

Appeal No. VA06/3/014

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

**James Boylan Ltd.**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Warehouse/Warerooms, Office(s) at Lot No. 3AC/Unit 1, Drumgarran, Bellanode, Monaghan, County Monaghan

**B E F O R E**

**Fred Devlin - FSCS.FRICS**

**Deputy Chairperson**

**Brian Larkin - Barrister**

**Member**

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

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 8TH DAY OF JANUARY, 2007**

By Notice of Appeal dated the 20th day of July, 2006 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €410.00 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 quantum has not been fairly assessed based on the existing tone for comparable properties. The revision may be invalid as the appeal does not appear to have been properly considered within the provisions of the 2001 Act including the time frame specified."

1. The oral hearing in relation to this appeal was held on the 23<sup>rd</sup> October and 6<sup>th</sup> November 2006 at the Offices of the Tribunal, Ormond House, Ormond Quay Upper, Dublin 7.
2. At the oral hearing, the appellant was represented by Mr. Eamonn Halpin, BSc (Surveying) MRICS, MIAVI, and the respondent, Commissioner of Valuation, by Mr. Damien Curran, MRICS, ASCS, a Staff Valuer in the Valuation Office.

### **Issue**

3. Quantum only. By letter dated 2<sup>nd</sup> October, 2006 Mr. Halpin confirmed to the Tribunal that the appeal would proceed on quantum grounds only. He reiterated that confirmation at the hearing of the appeal.

### **The Property Concerned**

4. The property concerned in this appeal is a newly built warehouse with ancillary office accommodation located close to Milltown Bridge on the northwest edge of Monaghan Town.
5. The subject property is located in Milltown Business Park which, at the relevant valuation date (17<sup>th</sup> November, 2005), was in the early stages of development. The property which has frontage onto a minor county road at the entrance to the Business Park forms the major portion of the first block built in the development and was valued at November, 2005. Since then two other blocks - one at the front and one at the rear - have been completed.
6. The property concerned is a conventional semi-detached warehouse building of portal frame construction with a pitched insulated metal deck roof. The front elevation and part side elevation is of cavity wall construction with a fair faced brick outer leaf. The rear and the side infill walls are of insulated metal deck construction. The eaves height in the warehouse area is 10 metres. At the front there is a two storey office section incorporated under the main roof structure. At second floor level, there is a small area of storage accommodation.

### Accommodation

7. The agreed accommodation measured on a gross external area basis, is as set out below.

Warehouse	1,442.5 sq. metres
Offices, two levels	721.2 sq. metres
Stores, (second floor)	295.2 sq. metres

### Rating History

8. On the 17<sup>th</sup> November, 2005 a valuation certificate pursuant to section 29 (3) of the Valuation Act, 2001 was issued to the effect that the rateable valuation of the property concerned had been determined at €410. No change was made on foot of an appeal to the Commissioner of Valuation, made by the appellant under section 30 of the Act. It is against this decision by the Commissioner that the appeal to this Tribunal lies.

### The Appellant's Evidence

9. Prior to the oral hearing, Mr. Halpin forwarded a précis of evidence and valuation to the Tribunal, which was received into evidence under oath at the oral hearing. In his evidence, Mr. Halpin contended for a rateable valuation of €310 as set out below:

Offices	721.2 sq. metres	@ €34.17 per sq. metre	= €24,643
Warehouse	1,442.5 sq. metres	@ €24.61 per sq. metre	= €35,499
Loft Store	295 sq. metres	@ €6.83 per sq. metre	= <u>€2,015</u>
		Total NAV	= €62,157
		@ 0.5%	= RV €310

In support of his opinion of rateable value, Mr. Halpin introduced four comparisons, details which are set out in Appendix 1 attached to this judgment. Mr. Halpin also provided details of an assessment of a warehouse in Dublin for illustrative purposes only.

10. In his evidence Mr. Halpin said that although the property is located on the periphery of Monaghan, it is accessed from a minor county road and suffers from a lack of profile. Mr. Halpin said that in his opinion the Revision Officer and the Appeal Officer had not

had sufficient regard to these drawbacks when arriving at their opinions of appropriate rateable valuation. In his opinion all of his comparisons - although not in Monaghan Town - occupied better locations than the property concerned. Mr. Halpin said that the offices in the warehouse were valued at too high a level and considerably in excess of that applied to the offices contained in the comparisons introduced by him, and indeed by Mr. Curran.

