable evidence to support his opinion of value of €8,000 as stated in the Notice of Appeal. This he stated was contrary to Rule 36 (d) of the Tribunal Rules 2019 which states the following:

> *"36. The appellant's précis must include the following documents: (a) where appropriate, a copy of the relevant valuation certificate or notification of the valuation manager or revision manager. (b) a copy of any written record of the decision appealed. (c) a copy of the notice of appeal to the Tribunal. (d) maps and photographs of the property the subject of the appeal and of all comparator properties relied upon. Photographs must be dated and titled. Maps must be to scale, with north-point, road names, the property the subject of the appeal and the comparator properties clearly marked."*
>
> In the Valuation Tribunal Appeal Ref VA 20.1.0016 Maguire Dental Vs Commissioner of Valuation, the Tribunal affirmed the valuation of the Commissioner. In its Judgement, under section 10.4 findings and conclusions, the Tribunal stated the following under point.
>
> *"10.4 While the Tribunal is cognizant of the fact that lay Appellants do not always have the technical insights or on occasions the resources of the Respondent, they are nonetheless bound by the rules of the Valuation Tribunal. In this case the Appellants did not provide any comparable evidence, nor did they provide any valuation methodology to support their claim."*

During the appeal process, Mr. Parkinson acknowledged that the Appellants had provided financial information regarding both the Bar and the Room Sales. Whilst he stated that this information was not included in the Appellant's Statement of Evidence, he had included this evidence in his precis.

8.4 **Respondent's Opinion of Value**

Mr. Parkinson stated that he had investigated all of the particulars of the appeal, considered both the grounds and the evidence of the appellant, and had agreed any matters of fact which were in dispute.

Mr. Parkinson stated that in his opinion the property had been valued in accordance with Sections 48 and 19 (5) of the Valuation Act 2001 as amended. Taking all of the foregoing into account, he stated that he was of the opinion that the correct NAV for this property is € 15,630, arrived at on the following basis:

Use	EST FMT	Rate	NAV
Drink Sales	137,600	0.07	€9,632.00
Room Sales (per Bedroom)	12	€500	€6,000.00
Total NAV			€15,632.00
NAV, Say			**€15,630.00**

Mr. Parkinson noted that the subject closes for 9 months in the year, as stated in their statement of evidence. Therefore, the turnover is based on 3 months trading, which would affect the trading figures. He noted that the pre-Covid turnover is broadly in line with the post-Covid turnover. Therefore, he stated that he proposed to adjust the FMT figures to include a hypothetical 12-month trading. Taking this into account he stated that he proposed to adjust the FMT on drink sales from €43,000 (rounded) to €172,000 (i.e. 43,000/3*12 = €172,000). However, he also proposed to make a 20% allowance to the drink sales in consideration of its seasonal location which would result in the FMT for drink sales being €137,600 (€172,000 @ 20% reduction) with the self-contained apartments valued on a per room basis in line with the comps. He noted that the room rate appears to range from €500-800 per room. He stated that both of his NAV Comps 1 and 3 are in a town/village location while NAV Comp 2 is in a rural tourist location which is similar to the subject. He stated that taking these facts into accounts he proposed to value the apartments at €500 per room, broken down as 12 bedrooms @ €500 per bedroom equals €6,000. He stated that he believed that €500 per bed was a fair reflection on the subject in consideration of its location.

8.5 **Conclusion**

Mr. Parkinson stated in conclusion, that he affirmed his request that a valuation of €15,630 be entered in the Valuation List as representing the Net Annual Value for the subject property in accordance with Section 48 of the Valuation Act 2001(as amended) and the requirements of section 19(5).

9. FINDINGS AND CONCLUSIONS

9.1 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 Mayo City Council.

9.2 In order to succeed in the appeal, the Appellant must put forward a rationale as to why the valuation for the subject property entered on the valuation list should be altered. This flows from s.35 of the Act which provides:

> 35. – An appeal made under *section 34* shall, as appropriate-
>
> (a) specify –
>
> > (i) the grounds which the appellant considers that the value of the property, the subject matter in the appeal (in this section referred to as 'the property concerned') being the value as determined by the valuation manager or revision manager., <u>is not a determination of its value that accords with that required to be achieved by *section 19 (5)*</u> …. (Tribunal emphasis.)

