

Appeal No. VA10/3/027

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

Pfizer Biotechnology Ireland

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Property No. 938026, Factory at Lot No. 1E, Ballintaggart, Carrigaline, Cork Lower, County Cork

B E F O R E

Fred Devlin - FSCS.FRICS

Deputy Chairperson

Patrick Riney - FSCS FRICS FIAVI

Member

Frank Walsh - Valuer

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 11TH DAY OF FEBRUARY, 2011

By Notice of Appeal dated the 16th day of August, 2010 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €6,170 on the above described relevant property.

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

"The valuation is excessive and inequitable and does not reflect the tone of the list."

1. The appeal proceeded by way of an oral hearing held in the offices of the Tribunal, Ormond House, Ormond Quay Upper, Dublin 7, on the 9th of November, 2010. At the hearing the appellant was represented by Mr. Owen Hickey, SC, instructed by Mr. Richard Morris, Solicitor for the appellant company, and expert valuation evidence was given by Mr. Alan McMillan, ASCS, MRICS, FIAVI, ACI Arb, a director of GVA Donal O Buachalla & Company. Mr. Morris and Mr. Ronan Long, the Financial Controller of Pfizer Biotechnology Ireland, were in attendance but did not play any part in the proceedings. Mr. David Dodd, BL, instructed by the Chief State Solicitor, appeared on behalf of the respondent, the Commissioner of Valuation. Mr. Don Donovan, BSc (Property Management & Valuation Surveying), Dip FM, MIAVI, a valuer in the Valuation Office, gave expert valuation evidence.
2. Prior to the commencement of the oral hearing both valuers submitted to the Tribunal and to the other party a précis of the evidence they proposed to adduce at the oral hearing and these were subsequently received into evidence under oath at the hearing. From the evidence so tendered and from the additional evidence received the following material facts emerged or are so found.

The Property Concerned

3. The property concerned in this appeal is a recently constructed biologics facility in Ringaskiddy, which is an established location for large-scale pharmaceutical plants.
4. The plant was developed by Pfizer in order to provide MAbs (monoclonal antibodies) drug substances for clinical study and trials and to perform process validation, drug substance and drug product release testing and stability programme testing. In effect the plant was to be devoted to research and development activities and not commercial manufacturing purposes. Due to changes in corporate policy the facility is currently for sale.
5. The property consists of a two-storey manufacturing building with a plant room at penthouse level, warehouse and two-storey structure at the front providing offices at ground floor level and a laboratory suite at first floor level, together with ancillary utility space and facilities. The buildings are of steel frame construction with insulated Kingspan

cladding, cast concrete floors and flat insulated metal deck roofs with bituminous felt finish. All windows are double glazed.

6. The manufacturing building is two-storey and each floor has a ceiling height in excess of 8 metres with a working height of some three to four metres and a void over the suspended ceiling enables the maintenance of the various items of plant located therein at full working height. It is agreed that this section of the building is constructed to a high standard so as to meet ISO 8 specification.
7. The two-storey structure at the front provides good quality office accommodation at ground floor level and laboratory space overhead, which is finished and fitted out to industrial norms.
8. The warehouse is a single storey structure with an internal eaves height of 7.8 metres. The warehouse has the benefit of dock levellers and sunken ramp and is fitted with a cold room and an air handling system to standards that would not be found in standard warehouse buildings.
9. In addition to the plant room at penthouse level over the production area there is additional ancillary utility accommodation and maintenance areas at ground and first floor levels.
10. The agreed accommodation measured on a gross external area basis is as follows:

	Sq. metres
Offices (ground floor – front)	1,331.20
(entrance, cloaks, WCs, canteen, kitchen, etc)	
Laboratories (first floor)	1,279.50
(+ tech space, WCs, corridors)	
Manufacturing (ground & first floors)	3,086.45
(first floor clean area edged by a return corridor air-conditioned)	
Utility (ground floor)	2,035.80
(+ electrical room, boiler room, service dock, waste room, corridor, lift)	
Warehouse (ground floor)	1,244.00

