

Appeal No. VA92/2/002

**AN BINSE LUACHÁLA**  
**VALUATION TRIBUNAL**  
**AN tACHT LUACHÁLA, 1988**  
**VALUATION ACT, 1988**

**David Duignam**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Shop, offices and yard at Lot No. 15a, Townland of Townparks (Kilcloony), E.D.  
Ballinasloe Urban, Co. Galway  
Quantum

**B E F O R E**  
**Henry Abbott**

**S.C. Chairman**

**Mary Devins**

**Solicitor**

**Brian O'Farrell**

**Valuer**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 9TH DAY OF SEPTEMBER, 1992**

By Notice of Appeal dated the 6th day of March, 1992, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation on the above described hereditament at £28.

The grounds of appeal as set out in the Notice of Appeal are that "the valuation is excessive, inequitable and bad in law".

**The Property:**

The subject property is situated in a central location on Dunlo Street. It is located diagonally across from Haydens Hotel. It comprises a ground floor retail unit used as a gift shop.

**Valuation History:**

- (a) First valued in 1917 as two separate lots:-  
Lot 15: Description - "Garage, house (pt.of)" R.V. £18.  
Lot 15a: Description - "Recruiting Office (1st Floor)" R.V. £2.00.
- (b) 1920 Revision. Lots amalgamated R.V. £20.00 (Lot 15.)  
 Description - "Garage, ho, offs & yd (in common)".
- (c) 1935 Revision. R.V. increased to £24.00. Description - "Ho, shop, garage petrol tanks, offs & yd (in common)".
- (d) 1935 First Appeal. R.V. reduced to £22.00. No other change.
- (e) 1939 Revision. R.V. reduced to £18.00. Description - "Ho shop offs & yd" - converted to a butchers shop.
- (f) At the request of the Urban Council the subject property was listed for Annual Revision in 1990 to "Value premises extra floor added".  
 The property was divided into four separate lots:-  
Lot 15a Description - "shop offs & yd" R.V. £42.00  
Lot 15b Description - "apartment" R.V. £10.00 (not appealed)  
Lot 15c Description - "apartment" R.V. £16.00 (not appealed)  
Lot 15d Description - "apartment" R.V. £9.00 (not appealed)

- (g) Lot 15a:- 1990 First Appeal - R.V. reduced from £42.00 to £28.00. No other change made.

It is against this R.V. of £28 that the appeal now lies with the Tribunal.

**Written Submissions:**

A written submission was received on the 1st September, 1992 from Mr. Patrick J. Nerney, Rateable Valuation Consultant, Valuer and Auctioneer on behalf of the Appellant. In this submission Mr. Nerney outlined details of the property and said that it comprises a ground floor shop and office store located at Dunlo Street, Ballinasloe. In his submission Mr. Nerney sets out details of the subject premises and the valuation history relating to it. He sets out details of his calculations of Net Annual Value and Rateable Valuation as follows:-

Nett Annual Value

|       |                |                |
|-------|----------------|----------------|
| Shop  | 545 sf @ £7    | = £3,815       |
| Store | 253 sf @ £2.50 | = <u>£ 633</u> |
|       |                | £4,448         |

**R.V.**

N.A.V.            say £4,500 @ 0.4% = £18

Mr. Nerney stated that in calculating the N.A.V. and R.V. he took into account the following factors:-

- 1) The shop is not modern and the rear store is in a rough condition.
- 2) The frontage is less than 14ft.
- 3) Dunlo Street is not a good business location. Business in Dunlo Street has been affected by the building of a relief road some years ago.

- 4) Ballinasloe in common with many other towns has been adversely affected by a downturn in the economy.

Mr. Nerney also refers to the falling rental levels in the vicinity of Dunlo Street and to the vacant premises in the vicinity of the subject premises. In summary Mr. Nerney submitted that the relationship of R.V. to N.A.V. of 0.5% which has been applied by the Commissioner in the subject case is not appropriate and he states that the application of the 0.5% has had the effect of increasing the level of valuation obtaining as recently as 1987 by 25%. In all the circumstances a percentage of 0.4% is more appropriate in this case. No comparisons are offered by Mr. Nerney in his submission.

