

Appeal No. VA05/3/021

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

Philip Boyle

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Room(s) at Lot No. 9B/Suite 11 (F2), Galway Clinic, Doughiska, Ballybaan, East,
County Borough of Galway

B E F O R E

Fred Devlin - FSCS.FRICS

Deputy Chairperson

Patrick Riney - FSCS FRICS FIAVI

Member

Michael F. Lyng - Valuer

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 8TH DAY OF DECEMBER, 2005

By Notice of Appeal dated the 12th day of July, 2005 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €100.00 on the above described relevant property.

The Grounds of Appeal as set out in the Notice of Appeal are:

"Excessive and inequitable."

This appeal proceeded by way of an oral hearing held in the offices of the Tribunal, Ormond House, Ormond Quay Upper, Dublin 7 on the 16th November, 2005. At the hearing the appellant was represented by Mr. Desmond M. Killen, F.R.I.C.S, F.R.C.S., I.R.R.V, a director of GVA Donal O Buachalla. The respondent, the Commissioner of Valuation, was represented by Mr. Noel Rooney (Dip. in Environmental Economics), a Valuer in the Valuation Office.

At the outset it was agreed by the parties that this appeal would be in the order of a test case for the appeals listed below:

- **VA05/2/036 – Ray McLaughlin**
- **VA05/3/012 – Dr. K. Clarkson & Others**
- **VA05/3/014 – W B Waldron**
- **VA05/3/016 – P. Gormley, J. Lang & G. Fahy**
- **VA05/3/018 – D Bennett & N O Sullivan**
- **VA05/3/020 – Tiernan O’Brien**
- **VA05/3/022 – Jim Crowley & Verona Hegarty**
- **VA05/3/024 – Geraldine Comer & Frank Kinsella**
- **VA05/3/026 – Taj Shaikh & Javid Butt**
- **VA05/3/028 – Deirdre Grady**
- **VA05/3/030 – Marcia Bell**
- **VA05/3/032 – Pdraig Sheeran**
- **VA05/3/034 – David O’Gorman & John Lee**
- **VA05/3/036 – Oliver McAnena**
- **VA05/3/038 – John Flynn & Niamh Flynn**
- **VA05/3/040 – Joseph Fitzgibbons & Noreen Cowley**
- **VA05/3/042 – Fahim Khan**
- **VA05/3/044 – Michael & Joseph McGrath, Emma Shuddell**
- **VA05/3/013 – Jack Kelly**
- **VA05/3/015 – W Joyce**
- **VA05/3/017 – A. Henry & A. Hermann**
- **VA05/3/019 – Macon Keane**
- **VA05/3/023 – Imran Shariff & Others**

- **VA05/3/025 – CVR Prasad**
- **VA05/3/027 – M Regan, D Lowe, N Flynn, J Laffy, E O’Leary**
- **VA05/3/029 – Ronan Kavanagh**
- **VA05/3/031 – Michael McWeaney**
- **VA05/3/033 – Fidelma Dunne**
- **VA05/3/035 – Irish Healthcare**
- **VA05/3/037 – Mr. Brian O’Murchu**
- **VA05/3/039 – Donal Reddin & David Lappin**
- **VA05/3/041 – Paraic Murray**
- **VA05/3/043 – Fabio Bartolozzo & Brendan Cochlan**
- **VA05/3/045 – David Flaherty & John Mangan**
- **VA05/3/051 – Don Courtney, Denis Quill & Sherif Sultan**

It further agreed that the determination of this appeal would form the basis for determining the rateable valuation of each the above listed properties.

The property concerned in this appeal is one of 36 consulting suites in a four storey block which forms part of the Galway Clinic.

The Galway Clinic is a recently built private medical facility located just off the Martin Roundabout on the N6 Galway to Dublin Road about 7km from Galway City Centre. The clinic comprises a hospital block and consultants’ wing located on either side of a central atrium and reception area.

The consultants’ wing is four storeys and is served by two passenger lifts. Each suite is fully air conditioned and each occupier has the use of a private car park with spaces for a total of 48 cars. There is also a large car park containing 266 spaces for use by visitors and users of the clinic.

