

Appeal No. VA06/2/088

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

**Don Ryan**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Surgery at Lot No. 1a (First Floor), Henrietta Street, Wexford No. 1 Urban, County Wexford

**B E F O R E**

**Michael P.M. Connellan - Solicitor**

**Deputy Chairperson**

**Michael F. Lyng - Valuer**

**Member**

**Maurice Ahern - Valuer**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 15TH DAY OF DECEMBER, 2006**

By Notice of Appeal dated the 20th day of June, 2006 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €70.00 on the above described relevant property.

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

"On the basis that the RV as assessed is excessive inequitable and bad in law - the assessment is excessive in view of the secondary location and also the relative worth of the property within the town of Wexford. The comparisons relied upon by the Commissioner are not comparable properties as set out at S49 of the 2001 Act."

The appeal proceeded by way of an oral hearing which took place in the offices of the Tribunal, Ormond House, Ormond Quay Upper, Dublin 7 on the 4th October, 2006. Mr. Eamonn Halpin, B.Sc. (Surveying), A.S.C.S., M.R.I.C.S., M.I.A.V.I. represented the Appellant and Mr. Michael Keogh, F.S.C.S., F.I.A.V.I., a Staff Valuer in the Valuation Office, represented the respondent. At the oral hearing, both parties, having taken the oath, adopted their précis as being their evidence in chief. Before doing so, Mr. Halpin made some amendments to details of the comparison properties at Page 7 of his précis – see Appendix 1 to this Judgment.

### **Location and Description:**

The subject property comprises the entire first floor of a new building, which is used as an Orthodontist surgery and is located at Henrietta Street, Wexford. The unit is well fitted to a good standard internally. Accommodation is set out in modern open plan format as a surgery for orthodontist treatment and includes reception area/waiting area, x-ray room, office, staff room and two toilets.

### **Agreed areas**

The agreed floor area of the property is: 173 square metres

### **Tenure:**

The property is understood to be freehold.

### **Valuation History**

Following an application for revision from Wexford Borough Council the Revision Officer inspected the property and issued a valuation certificate for RV €75 in August 2005. Representations from Mr. Halpin led to a reduction in the RV to €70. An appeal to the Commissioner of Valuation resulted in no change to the RV and it is against this decision of the Commissioner that the appeal to this Tribunal lies.

### **Appellant's case**

Mr. Halpin contended for a rateable valuation of €43 on the basis of 173 square metres at €50 per square metre. He stated that he and Mr. Keogh had agreed most of the facts in relation to the property and that the point of disagreement related to the location of the property and how it compared to the values of other properties in the area. He referred to a

map of Wexford town in his précis, which he contended highlighted the fact that the subject property was located in a moderate commercial area from a business point of view - in recent years most of the commercial property is located along Upper South Main Street and Redmond Square, which is now considered the best business area. He stated that Henrietta Street, in which the subject property is located, is a very narrow street with no car parking. Unlike the subject property, the other businesses in this street would normally be located in secondary locations and are not depending on passing trade e.g. Citizens Advice Centre, Carer's Association etc..

The subject property has windows to the front only and the balance of natural light is being served by a number of Velux roof-windows to the rear of the building. He also stated that the ground floor rents in Henrietta Street reflect the secondary/tertiary nature of the area. He felt that the levels of €82 per sq. metre applied by the Commissioner were excessive in view of the valuation applied to superior located units within the town. He also felt it was excessive in view of the size of the unit which he contended should be viewed as large within the context of a 1st floor suite in Wexford town.

He introduced 6 comparisons details of which are at Appendix 1 to this Judgment. He stated that all his comparisons were located in prime areas with high profile locations and that the first floor areas in all his comparisons were much smaller than the subject property. Therefore he felt that his valuation of €50 per sq. metre was a fair and reasonable valuation.

Under cross-examination Mr. Halpin accepted that the subject was purpose-built. He also accepted that his comparison 1 was now exempt from rates but he maintained it was still a valid comparison. He further agreed that his comparison 2 was not purpose-built but said it was refurbished to a very high standard and that its poor access was reflected in the valuation – he had acted for that occupier at first appeal.

### **Respondent's case**

Mr Keogh stated that the subject property was a first floor purpose-built suite used as an orthodontist surgery. The suite is open plan, very bright and looking out over the sea. He said he valued this property as 173 sq. metres at €82 per sq. metre. Apart from the subject, Mr Keogh said, there were no purpose-built surgeries in Wexford town.

He introduced 3 comparisons details of which are at Appendix 2 to this Judgment. His first comparison was a surgery added to an existing house. His second comparison was an existing house converted to a surgery and valued at €41 per sq. metre. He had valued this particular property himself a couple of years ago – it consisted of a little terraced house converted to a surgery and he felt that the subject property was far superior. His third comparison was ten first floor medical surgery suites at Redmond Square. All of these were valued at €82 per sq. metre with some nominal rounding. In Mr Keogh’s opinion, first floor properties would not be as location sensitive as ground floor properties because in most cases they are not relying on passing trade. He felt that there should be no relation between ground floor rents and first floor rents because they are serving different markets. Mr Keogh agreed that there were no first floor valuations in Henrietta Street and that the development at Redmond Square had taken some business away from the Henrietta Street area.

Under cross-examination Mr. Keogh accepted there was no first floor property valued in Henrietta St. He accepted that the Redmond Square development was a landmark development with Zone A rentals as high as anywhere in Wexford. But, he said, there was no difference between Redmond Square and Henrietta Street at first floor level. He said that Henrietta Street was traditionally a very good street whose fortunes had declined due to the “magnet effect” of Redmond Square. But there were no vacant units in Henrietta Street. Asked why there were no office lettings in Henrietta Street he said the buildings were small and did not lend themselves to that use. Equally he said some of the Redmond Square units on the upper floors were very “pokey”. He agreed that, unlike Henrietta Street, Redmond Square did not have residential property. He accepted that there was very little vehicular or pedestrian traffic in Henrietta Street and that retail rents would be lower in that street.

**Determination:**

The Tribunal having carefully considered all the evidence and arguments adduced by the parties made the following findings:

1. Henrietta Street is a secondary location within Wexford and particularly relative to Redmond Square.
2. Henrietta Street has no parking
3. No first floor comparisons were presented for any user in Henrietta Street.
4. The subject property is much larger than any of the surgeries used as comparisons.

5. The other businesses located in Henrietta Street would normally use secondary locations unlike the businesses located at Redmond Square.
6. The subject property has windows to the front only and relies on Velux rooflights for natural lighting in the remainder of the property

In view of the foregoing, the Valuation Tribunal determines the net annual value of the subject property to be as follows:

Agreed floor area 173 sq. metres @ €60 per sq. metre = NAV €10,380

@ 0.5% = RV €1.90

Say €2

And the Tribunal so determines.