(+ mail & shipping rooms, cold room)	
Maintenance Area (first floor)	496.10
(+ auxiliary systems room, mechanical room, document store, lobby)	
Access Area (first floor)	268.60
Penthouse Plant Room	<u>1,884.90</u>
Total Floor Area	11,626.55

Rating History

11. On the 17th November, 2009 the Revision Officer appointed by the Commissioner of Valuation, Mr. Terence Dineen (now retired), issued a valuation certificate (proposed) to the effect that the valuation of the property concerned had been assessed at €7,350. It would appear that this certificate was not received by the appellant until 17th December, 2009 – i.e. three days outside the statutory 28-day period for the making of submissions to the respondent. In the event, a valuation certificate in final form was issued on the 14th December at the original figure of €7,350. Following an appeal to the Commissioner of Valuation under Section 30 of the Valuation Act, 2001 (hereinafter referred to as “the Act”) the rateable valuation was reduced to €6,170. The appellant being dissatisfied with the outcome of the appeal lodged a further appeal to this Tribunal under Section 34 of the Act.

The Appellant’s Evidence

12. At the hearing Mr. McMillan, having taken the oath, adopted his précis and valuation, which had previously been received by the Tribunal, as being his evidence-in-chief.

13. In his evidence Mr. McMillan contended for a rateable valuation of €4,057, calculated as set out below:

		Rate per	
	sq. metres	sq. metre	NAV
Offices (ground floor – front)	1,331.20	€68.34	€90,974
Laboratories (first floor)	1,279.50	€68.34	€87,441
Manufacturing (ground & first floors)	3,086.45	€16.00	€58,028
Utility (ground floor)	2,035.80	€0.00	€101,790
Warehouse (ground floor)	1,244.00	€34.17	€42,507

Maintenance Area (first floor)	496.10	€0.00	€24,805
Access Area (first floor)	268.60	€0.00	€13,430
Penthouse Plant Room	1,884.00	€4.17	€4,376
Car Spaces	180 spaces @	€76.14	€13,705
OV			<u>€14,400</u>
Total NAV			€11,456
RV @ 0.5%			€1,057

14. In support of his evidence Mr. McMillan introduced 8 comparisons, details of which are set out in Appendix 1 attached to this judgment.

15. In the course of his evidence Mr. McMillan spoke authoritatively about each comparison, with which he was familiar, having been involved in the valuation process of these properties at various stages. As his evidence proceeded it became clear that two properties (comparisons Nos. 3 & 7) were not on the valuation list at the relevant valuation date and hence could not be considered relevant under Section 49 of the Valuation Act. Whilst Mr. McMillan was able to describe the various properties in detail, he did not provide the Tribunal with any guidance as to how the facts in relation to these comparisons were applied by him, in order to arrive at his opinion of net annual value as set out in his valuation.

16. When asked to comment on Mr. Donovan's précis, Mr. McMillan said he had no difficulty with the factual information contained therein, other than the statement that the overall cost of providing the complex was in the order of €75 million to €90 million. Mr. McMillan said that he was advised by his client that the all-in cost was in the order of €36 million. In relation to Mr. Donovan's valuation, Mr. McMillan said he was, of course, of the opinion that it was excessive. Furthermore, he felt Mr. Donovan's actions in relying solely upon the **Centocor (VA09/3/005 – Centocor Biologics (Ireland) Ltd.)** valuation was unsafe, in that one assessment did not represent the tone of the list or meet the requirements of Section 49(1) which refers to "*the values, as appearing on the valuation list.*" Mr. McMillan also pointed out that the floor to ceiling height in the utilities building was 8 metres in part and 4 metres in the remainder, but did not give any breakdown of the overall area of 2,035.8 sq. metres.

