

Appeal No. VA11/1/012

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

**Haydon - Chartered Accountants**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Property No. 2205265, Office(s), Carpark at Lot No. 110 - Flr 1 (Part of), Amiens Street, North Dock C, North Dock, County Borough of Dublin.

**B E F O R E**

**Fred Devlin - FSCS.FRICS**

**Deputy Chairperson**

**Michael Connellan Jr - Solicitor**

**Member**

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

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 10TH DAY OF JUNE, 2011**

By Notice of Appeal dated the 19th day of January, 2011 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €188 on the above described relevant property.

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

"The valuation is excessive having regard to the nature and location of the property and the tone for comparable property."

1. This appeal proceeded by way of an oral hearing held in the offices of the Valuation Tribunal, Ormond House, Ormond Quay Upper, Dublin 7 on the 12<sup>th</sup> day of April, 2011. At the hearing, the appellant was represented by Mr. Michael Doyle, MRICS, MSCS, of Bagnall & Associates, Property and Rating Consultants. The respondent, the Commissioner of Valuation was represented by Ms. Angelina Scanlan, BSc, MIAVI, a Valuer in the Valuation Office.
2. In accordance with the rules of the Tribunal, both valuers submitted and exchanged a written précis of the evidence and valuation they proposed to adduce at the oral hearing. From the evidence so tendered and additional oral evidence and submissions received during the course of the oral hearing, the following material facts emerged or are so found by the Tribunal.

### **The Property Concerned**

3. The property concerned comprises part of the first floor of a recently constructed five storey over basement level building, known as “110 Amiens Street”, located on the east side of Amiens Street, opposite to the junction of Foley Street and Buckingham Street. The building, which provides five retail units and one office unit at first floor level, with office accommodation on four levels overhead, together with 16 car parking spaces at basement level, is located adjacent to Connolly Station and Busáras, which together provide a major city centre transport hub. In the immediate vicinity, there are a number of other modern office developments and the IFSC.
4. “110 Amiens Street” is a wedge-shaped development and backs onto the railway arches which affect natural lighting to the property at the lower levels and gives rise to greater than normal inner city noise levels. Pedestrian and vehicular access to the building is from Amiens Street and access from the car park is by means of elevators which serve all floors. The subject property is at first floor level and internally the office accommodation is provided to a high specification with raised access floors, suspended ceilings incorporating fluorescent light fittings, VRF air conditioning/handling system and with painted and plastered wall finishes.

### **Accommodation**

5. The agreed area of the property concerned is 233.46 sq. metres measured on a net internal area basis. It also includes 2 car parking spaces at basement level.

### **Rating History**

6. Following a request for a revision, a certificate in draft form was issued on 1<sup>st</sup> April, 2010 to the effect that it was proposed to enter the value of the property concerned on the valuation list at a rateable valuation of €210. Following representations made in relation to the property concerned and a number of other office suites in the building, a certificate in final form was issued in respect of the property concerned on 19<sup>th</sup> May, 2010, to the effect that the value of the property concerned had been reduced to a rateable valuation of €188. No change was made on foot of an appeal made under Section 30 of the Valuation Act, 2001 and it is against this decision by the Commissioner of Valuation that the appeal to this Tribunal lies.

### **Issue**

7. It is agreed that the only issue in dispute in this appeal is the quantum of the valuation of the property concerned.
8. Before the commencement of the oral hearing, the parties jointly advised the Tribunal that the outcome of this appeal would form the basis of an agreement between the parties, in relation to appeals lodged with the Tribunal in respect of 5 other properties located in 110 Amiens Street, namely:

<u>Appeal No.</u>	<u>Property Description</u>	<u>Property No.</u>
VA11/1/007	Offices, 2 <sup>nd</sup> floor	2205267
VA11/1/008	Offices, Ground floor	2205264
VA11/1/009	Offices, 2 <sup>nd</sup> floor	2205268
VA11/1/010	Offices, 3 <sup>rd</sup> floor	2205269
VA11/1/011	Offices, 4 <sup>th</sup> floor	2205270

### The Appellant's Evidence

9. Mr. Doyle, 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. Doyle contended for a rateable valuation of €128, calculated as set out below:

Offices 233.46 sq. metres @ €82 per sq. metre	= €19,143
Car spaces 2 (agreed) @ €635 per space	= <u>€ 1,270</u>
Net annual value say	€20,413
Rateable valuation @ 0.63% Say	€128

10. In support of his opinion of net annual value Mr. Doyle introduced three comparisons, details of which are contained in Appendix 1 to this judgment. Mr. Doyle said that in arriving at his opinion of net annual value, he had also regard to the determinations of the Tribunal in relation to two previous appeals in respect of office buildings in the close vicinity. The details of these appeals are as follows:

**VA02/2/065 - Bord Gais Eireann:** Judgment issued on 16<sup>th</sup> January, 2004.

**VA09/4/025 & 026 & 027 – Conor Ó Cléirigh & Co. Ltd. & others:** Judgment issued on 21<sup>st</sup> June, 2010.

11. In evidence, Mr. Doyle said “110 Amiens Street” suffered from a number of drawbacks, which would adversely affect its rental value such as:

- Location
- Irregular shape
- Inherent environmental factors

12. In relation to the first, Mr. Doyle said the building was located in a tertiary office location, despite the fact that it was located close to Connolly Station, Busáras and IFSC. Secondly, the building was irregularly shaped and lacked profile and the internal layout militated against the efficient use of available space. The proximity of the building to the railway arches and the main platforms at Connolly Station give rise to a noisy work environment, particularly at the first and second floor levels. Furthermore, the proximity

of a HSE methadone clinic gave rise to a staff security issue. Mr. Doyle said that in his opinion, the Valuation Office had not taken the significance of these adverse factors into account in arriving at the valuation of the property concerned and other office units within the building.