9.3 The Tribunal relies upon and decides on appeals based on the evidence placed before it. It is a well-established principle that the onus rests with the Appellant to prove his / her case and provide evidence to the Tribunal that the Respondent's valuation of the property in question is incorrect and should be amended. It follows that the Tribunal must consider the nature of the evidence submitted to determine whether it supports the argument advanced on behalf of the Appellant

9.4 The précis, appendices, commentaries evidence adduced by the respective witnesses, Mr. Lydon and Mr. Parkinson have all been considered by the Tribunal in arriving at this Determination, which can only set out a summary of the evidence placed before the Tribunal. The fact that the Tribunal does not make specific reference to any particular document, argument, submission or piece of evidence does not indicate that it has not been into taken into account.

9.5 The Appellant's witness, Mr. Lydon, in his evidence, contended that the assessed NAV of his property is excessive because of the short open season, its rural location away from urban centres, and that compared to urban centres, businesses local in rural settings receive little attention from the council in terms of public services such as street lighting, footpaths, and other urban council maintenance services.

9.6 The Tribunal notes that the Appellant's witness, in his written evidence, did not seek to introduce either specific comparator evidence which would have assisted the Tribunal in arriving at a determination or to provide a response/commentary to the evidence submitted by the Respondents witness in support of their contention that their assessment of NAV for the subject is fair both in terms of a) correctness of value and equity and b) uniformity of value between properties on the valuation list.

9.7 The Tribunal notes that no representations were made by the Appellant at Representations Stage.

9.8 The Tribunal notes that Mr. Lydon in his written evidence made reference to a number of local seasonal business in the locality who operated a similar business model to his own. He has stated that they are of the same opinion regarding the level of rateable valuation being applied to the subject and to their own However it was also noted that these were not identified.

9.9 The Tribunal notes that whilst the subject is located in a rural location it is situated on a rural road, off the R335 Louisburgh/Murrisk Road, in close proximity to a local beach on the shore of Clew Bay. Photographs provided by the Appellant show significant parking (including coach parking) both on the grounds of the subject property and along stretches of the narrow local road that leads down to Clew Bay and the beach and harbour a short distance away. From the information provided, this beach appears to be a short-stay/weekend holiday destination in itself. The Appellant categorises this abundance of visitor parking in and around his property as a disbenefit, but it appears likely that such short-term visitors may generate some of the food and beverage trade operating in the bar and restaurant of the former hotel. A similar observation could apply to any business generated by the adjacent mobile home/caravan park.

9.10 The Respondent's witness, Mr. Parkinson in his written evidence identifies comparator properties both in the immediate locality of the subject, as well as further afield, both in urban and rural locations. In the absence of commentary on same by the Appellant's witness, the Tribunal of obliged to accept this evidence presented by the Respondent's witness, Mr. Parkinson, as presented. Had the Appellant opted to provide commentary on the Respondents comparisons it could have been of assistance to the Tribunal.

9.11 The Tribunal notes the commentary provided by the Respondents witness to their KRT and NAV comparisons. The Tribunal notes that the KRTs (2 no.) and their NAV comparators (3 no.), - See Appendix B (N/A to public), - are in the majority, located in urban areas, i.e. local towns, with only two of the five, KRT1 and NAV 2, being situated in very different rural locations. Four comparators had the benefit of having submitted detailed accounts. The details relating to the comparators do not state if they are operating on a seasonal or all year-round basis. None of the 5 comparators were stated to have appealed their assessments.

9.12 The Tribunal, for the reasons already set out above, must accept the details presented by the Respondents as stated. Obviously, a review and commentary by the Appellants could have been of assistance in allowing an examination of more granular details, one example being how businesses operating on a seasonal basis are equated by Tailte Eireann in notional equivalent annual FMT terms. The calculation deployed by the Respondents in the subject case was to take the FMT for 3 months, multiply it by 4 and then apply a 20% discount to arrive at what they regard as a fair annual equivalent of FMT.

10 DETERMINATION:

The Tribunal finds that the Appellant has failed to meet the standard of proof required, as set out in para. 9.3 above. For this reason, the Tribunal disallows the appeal and confirms the decision of the Respondent.

RIGHT OF APPEAL:

In accordance with section 39 of the Valuation Act 2001 any party who is dissatisfied with the Tribunal's determination as being erroneous in point of law may declare such dissatisfaction and require the Tribunal to state and sign a case for the opinion of the High Court

This right of appeal may be exercised only if a party makes a declaration of dissatisfaction in writing to the Tribunal so that it is received within 21 days from the date of the Tribunal's Determination and having declared dissatisfaction, by notice in writing addressed to the Chairperson of the Tribunal within 28 days from the date of the said Determination, requires the Tribunal to state and sign a case for the opinion of the High Court thereon within 3 months from the date of receipt of such notice.