17. Mr. McMillan drew the Tribunal's attention to a statement on page 6 of Mr. Donovan's précis wherein reference was made to a 1996 revision of a premises occupied by Glaxo Smith Kline, to the effect that the valuation of standard pharmaceutical buildings had been agreed at €125.20 per sq. metre. Mr. McMillan took issue with this statement and said that whilst the valuation had been agreed in relation to a number of buildings there was no agreed analysis of the valuation of the individual buildings.
18. Under cross-examination Mr. McMillan said he agreed with the sentiment expressed in finding 10 of the appeal of **VA05/3/054 - Pfizer Ireland Pharmaceuticals** "*All evidence of value is relevant but most weight must be given to that comparison or comparisons which most closely resemble the property to be valued in terms of location, nature of construction, design, configuration and use.*" Mr. McMillan pointed out however, that whilst he conceded the **Centocor** premises to be highly relevant, in that it was similar in many respects to the subject property and closely resembled it in regard to the nature of construction and use, he also considered his other comparisons to be equally relevant, as they were representative of the tone of the list "of other properties comparable" to the property being valued, as referred to in Section 49(1) of the Act. The fact of the matter was, Mr. McMillan said, that his valuation of the property concerned was determined by reference to the valuations of a number of properties, all of which were similar in several respects to the subject property. On the other hand he said, Mr. Donovan was relying solely on the valuation of the Centocor premises.
19. When questioned closely about his comparisons other than the Centocor property, Mr. McMillan agreed that, in the main, they were typical pharmaceutical plants and had much lower floor to ceiling heights than the subject property, but were not necessarily of a lower specification. In relation to height in the manufacturing area, Mr. McMillan agreed that it would be a factor to be taken into account in arriving at its valuation but it would not warrant a significant uplift in value. In relation to his comparison number 6, (Schering – Plough (Brinny) Ltd.), Mr. McMillan said while it comprised a biological process, it did not have a full working height ceiling void. He also agreed that it was located some distance to the west of Cork, outside the established industrial areas of Ringaskiddy and Little Island.

The Respondent's Evidence

20. Mr. Donovan, having taken the oath, adopted his written précis and valuation, which had previously been received by the Tribunal, as being his evidence-in-chief. In his evidence Mr. Donovan contended for a rateable valuation of €6,170, calculated as set out below:

	Sq. metres	Rate per sq. metre	NAV
Ground floor:			
Offices	1,331.20	€68.34	€90,974.21
Utility	2,035.80	€100.00	€203,580.00
Process	511.65	€150.00	€76,747.50
Warehouse	1,244.00	€100.00	€124,400.00
First floor:			
Lab	1,279.50	€109.34	€139,900.53
Maintenance	496.10	€ 50.00	€24,805.00
Second floor:			
Manufacturing	2574.80	€150.00	€386,220.00
Access	268.60	€50.00	€13,430.00
Penthouse:			
Plant room	1884.90	€75.00	€141,367.50
Old Valuation			€14,400.00
Car spaces	180 @ €101.57		<u>€18,282.60</u>
Total NAV			€1,234,107.34
RV @ 0.5% =			€6,170.54

21. In support of his opinion of rateable valuation Mr. Donovan put forward one comparison, i.e. the Centocor (Ireland) Ltd. premises at Ringaskiddy, which was the subject of revisions in 2007 and 2008; the latter revision being the subject of a determination handed down by this Tribunal on 18th December, 2009 (**VA09/3/005 - Centocor Biologics Ireland Ltd.**)

