

Appeal No. VA06/3/023

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

**Lynn Publications Ltd**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Office(s) at Lot No. Unit 1A Kells Business Park Commons of Lloyd, Ceanannus Mor Rural, Kells, County Meath

**B E F O R E**

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

**Deputy Chairperson**

**Maurice Ahern - Valuer**

**Member**

**Michael F. Lyng - Valuer**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 23RD DAY OF JANUARY, 2007**

By Notice of Appeal dated the 21st day of July, 2006 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €235.00 on the above described relevant property.

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

"The RV is excessive inequitable and bad in law. The level of NAV adopted is excessive in view of the type, nature and location of the premises together with its relative value."

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 8<sup>th</sup> November, 2006. Mr Eamonn Halpin B.Sc. (Surveying) M.R.I.C.S., M.I.A.V.I. represented the Appellant. Ms. Carol Spain, B.Sc. (Hons) Valuation Surveying, C.Dip. A.F., a Valuer in the Valuation Office, represented the respondent. At the oral hearing, both parties, having taken the oath, adopted their précis, which had previously been received by the Tribunal and exchanged between the parties, as their evidence-in-chief. In doing so Mr. Halpin made amendments to some details of his comparison properties, as shown at Appendix 1 to this Judgment.

### **Location and Description**

The subject property is two- storey, detached, purpose-built office building, constructed with concrete block walls and floors with insulated metal deck roof. It comprises offices, store, staff and visitor car parking and is located in the Kells Business Park, Kells, Co. Meath.

After the filing of their précis of evidence and prior to the oral hearing the parties had agreed the areas as set out below and had so notified the Tribunal in writing, the appellant amending his estimate of valuation on foot of the agreed revised areas and the respondent making no change to her valuation.

Ground Floor Offices	396.75 sq. metres
Ground Floor Store	35.75 sq. metres
1 <sup>st</sup> Floor Offices	432.50 sq. metres

### **Appellant's case**

Mr. Eamonn Halpin, having taken the oath, adopted his written précis and valuation, as amended, as his evidence-in-chief. He contended for a revised estimate of rateable valuation based on the amended agreed areas as set out below:

Ground Floor Offices	396.75 sq.m. @ €32.84 per sq.m.	= €13,029
Ground Floor Stores	35.75 sq.m @ €17.05 per.sq.m.	= €609
1 <sup>st</sup> Floor Offices	432.50 sq.m. @ €32.84 per.sq.m.	= €14,203

Total NAV: €27,841

RV @ 0.5% €139.20

Say €139

He stated that the property was located in the Kells Business Park, Kells, Co Meath and is occupied by Lynn Publications Ltd. It is a predominantly moderate type of unfinished industrial estate where developments have been ongoing for the last six years. It is situated just off the main N3 Dublin/Cavan Road about 3kms from the town of Kells and 40kms from Cavan town. Mr Halpin stated that the building is two-storey, constructed with concrete block walls and floors with insulated metal deck roof. It is in essence an industrial type shell with walls of fair-faced blocks (painted) and suspended ceilings. The ground floor has carpet tiles fitted while the first floor is simply painted. Part of the ground floor is unfitted and is used as a store, the balance has a moderate type fit out and is used as offices (mainly open plan). Mr Halpin also said that the unit, due to its construction type, suffers from a large heat gain in the summer and a difficulty with heating in the winter. To help alleviate this problem, air conditioning was fitted after the building was constructed. Access to the stores is only available from outside the building.

He also stated that the general level of values in the estate are moderate, both in capital and rental terms. Many occupiers were attracted here by the relatively low rental/purchase costs associated with this location. Mr Halpin referred to the offices and warehouse of Kellglass Ltd in the same estate and the valuation of which is at present under appeal to this Tribunal. Mr. Halpin quoted from the First Appeal *Consideration of Appeal* document in the Kellglass case, a copy of which was contained in his précis of evidence.