A written submission was also received from Mr. Patrick Kyne, B.E., a Valuer with 6 years experience in the Valuation Office on behalf of the Respondent. In this written submission Mr. Kyne outlined the details of the property and the valuation history. Commenting on the grounds of appeal Mr. Kyne states that similar grounds were put forward at first appeal stage and that a report was prepared by him for the Commissioner on the basis of which the R.V. was reduced to £42. Mr. Kyne in his submission sets out three comparisons to the subject property in arriving at Net Annual Value and they are tabularised as follows:-

|             | Subject<br>property Lot<br>15a | Lot 16a       | Lot 11      | Lot in 46   |
|-------------|--------------------------------|---------------|-------------|-------------|
| Floor Area  | 798sq.ft                       | 484sq.ft      | 364sq.ft    | 837sq.ft    |
| Frontage    | 15ft                           | 15ft          | 14ft        | 12ft        |
| Rent        | -                              | £5,200 p.a*   | £4,160 p.a  | £5,200 p.a  |
| When Fixed  | -                              | 1990          | 9/7/'87     | 22/6/'89    |
| Term        | -                              | 2 yr. 11 mth. | 35 yr lease | 35 yr lease |
| Zone A Rent | 11.94 sq.ft                    | 11.94 sq.ft   | 13.72 sq.ft | 11.36 sq.ft |
| NAV Nov.    | £5,720 p.a                     | £4,680 p.a    | £4,420 p.a  | £4,940 p.a  |

88

Commenting on the R.V./N.A.V. factor Mr. Kyne stated that in Co. Galway and other adjoining counties 0.5% of Net Annual Value has been agreed between the Commissioner of Valuation and the Rating Consultant. The rating district of U.D. Ballinasloe was valued up to 1988 on a square metre basis but in 1990 First Appeal a factor of .5% of Net Annual Value was agreed between the Commissioner of Valuation and Rating Consultants for U.D. Ballinasloe as it conforms with adjoining rating districts. Agreements at 0.5% of Net Annual Value in 1990 First Appeal in U.D. Ballinasloe are offered as comparisons as follows:-

- 1) Lot 16a Dunlo Street - Description "shop" - R.V. £14.00 - trading as "L & J Fashions"
- 2) Lot 11 Dunlo Street - Description "Ho (apts) shop, offs, yd & sm.gar" - trading as "Cinderella" - R.V. £45.00
- 3) In 46 Dunlo Street - Description "Shop" - R.V. £20.00 -trading as "Burkes Dry Cleaners"

**Oral Hearing:**

The oral hearing took place in Galway on the 8th September, 1992. Mr. Patrick J. Nerney, Rateable Valuation Consultant appeared for the appellant and Mr. Patrick Kyne B.E., a Valuer with 6 years experience in the Valuation Office appeared for the Respondent. Mr. David Duignan also gave evidence.

Mr. Nerney asserted that the location of the subject had lost pre eminence as a business street to Society Street which is at right angles to it. Mr. Duignan stated that the subject was used as a gift shop and that he himself did business as an Insurance Broker at the rear thereof. He stated that he was carrying the giftware business by his insurance business and said that the fall of the dollar seriously reduced the number of Irish American tourists calling to his premises. He stated that the other tourists in the area such as English, French, German and Italian did not tend to purchase the same type of giftware or in the same quantities as the Irish Americans. Mr. Nerney stated that a number of shops had closed in the area and that this did not assist business in the subject premises. In particular Mr. Nerney stated that "Cinderella" premises cited as comparison 2 in Mr. Kyne's submission had closed down. Mr. Nerney indicated that he was not prepared to press strongly on his claim for a R.V./N.A.V. ratio of 0.4%. Mr. Kyne stated that in so far as there was a rental market in Ballinalsoe the rental of the shops generally was governed on the basis that tenants were prepared to give £100 per week with adjustments more or less depending on the particular premises.

The experience with the letting of L & S Fashion even at the reduced rent of £80 per week bears out this view. The Tribunal considers that the subject premises are superior to L & S Fashion to some degree.

While the Tribunal sympathises with the Appellant in relation to the slowing down of the Irish American gift ware market the Tribunal considers that the premises is reasonably well

situated. In view of the fact that the parties are not in the last analysis very far apart the Tribunal considers that the valuation of the premises should remain at £28.