22. In his evidence Mr. Donovan said the Revision Officer appointed to value the property concerned on foot of a request for a revision under Section 28 of the Act was Mr. Terence Dineen, who has since retired from the Valuation Office. When Mr. Dineen carried out his valuation and before he issued the valuation certificate in final form on 14th December, 2009 to the effect that the rateable valuation at the property concerned should be entered in the valuation list as €7,350, the **Centocor** determination had not been issued. Following an appeal lodged under Section 30 of the Act. Mr. Paschal Conboy was appointed as the Appeal Officer and shortly afterwards he (Mr. Donovan) was requested by the Commissioner of Valuation to inspect the property concerned and to report to Mr. Conboy accordingly.
23. Mr. Donovan said he inspected the subject property and the Centocor premises and came to the conclusion that as the Centocor premises was the only other purpose-built biopharmaceutical facility in the Cork County Council Rating Authority Area it was the most relevant comparison. Following discussions with Mr. McMillan, Mr. Donovan advised Mr. Conboy that the rateable valuation should be reduced to €6,170, which figure was accepted by Mr. Conboy and, in due course, this decision was communicated to the appellant.
24. Mr. Donovan said that in arriving at his opinion of net annual value he had regard to the rateable valuation of four other properties referred to him by Mr. McMillan and a number of other properties referred to in Mr. Dineen's original valuation report. Having carried out this exercise, he came to the opinion that all of the properties mentioned by Mr. Dineen and Mr. McMillan were standard pharmaceutical plants and hence could not be considered truly comparable to the subject property. Having come to this conclusion, Mr. Donovan said he was of the opinion that it was unnecessary to look beyond the Centocor premises, which had been the subject of a Valuation Tribunal appeal and which was similar in design, specification and use to the subject property. Furthermore, he considered the Centocor property and the subject property to be built and finished to a higher standard of finish and specification than other typical pharmaceutical plants.
25. Under examination by Mr. Dodd, Mr. Donovan said the standard of finish, fit-out and specification in the offices, manufacturing area and laboratory space was on all fours with those in Centocor. The warehouse building, he said, had an eaves height of 7.8 metres and

was fitted with an air handling and humidity control system, which would not be found in standard warehouse buildings.

26. At the request of Mr. Dodd, Mr. Donovan proceeded to comment upon the comparisons adduced by Mr. McMillan. In summary he said that, with the exception of Comparison No. 8 (the Centocor property), they were all standard pharmaceutical plants built to a lower specification and finish than the subject property. In most instances, he stated, the valuation of the manufacturing space was valued at €116 per sq. metre and in a number of cases the valuations were agreed. He also drew the Tribunal's attention to comparison No. 5, (Hovione), where at the 2005 revision the valuation of a new four storey SDD building was agreed at a rate of €130 per sq. metre. This building, according to Mr. Donovan, was of a lower quality and specification than the manufacturing area in the property concerned.

27. Under cross-examination, Mr. Donovan was asked to consider the comments of the Valuation Tribunal in the appeal **VA96/4/035 - Ray Murray Limited.** at paragraph 11 which states as follows:

“The primary submission on behalf of the Commissioner was to the effect that these comparisons established a tone of the list and in accordance with that tone a rate of £20 psf on Zone A is both reasonable and just. When a tone of the list is established it is our view that such a tone is of considerable assistance and considerable help in adjudicating upon what the correct NAV should be and therefore the correct RV of any given property. In order to establish a tone however it is necessary to have a number of properties which are similarly circumstanced or which can, with adjustments reasonably based, be so similarly circumstanced. Having established a tone it is then necessary to consider what weight should be given to that tone. Amongst the matters which this Tribunal would take into account in considering this question of weight are: firstly, the number of properties involved: secondly, the location of such properties: thirdly, the quality and condition of such properties: fourthly, whether the RV attaching to such properties has resulted from a revision per se or has resulted from a decision on first appeal or from a decision of this Tribunal. Fifthly, we would consider whether or not the Ratepayers have appeared or have been professionally represented, either at revision, first appeal or at the hearing before

us. Sixthly, we would consider whether the Ratepayers were professionally represented and indeed whether that professional representation was by the same firm of Agents or whether there were different firms of Agents involved.

As one would readily appreciate the greatest weight to be attached to the tone of the list would, of course, result from the different stages of the entire process having been gone through where different Occupiers were professionally represented by different Agents. It is evident in our view that a tone based exclusively or principally on for example different RV's established by the invocation of the entire process should carry far greater weight than a suggested tone based exclusively or principally on RV's established only through the revision process where there had been no input or no representation by the Ratepayer. It is of course true to say that the Commissioner is always a party to the establishment of an RV whether by way of revision only or otherwise and that the Commissioner cannot encourage, compel or force any Ratepayer to take any part in the process. Nevertheless from the point of view of weight and looking at the matter objectively and reasonably it is clear to us that a tone so established in the manner first indicated would of necessity have to have greater weight and would of necessity have to find greater favour with this Tribunal than one established by revision only with no input. In between both of these extremes there are several variations which have to be individually assessed in the context of any given case”.