13. In regard to the unit at first floor level occupied by Sony Computer Entertainment Ireland Ltd., Mr. Doyle said that he represented the company at Representations Stage, when the rateable valuation of this property was reduced to €308, based on a sq. metre rate of €123.03. Sony, he said, decided not to appeal against this assessment, notwithstanding his advice that the valuation was excessive.
14. Under examination, Mr. Doyle agreed that “110 Amiens Street” was less than 200 metres from the main entrance to Connolly Station and also convenient to Busáras. He further agreed that Connolly Station, Busáras and the Red Luas Line, taken together, was a major transportation link into Dublin city centre. Mr. Doyle also agreed that a number of new office developments had been completed in the immediate vicinity over the past several years and that the IFSC was nearby.

### **The Respondent’s Evidence**

15. Ms. Scanlan, having taken the oath, adopted her written précis and valuation, which had previously been received by the Tribunal, as being her evidence-in-chief.
16. In her evidence, Ms. Scanlan contended for a rateable valuation of €188 calculated as set out below:

First floor offices 233.46 sq. metres @ €123.03 per sq. metre	= €28,722.90
Car parking spaces 2 @ €635 per space	= <u>€ 1,270.00</u>
Net annual value	€29,992.90
Rateable valuation @ 0.63% Say	€188

17. In support of her opinion of net annual value, Ms. Scanlan introduced four comparisons, details of which are set out in Appendix 2 attached to this judgment.

18. In her evidence, Ms. Scanlan referred to the number of new office development schemes which had been carried out in the area bounded by Amiens Street, Talbot Street, Railway Street, Buckingham Street and Foley Street which together, when taken with the IFSC, indicated that there was an established demand for office accommodation in this location.
19. Under examination, Ms. Scanlan said she now accepted Mr. Doyle's assertion that the value of the Sony unit was accepted by the ratepayer and not agreed with Mr. Doyle on their behalf.
20. When questioned about her other comparisons, Ms. Scanlan said that taken collectively they represented the tone of the list. She agreed that the premises occupied by Irish Permanent Finance Ltd., at Custom House Plaza, (Comparison No. 3) was located in the IFSC which was recognised as an established prime location for office use. Ms. Scanlan said that she had taken this fully into account when valuing the property concerned at approximately 65% of the sq. metre rate applied to the Irish Permanent building, i.e., €123.03 per sq. metre, as against €191.38 per sq. metre. In regard to her Comparison No. 2 (Property No. 2200838, 77-80 Amiens Street), she did not dispute the fact that this property was more in the nature of a showroom, but said that, nonetheless, the property was valued as an office in line with the tone of the list for office space in this location.

## **Findings**

The Tribunal has carefully considered all the evidence and arguments adduced by the parties and finds as follows:

1. Firstly, it should be said that Mr. Doyle and Ms. Scanlan presented their evidence and submissions in a very concise and professional manner.
2. The Tribunal accepts Mr. Doyle's evidence, that the building known as "110 Amiens Street" occupies a more inferior location, from an office point of view, than any of the comparisons put forward by either party. The Tribunal also accepts his evidence that the configuration of the building is such as to affect the efficient use of the available accommodation. The Tribunal also accepts that the building's proximity to the railway arches and the noise associated with the mainline railway station are also factors that a prospective tenant would take into account in arriving at its opinion of rental value.

3. The Tribunal attaches little weight to Ms. Scanlan's Comparison No. 3, occupied by Irish Permanent Finance Ltd. at the IFSC. It is located within a district which in property terms is recognised as one of the prime office locations in Dublin city. Under no circumstances could the location of "110 Amiens Street" be considered as being comparable in any way.
4. In relation to the other recent developments in the area, these are mainly located in an area bounded by Amiens Street, Talbot Street, Gardiner Street Lower, Railway Street, Buckingham Street and Foley Street. Together they represent an established critical mass of good quality office buildings. This area would be considered in the market as being, at best, a secondary office location, but nonetheless, probably better than that occupied by "110 Amiens Street".
5. An examination of the values of the buildings in the location shows such an inconsistency of assessment that it is difficult to discern with any degree of certainty just what is the tone of the list for office buildings in this location. No doubt, this is due, to some extent, to a number of factors such as the date of assessment, scale and nature of the buildings, the availability or otherwise of car parking and other economic and environmental factors. Nonetheless, having regard to the comparative evidence, such as it is, and taking into account the location of "110 Amiens Street" and the various factors referred which would have an adverse effect on its letting value, the Tribunal has come to the conclusion that the property concerned should be valued at €110 per sq. metre.

### **Determination**

Having regard to the foregoing, the Tribunal determines the net annual value of the property concerned as follows:

First floor offices: 233.46 sq. metres	@ €110 per sq. metre	= €25,680
Car parking spaces: 2	@ €635 (agreed)	= € 1,270
Net annual value, say		€26,950
RV @ 0.63%	Say	€169

**Notes**

- A. In accordance with the agreement expressed by the parties at the oral hearing, the values of the properties which are the subject matter of appeal reference numbers VA11/1/007, VA11/1/008, VA11/1/009, VA11/1/010 and VA11/1/011 are to be valued at €110 per sq. metre in respect of the office accommodation and €635 per car parking space.
- B. In the light of the Tribunal's determination in this appeal and the agreement referred to at note A, it is recommended that the Commissioner of Valuation exercises his discretion under Section 40 of the Valuation Act, 2001 in relation to property no. 2205266 which was not subject to an appeal under either Section 30 or Section 34 of the Act.

And the Tribunal so determines.