

Appeal No. VA02/2/067

AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tACHT LUACHÁLA, 2001
VALUATION ACT, 2001

Stillorgan Renault

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Office, Showroom, workshop and store at Map Reference: 1/2/5B/1A Stillorgan Industrial Estate, Townland: Blackthorn, Ed: Dundrum Balally, County Dublin
Quantum - access

B E F O R E

Frank Malone - Solicitor

Deputy Chairperson

Frank O'Donnell - B.Agr.Sc. FIAVI.

Member

Patrick Riney - FSCS. MIAVI

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 14TH DAY OF FEBRUARY, 2003

By Notice of Appeal dated the 25 April 2002, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €90.43 on the relevant property described above. The Grounds of Appeal as set out in the said Notice of Appeal are that:

(1) The Valuation is excessive and inequitable. (2) The Valuation is bad in law.

The appeal proceeded by way of an oral hearing that took place in the Arbitration Centre, Distillery Buildings, Church Street, Dublin 7 on the 30th of September 2002. The appellant was represented by Ms. Sheelagh O Buachalla BA, ASCS of GVA Donal O Buachalla and the respondent was represented by Mr. John Kirwan B.Agr.Sc., IAVI, Diploma in Valuation Grade 1 Valuer, Valuation Office. In accordance with the rules of the Tribunal the parties had prior to the commencement of the hearing exchanged their précis of evidence and submitted same to this Tribunal. At the oral hearing both parties having taken the oath adopted their précis as being their evidence in chief. Submissions were also made. From the evidence so tendered the following emerged as being the facts relevant and material to the appeal.

The Property

The property consists of a single storey car showroom with offices and workshop. It is located in Stillorgan Industrial Estate close to the entrance from Kilmacud Road Upper.

The agreed areas are:

Showroom	459.5	sq. m.
Offices	80	sq. m.
Canteen/Parts	563	sq. m.
1 st Floor Offices	48.1	sq. m.
1 st Floor Car Store	287.8	sq. m.

There is also an open mezzanine which was not revised at the revision stage:

Mezzanine	110	sq. m.
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This is also used as access to the first floor offices.

Tenure

The property is held on a 35-year lease with five-year reviews at a rent of £216,000 (€274263.42) per annum. This is an inter company lease between the directors and the Company, Stillorgan Renault Tenant is liable for rates, insurance and repairs.

Appellant's Valuation

The appellant assessed the Rateable Valuation on the premises as follows:

Showroom	459.5 sq. m.	@	€82	=	€37,679
Offices	80 sq. m.	@	€82	=	€6560
Canteen/Workshop	563 sq. m.	@	€36	=	€20,268
1 st Floor Offices	48.2 sq. m.	@	€55	=	€2651
1 st Floor Car Store	287.8 sq. m.	@	€27	=	€7,770
Total NAV	€74,928	@	.63%	=	€472

Mr. Bruce Sorohan, Director of Stillorgan Renault gave evidence as follows:

He stated that the property was bought at the height of the property market in February 2000 for a figure of £3.7 million (€4,698,030) and £750,000(€52,303) was spent on bringing it up to modern car showroom standard with the Renault branding. He stated that in the past twelve months there has been serious changes in traffic flow resulting in loss of business to them, particularly evening business. He said that their service business is also affected and they have to offer collection and delivery as part of the service which results in extra costs.

In her evidence Ms. O Buachalla stated that this was an old premises converted to a car showroom and would not equate to a modern purpose built showroom. She stated that the site was small with poor access and not on a main road. Prior to the assessment of this valuation, the traffic flow was changed which has had a detrimental affect on the car sales business. Ms. O Buachalla referred to Alo Kavanagh Cars (VA01/2/030) and Appleyard Motors both located in Stillorgan Industrial Estate. She stated that the Tribunal relied on Appleyard Motors in making allowances in the Alo Kavanagh appeal for lack of direct access to the main road. She submitted that due to a change of circumstances, this decision is of little or no assistance now. Regarding Appleyard Motors which was revised in 2000/2 revision and has a valuation of €419.01, she said that it was not appealed at the time but is now listed for revision and she stated that this can be of little assistance.

Ms. O Buachalla introduced four comparisons details of which are set out in Appendix 1 to the judgment. She also produced a series of photographs of the subject property and the comparisons. Under cross-examination Ms. O Buachalla stated that the most relevant comparison was Maxwell Motors in Blackrock, it is an old refurbished building and was the most suitable comparison. She also stated that the traffic problems in the industrial estate have seriously worsened since first appeal. Ms. O Buachalla also stated that she did not rely on the passing rent to arrive at her valuation, she relied solely on comparisons.

Ms. O Buachalla raised the issue regarding the inclusion in the respondents submission, of information relating to *without prejudice* negotiations. Following some discussion, Mr. Kirwan agreed that written submissions and oral discussions at first appeal stage are *without prejudice* and should not be used as evidence before the Tribunal.

The Respondent's Case

Mr. Kirwan adopted his précis as his evidence in chief. Mr. Kirwan confirmed that there were 57 car spaces with adequate circulation area. The property was located in a prominent location with a large volume of passing traffic. It is situated on the main distributor road within the Industrial Estate and it consists of a showroom with associated offices workshop and store and an open mezzanine on the first floor, used as offices. Mr. Kirwan stated that the revising valuer did not value the open mezzanine area on the first floor as he regarded this as access to offices. In his valuation Mr. Kirwan has included this mezzanine area as offices.

His valuation was based on two comparisons namely Appleyard and Alo Kavanagh Cars and he assessed the rateable valuation on the subject premises as follows:

Showroom	459.5 sq. m.	@	€5.23 =	€43,758.18
Offices	80 sq. m.	@	€5.23 =	€ 7,618.40
Parts/Canteen/Lockers/Workshop	562.7 sq. m.	@	€50.79 =	€28,579.53
Offices 1 st Floor	48.2 sq. m.	@	€76.18 =	€ 3,671.82
Car Store 1 st Floor	287.8 sq. m.	@	€31.74 =	€ 9,134.77
Open Mezzanine used as offices	110 sq. m.	@	38.09 =	€4,189.90

NAV €6,952.6 @ 0.63% = € 610.80

However he had decided not to increase the revision figure of €90.43 and assessed the rateable valuation at €90.43.

Determination

The Tribunal has considered the evidence presented by Ms. O Buachalla for the appellant and Mr. Kirwan for the respondent and has noted the arguments. It has taken into account the following points:

The property concerned is an old refurbished building.

There are serious problems associated with the change in the traffic flow through the estate.

The subject premises is much larger in area than the two comparisons mentioned by Mr. Kirwan.

Having regard to the foregoing the Tribunal determines the rateable valuation of the subject property to be €16 calculated as set out below:

Showroom	459.5 sq. m.	@	€5.71 =	€9,383.74
Offices	80 sq. m.	@	€5.71 =	€ 6,856.8
Parts/Canteen/Lockers/Workshop	562.7 sq. m.	@	€4.44 =	€25,006.39
Offices 1 st Floor	48.2 sq. m.	@	€5 =	€ 2,651
Car Store 1 st Floor	287.8 sq. m.	@	€28 =	€ 8,058.4
Total NAV				€1,956.33
Rateable Valuation		@	.63% = €16.32	say €16