“Appeal Manager to Revision Officer: *“Having regard to the grounds of appeal, points made and comparisons cited by the agent, do you wish to alter your opinion of value - please specify.”*”

“Response of Revision Officer: *“I have examined each of the Agents’ comparisons in turn, as well as further comparisons within the Co. Meath area, and have concluded that the levels applied in this industrial estate are higher than general levels in Navan, Duleek, Ashbourne, Dunshaughlin and Summerhill. See attached table. On this basis, it seems the levels applied at revision require some modification.”*”

Mr Halpin said that there was a lot of agreement between the Valuation Office and himself with regard to the subject property. However, in his opinion, the subject property is more of

an industrial building even though the office content is very high. The offices were no better than the offices in the adjoining industrial units.

In support of his opinion of valuation Mr. Halpin introduced 6 comparisons details of which are at Appendix 1 hereto. He commented as follows on these comparisons: the first was Kellglass Ltd currently under appeal to the Tribunal; the second was a large cash and carry premises in the same estate; the third was half a mile from Navan centre and superior to the subject in both location and specification; the fourth was a common comparison; the fifth was an IDA showcase unit just outside Navan and of substantially higher value than the subject; the sixth was in Ashbourne, much closer to Dublin with higher rental values.

He said that Ms Spain's first comparison, the HSE offices across the road from the subject in the same estate, would be an ideal comparison in other circumstances but there were three reasons why it was not:

- It was built to HSE specifications.
- The valuation was not subjected to the appeal process.
- The valuation was fixed in 2001 when a number of valuations in the estate were fixed and since then the Commissioner had accepted that these valuations were too high.

Under cross-examination, Mr Halpin said he had been told that the HSE premises was built to HSE specification but he had not been able to verify this. He agreed that five of his comparisons were industrial units (with comparison 3 being part retail) and not purpose built offices. He also agreed the subject was built to the owner's specification.

### **Respondent's case**

Ms Carol Spain, having taken the oath, adopted her précis as her evidence-in-chief. She assessed the rateable valuation of the subject property at €235 calculated on the basis of a total NAV €47,290 at a rate of €54.67 per sq. metre.

In support of her opinion of valuation Ms Spain introduced five comparisons details of which are at Appendix 2 hereto. She said that all of her comparisons were office buildings of similar use and function to the subject. She said that in her opinion the subject property was a purpose built office unit, was constructed as such and was being used as such. She rejected

Mr. Halpin's claim that the property was industrial in character. In carrying out her valuation she had compared the subject property with other offices around County Meath.

In reply to the Chairperson Ms Spain agreed that the specification of the subject property would not be as high as the Navan units nor have as high a profile. She would not accept that the area was as remote as stated by Mr Halpin as it was only two miles from Navan. She said the subject offices were basic.

Under cross- examination by Mr Halpin as to whether the rental of €145 sq. metre achieved in 1999 was possible even today, Ms Spain replied that the going rate for an industrial property in Kells was about €8.90 per sq ft. at present. She would accept that the location of Kells would not attract the same rental as Navan. In regard to the valuation of the HSE offices in the same Business Park as the subject, Ms Spain agreed that there was no appeal of that valuation and she confirmed that her second comparison, Syntacom, was appealed to the Commissioner in 1999.

### **Findings and Determination**

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

1. The Kells location has not as high a profile as Navan.
2. The parties are agreed that the subject offices are of a basic standard.
3. The stores cannot be accessed from within the building. The only access is from outside.
4. The Revision Officer's report at First Appeal with regard to the NAV levels applied to another property in Kells Business Park stated that those levels applied at revision needed some modification.

In view of the foregoing the Valuation Tribunal determines the rateable valuation of the subject property to be €191, calculated as follows:

Ground Floor Offices	396.75 sq.m	@ €45 per sq.m	= €17,853.75
Ground Floor Stores	35.75 sq.m	@ €23 per.sq m	= €822.25
First Floor Offices	432.50 sq.m	@ €45 per sq.m	= €19,462.50

Total NAV €8,138.50

RV @ 0.5% = RV €190.69

Say €191

And the Tribunal so determines.