28. When asked if he had solely relied on the Centocor valuation Mr. Donovan said “no” and said that he also had regard to the four comparisons referred to by Mr. McMillan in his Section 30 appeal. These comparisons indicated to him that “the tone” for the manufacturing/processing areas in typical pharmaceutical plants was in the order of €16 per sq. metre. Mr. Donovan said that he also had regard to the valuation of other pharmaceutical plants but that, in the end, he came to the conclusion that the most relevant comparison was the Centocor premises, which was a newly-built bio-pharmaceutical facility, similar in all respects to the subject property.
29. When asked why biologics plants attracted a higher rate per sq. metre than pharmaceutical plants, Mr. Donovan said this was because they were finished to a

higher standard and had a greater floor to ceiling height. Mr. Donovan also said that he could not ignore the determination of the Tribunal in the **Centocor** appeal which valued the processing areas at €150 per sq. metre.

30. Regarding the **Centocor** appeal, Mr. Donovan said, he would not disagree with the statement of the Tribunal under its findings and conclusion to the effect “*that it is hard to discern just what is “the tone of the list” for valuing manufacturing buildings in pharmaceutical plants and biotechnology facilities.*” Nonetheless, Mr. Donovan said the Tribunal had come to the conclusion that the manufacturing areas in biological plants should be valued at a considerably higher rate per sq. metre than the manufacturing space in typical pharmaceutical plants. When asked by Mr. Hickey if agreed valuations should be given greatest weight in line with the **Ray Murray** determination, Mr. Donovan said he did not fully accept this proposition and that in his opinion Tribunal decisions carried much greater weight. This, he said, was the prevailing view within the Valuation Office.
31. When asked by Mr. Hickey if he was familiar with any of the comparisons adduced by Mr. McMillan, or indeed Mr. Dineen, Mr. Donovan said he had not personally inspected them and that his comments were based upon information contained in the Valuation Office files.
32. In response to a question from the Tribunal as to why the warehouse should be valued at €100 per sq. metre – when Mr. Dineen had stated in a previous appeal to this Tribunal (**VA09/1/014 & 015 - Tranio Investments Ltd.**) that “*the prevailing tone of the list for warehouses in the Cork Lower area for many years was €34.17 per sq. metre and for associated office accommodation was €47.83 per sq. metre. These levels of value, Mr. Dineen said, were now well-established and applied regardless of size or eaves height up to about 10 metres.*” – Mr. Donovan said he had regard to the fact that the warehouse at the subject property had an eaves height of 7.8 metres and that the warehouse was fitted out with a cold room, air-handling and humidity control system. Moreover, he said the warehouse in the Centocor facility was also valued at €100 per sq. metre. When asked if the differences in specification between a standard warehouse and the warehouse at the subject property warranted an uplift of about 220%, Mr. Donovan responded by saying that perhaps a 40% uplift would be more

appropriate. Similarly, when asked about the difference in the rate per sq. metre applied to the office accommodation and the laboratory space, Mr. Donovan said that there was a considerable difference in the finishes in these areas, and in any event the figure of €109.34 which he had applied to the laboratory accommodation was the same as that used in the Centocor assessment. In response to a further question from the Tribunal, Mr. Donovan acknowledged that the warehouse and laboratory in the Centocor premises were valued at the 2007 revision, which was neither agreed, appealed to the Commissioner under Section 30, nor subject to an appeal to this Tribunal.