11. Mr. Halpin drew attention to comparison No. 3 introduced by Mr. Curran. This property, he said, was the other warehouse in the same block as the property concerned. This comparison, he said, was first valued at the same date as the property concerned and hence was not in the valuation list at the relevant valuation date of 17<sup>th</sup> November, 2005. Accordingly, he said, this was not a comparable property within the meaning of Section 49 (1).
12. Under cross-examination, Mr. Halpin agreed that an eaves height of 10 metres was higher than the norm and further agreed that this would have positive effect on hypothetical rental value. He also agreed that the availability of office accommodation in a warehouse was advantageous and would be reflected in the value of the warehouse space.

### **The Respondent's Evidence**

13. Prior to the commencement of the oral hearing, Mr. Curran forwarded a précis of evidence and valuation to the Tribunal which was received into evidence under oath at the oral hearing. In his evidence Mr. Curran contended for a rateable valuation of €10, calculated as set out below:

Offices	721.2 sq. metres	@ €45.78 per sq. metre	= €33,016.54
Warehouse	1,442.5 sq. metres	@ €30.75 per sq. metre	= €44,356.87
Stores (2 <sup>nd</sup> Fl)	295.2 sq. metres	@ €15 per sq. metre	= <u>€4,428</u>
Total NAV			€81,801.41
Say			€2,000
Rateable valuation @ 0.5%			= €10

In support of his opinion of rateable valuation, Mr. Curran introduced three comparisons, details of which are set out in Appendix 2 attached to this judgement.

14. Mr Curran in his evidence said that in arriving at his opinion of rateable valuation he had regard to the location of the property, the high quality of construction and finish and the higher than normal eaves height. In his opinion the valuation put forward by him was fair and reasonable and well supported by the comparisons introduced by him.
15. Under cross-examination, Mr. Curran agreed that his comparison No. 3 was first valued at the same time as the property concerned. However whilst this may be so, he said it is at this stage in the appeal process in the list as it had not been subject to an appeal. In his opinion therefore it was a valid comparison to bring before the Tribunal for consideration.
16. When asked about the relativity between the sq. metre rates applied to the warehouse and office sections of the property concerned, Mr. Curran said that it was common practise to value the office accommodation at 50% over the warehouse level. This method of valuation and de-valuation was market practice and used widely by practitioners in the rating field, he said.

### **Findings**

The Tribunal has carefully considered all the evidence including comparisons introduced by both parties and finds as follows:

1. The Tribunal accepts Mr. Halpin's evidence that the property concerned is located on a minor county road and suffers from a low profile and visibility. Nonetheless it is on the fringes of Monaghan Town, whilst the comparisons introduced by him and Mr. Curran occupy more rural locations.
2. The Tribunal accepts Mr. Curran's evidence that an eaves height of 10 metres is higher than the norm and must be reflected in the valuation of the property concerned.
3. The Tribunal also accepts Mr. Curran's decision to value the office accommodation at 50% higher than the level attributed to the warehouse.
4. In relation to Mr. Curran's comparison No. 3, which was first valued at the same time as the property concerned, the Tribunal, as a matter of principle, has no problem receiving such comparisons into evidence. In a previous decision, reference no. **VA95/1/055 - Irish Shell Ltd (Oriol Oil Company)**, the Tribunal dealt with the treatment of comparative evidence generally and what weight should be attached to it in light of the

circumstances attaching to it. In the light of this appeal, the Tribunal will attach little weight to Mr. Curran's comparison No. 3.

5. The Tribunal has examined in detail all the comparative evidence introduced by both valuers and has come to the conclusion that Mr. Curran did not fully take into account the locational deficiencies of the property concerned.

### **Determination**

Having regard to the above findings, the Tribunal determines the rateable valuation of the property concerned to be €375, calculated as set out below:

Offices	721.2 sq. metres	@ €42 per sq. metre	= €30,290
Warehouse	1,442.5 sq. metres	@ €28 per sq. metre	= €40,390
Stores	295.2 sq. metres	@ €15 per sq. metre	= <u>€4,428</u>
NAV	€75,108, say		€75,000
Rateable valuation @ 0.5%			= €375

And the Tribunal so determines.