The property concerned comprises a suite at first floor level having an agreed area of 96.5 sq. metres. The accommodation comprises reception area, waiting area, two consulting rooms, kitchenette and toilet.

Rating History

In October, 2004 the revision officer issued a valuation certificate to the effect that he proposed to value the property concerned at a rateable valuation of €100.00. Following representations by the appellant the valuation certificate was issued in December, 2004 affirming the rateable valuation of €100.00. No change was made on foot of an appeal to the Commissioner of Valuation and it is against this decision by the Commissioner that the appeal to the Tribunal lies.

The Appellant's Evidence

Mr. Killen having taken the oath adopted his written précis and valuation which had previously been received by the Tribunal as being his evidence-in-chief.

At the hearing he sought leave to amend his opinion of net annual value as set out below:

Consulting Rooms 96.5 sq. metres @ €123.00 per sq. metre	= €11,870.00
Rateable Valuation @ 0.63%	= Say €75.00

In support of his opinion of net annual value, Mr. Killen introduced six comparisons, details of which are set out in Appendix 1 to this judgment.

In his evidence Mr. Killen said that the Galway Clinic was a well designed complex built to a high standard of specification. However he did not agree with the revision officer's contention that the consultants' suite could be described as being "state of the art". In his opinion the suites were no different from consultants' suites found elsewhere in the city centre. The only distinguishing feature, he said, was that they formed part of the Galway Clinic. In his opinion this did not warrant the level of valuation applied by the revision officer which was much higher than prevailing levels for medical suites in Galway city centre.

Under cross-examination Mr. Killen agreed that the Galway Clinic was an impressive building and that it was common practice to build such medical complexes outside the city centre. He further agreed that at the valuation date all but two of the suites were occupied and that this was indicative of strong market demand.

Respondent's Evidence

Mr. Noel Rooney having taken the oath adopted his written précis and valuation which had been previously received by the Tribunal as being his evidence-in-chief.

In his evidence Mr. Rooney contended for a rateable valuation of €100.00 calculated as set out below:

Consultants' suite 96.5 sq. metres @ €164.01 per sq. metre	= €15,826.96
Rateable Valuation @ 0.63%	= Say €100.00

In support of his opinion of net annual value Mr. Rooney introduced seven comparisons details of which are set out in Appendix 2 to this judgment. Three of Mr. Rooney's comparisons i.e. No's 1, 2 and 5, are common comparisons, (see Mr. Killen's comparisons No's 3, 4 and 5).

Mr. Rooney in his evidence said that before arriving at his opinion of net annual value he had analysed the prevailing levels of assessment for office suites and medical consultant rooms in Galway City Centre. Mr. Rooney said that in his opinion the consultants' suites in the Galway Clinic were the best of the type in Galway and this should be reflected in their valuation.

Under cross-examination, Mr. Rooney agreed that most of his comparisons were located close to one another in the regenerated docks area of the city. He agreed that while they were used for medical consultants' rooms purposes they could just as readily be occupied as professional offices. He did not agree however that this would have a significant bearing on their rental value due to the fact that there was a gross over supply of office accommodation in the Galway area.

Findings

1. It is common case that the Galway Clinic complex is a landmark building constructed to a high standard of design, specification and finish.
2. The property concerned is one of 36 consultants' suites all of which are fitted out and finished to an uncommonly high standard.

3. The consultants' suites are arranged around a central atrium which provides a common waiting area and other facilities.
4. A prospective tenant in the market as envisaged in rating law would have regard to all the attributes of the Galway Clinic above referred to in arriving at an opinion of rental value.
5. Having regard to the comparisons introduced by both parties the Tribunal has come to the conclusion that the appropriate rate per sq. metre to apply to the property concerned must be higher in order to adequately reflect all the intrinsic and extrinsic characteristics of the property concerned.

Determination

1. Having regard to the foregoing the Tribunal find that the valuation of the property concerned as determined by the revision officer is fair and reasonable and accordingly affirms the rateable valuation of €100.00.
2. The Tribunal also finds that the valuation of the other properties which are the subject of the various references as listed at pages 2 and 3 of this judgment are also fair and reasonable and in each of them should be affirmed.

And the Tribunal so determines.