Findings

The Tribunal has carefully considered all the evidence adduced at the Tribunal and the detailed submissions and arguments put forward by counsel and finds as follows:

1. The basis of valuation for a revision carried out under Section 28(4) of the Valuation Act, 2001 is set down in Section 49(1) of the Valuation Act, which states *“If the value of a relevant property (in subsection (2) referred to as the “first-mentioned property”) falls to be determined for the purpose of section 28 (4), (or of an appeal from a decision under that section) that determination shall be made by reference to the values, as appearing on the valuation list relating to the same rating authority area as that property is situate in, of other properties comparable to that property.”* In other words, the value of the property concerned is to be determined in accordance with the tone of the list, although these words are not specifically or expressly mentioned in the Act.
2. Bearing in mind the intent of Section 49(1), it is assumed that the Revision Officer, before preparing a valuation will examine the valuation list to see if a “tone of the list” has been established for the type of property which is the subject of the revision. In this regard, the findings of the Tribunal at paragraphs 11 and 12 in **Ray Murray Limited** are of relevance. Once identified, it will be up to the Revision Officer to examine those assessments that are considered relevant or useful to the task in hand and to make such adjustments as may be considered necessary or appropriate in order to reflect the differences in scale, quality, specification, location and any other factor which will have a bearing on the rental value of the property being valued and the

values of those properties which represent the tone of the list. Having carried out this exercise, it is expected that the Revision Officer will make reference to these properties in the document entitled “standard valuation report” so that the ratepayer can make a judgment as to whether or not to lodge an appeal against the assessment under Section 30 of the Act.

3. It is clear from the evidence that the nature of the process carried out at the property concerned is similar to that carried out at the Centocor premises at Ringaskiddy, which was the subject of an appeal to this Tribunal in late 2009 (**VA09/3/005 - Centocor Biologics Ireland Ltd**). While the Centocor facility is used for commercial production purposes, the subject property was initially designed for purposes of a research and development nature.
4. It is common case that there is a substantial similarity in the design, construction and specification in the production areas of the Centocor premises and the subject property. In both buildings each of the two production levels have a floor to ceiling height of 8 to 9 metres with a void over the suspended ceiling, which enables maintenance of the various items of plant and machinery contained therein, at full working height. Process areas in both buildings have a similar specification and meet ISO 8 standards.

Comparison Evidence

5. Mr. McMillan in his evidence introduced 8 comparisons, including the Centocor premises. All of his remaining comparisons are standard pharmaceutical plants with the exception of the Schering–Plough (Brinny) premises, which houses a biological process. It should be said that the buildings at this facility, which were valued at the 2007 revision, were extensions to an already existing facility, which is located some 3 km west of Cork, and not in the established area for pharmaceutical plants at Little Island and Ringaskiddy. In the course of the hearing, two of Mr. McMillan’s comparisons were withdrawn (Comparisons Nos. 3 & 7) as they were not on the valuation list at the time the valuation of the subject property was made. An analysis of Mr. McMillan’s evidence indicates that the production areas in pharmaceutical plants (with the exception of the Schering–Plough (Brinny) facility which was valued at €102.47 per sq. metre) were in the main valued at a uniform level of €16 per sq.

metre. The only other exception being the Hovione premises, where the process areas at four levels were valued at an agreed rate of €130 per sq. metre.

6. Mr. Donovan in his evidence introduced one comparison only, ie. the Centocor premises. Under examination Mr. Donovan said he also had regard to the valuation of other premises, including four specifically mentioned by Mr. McMillan in his Section 30 appeal to the Commissioner. Having examined the details of these premises, Mr. Donovan said that he concluded that they were “traditional pharmaceutical plants” and not of great assistance when valuing the subject property. It is noted that these conclusions were based upon an examination of the valuation files and not on an inspection of the properties so that his judgments and comments made under examination at the oral hearing must be taken for what they are – the outcome of a desk-top exercise. Mr. Donovan was also of the opinion that the process areas of Centocor and the property concerned were essentially the same in all material respects and hence should be valued at the same rate per sq. metre. In relation to the other levels of the property concerned, he adopted the same rates per sq. metre as those used in the Centocor valuation at the 2007 and 2008 determination.
7. It is clear that the Centocor valuation is central to the determination of this appeal, insofar as it is a common comparison. In the circumstances, it is essential that the facts in relation thereto be clearly set down. The Centocor facility was valued in two stages, ie. at the 2007 and 2008 revisions. It was only the latter revision that was subject to an appeal to this Tribunal, **VA09/3/005 - Centocor Biologics Ireland Ltd**. It would appear that it was the intention of Centocor to lodge an appeal against the 2007 revision, but due to some misunderstanding the appeal when lodged was outside the 40-day statutory period set down under Section 30(1) of the Act and, hence, was rejected by the Commissioner of Valuation. To that extent, therefore, the 2007 valuation must be treated with some caution and accorded lesser weight than the 2008 determination and indeed the valuations which are the subject of agreement between the parties concerned.
8. Having regard to the foregoing, the Tribunal proposes as the first step in its determination to value the manufacturing areas of ground and first floor levels at the same rate per sq. metre as that in the Centocor facility, ie. €150 per sq. metre. The

reason for so doing is that both parties accepted that both buildings were similar in construction specification and category of use. In particular, Mr. McMillan advanced no cogent reason to support his decision to value the manufacturing space at €16 per sq. metre, i.e. the same as that applied to typical pharmaceutical plants which are considered to be of a lower standard of finish and specification.

9. In relation to the other elements of the property, it is noted that the ground floor office accommodation has been valued at a common rate per sq. metre of €8.34. The laboratory accommodation which is at first floor level in the same block as the office accommodation, has been valued at the same rate as the office accommodation by Mr. McMillan, (€8.34 per sq. metre), but at €109.34 per sq. metre by Mr. Donovan – a difference of some 60% – his reason for so doing being the enhanced specification of the fit-out. An analysis of the comparisons introduced in relation to laboratory space indicate a range of sq. metre rates varying between €4.60 to €8.34 per sq. metre in the 2000 revision of the Novartis Ringaskiddy Ltd. comparison introduced by Mr. McMillan. It is also noted that the offices and laboratory accommodation in Centocor were valued at €8.34 and €109.34 per sq. metre respectively at the 2007 appeal, which has already been referred to. While the Tribunal accepts that it is likely that the internal fit-out and specification may be higher in the laboratory space than in the offices, it is not persuaded that it should be accorded an uplift in the order of 60%.
10. Another area where there is a significant difference in sq. metre rates is in relation to the warehouse, where Mr. McMillan applies a sq. metre rate of €4.17, as against Mr. Donovan's rate of €100 per sq. metre. An analysis of all the comparisons shows that the only warehouse valued at this level is the warehouse in the Centocor premises, at the 2007 revision. In response to a question from the Tribunal, Mr. Donovan indicated that an uplift of 40% over standard warehouse levels might be more appropriate to reflect the enhanced specification of this building. Accordingly, therefore the Tribunal has come to its conclusion that the warehouse space should be valued at €48 per sq. metre.
11. In relation to other sections of the property, the Tribunal has carefully considered all the evidence put forward and has arrived at what it considers to be appropriate sq. metre rates, having regard to the nature of the user and of the buildings.

12. The 180 car parking spaces have been valued at €76.14 per space and €101.57 per space by Mr. McMillan and Mr. Donovan respectively. Mr. McMillan introduced no comparison evidence to support his figure, whilst Mr. Donovan's figure is the same as that in the Centocor building at the 2007 revision. Making the best judgment it can, the Tribunal proposes to value the car parking spaces at €90 per space.

Determination

Having regard to the foregoing, the Tribunal proposes to value the property concerned in accordance with Section 49(1) of the Valuation Act, 2001 as follows:

		rate per	
	sq. metres	sq. metre	NAV
Offices (Ground floor)	1,331.20	€ 8.34	€ 90,974
Laboratories (First floor)	1,279.50	€ 80.00	€ 102,360
Production (Ground & First floor)	3,086.45	€ 150.00	€ 462,968
Utility (Ground floor)	2,035.80	€ 80.00	€ 162,864
Warehouse	1,244.00	€ 48.00	€ 59,712
Maintenance (First floor)	496.10	€ 50.00	€ 24,805
Access Area	268.60	€ 50.00	€ 13,430
Penthouse Plant Room	1,884.00	€ 75.00	€ 141,300
OV			€ 14,400
Car Spaces	180 @	€ 90	<u>€ 16,200</u>
Total NAV			€1,089,013
		Say	€1,090,000
RV @ 0.5%			€5,450

And the Tribunal so determines.