

Appeal No. VA11/5/058

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

Facet Jewellers

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Property No. 515123, Retail (Shops) at 24-25 George's Street Lower, Dun Laoghaire, County Dublin.

B E F O R E

Maurice Ahern - Valuer, IPAV

Deputy Chairperson

Damian Wallace - QFA, Grad Dip

Member

Patricia O'Connor - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 8TH DAY OF DECEMBER, 2011

By Notice of Appeal dated the 6th day of July, 2011, the appellant appealed against the determination of the Commissioner of Valuation in fixing a valuation of €43,300 on the above described relevant property.

The grounds of appeal as set out in the Notice of Appeal are attached at Appendix 1 to this judgment.

The 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 28th day of October, 2011. At the hearing the appellant was represented by Mr. Eamonn S. Halpin, BSc (Surveying), ASCS MRICS, MIAVI of Eamonn Halpin & Co., and the respondent was represented by Mr. Liam Diskin, BSc (Hons) Property Management & Investment, BSc (Ord) Property Valuation & Estate Agency, of the Valuation Office.

At the hearing both parties adopted their précis which had previously been received by the Tribunal as being their evidence-in-chief.

Valuation History

Pursuant to Section 48 of the Valuation Act 2001 the property was the subject of revaluation as one of all ratable properties in the Dun Laoghaire-Rathdown rating authority area. The Valuation Order specifies the 30th day of September 2005 as the valuation date.

The proposed Valuation Certificate was issued on the 15th June 2010 with a proposed ratable valuation of €46,500. The Final Valuation Certificate issued on the 31st December, 2010 with a valuation of €43,300. An appeal was lodged to the Commissioner of Valuation on the 9th February, 2011, following which the valuation remained unchanged. On the 6th July, 2011, a Notice of Appeal to the Valuation Tribunal was lodged against the decision of the Commissioner.

The Property

The subject property is a two storey end of terrace retail property situated at 24-25 George's Street Lower, Dun Laoghaire, Co. Dublin, with dual frontage onto Georges Street Lower and Library Road.

Accommodation

The areas for valuation purposes were agreed as follows:

Shop (Zone A)	30.97 sq. metres
Shop (Zone B)	1.75 sq. metres
Workshop	50.00 sq. metres
1 st Floor Office / Workshop	60.76 sq. metres

1 st Floor Stores (moderate)	17.39 sq. metres
1 st Floor Stores (poor)	11.61 sq. metres

Tenure

Freehold.

The Appellant's Case

Mr. Halpin took the oath and adopted his précis as evidence-in-chief with one amendment to page 10. He stated that the 5% allowances for frontage to depth and poor internal layout should each be reduced from €1,046 to €796 which would result in an amended total NAV of €25,206 (say €25,200). Mr. Halpin contended for an NAV of €25,200 or €20,700 as follows:

Shop (Zone A)-	30.97 sq. metres	@ €500 per sq. metre	= €15,485
Shop (Zone B)-	1.75 sq. metres	@ €250 per sq. metre	= € 437
Workshop -	50.00 sq. metres	@ €100 per sq. metre	= <u>€ 5,000</u>
			€20,922

Less:

5% for frontage to dept	€796
5% for poor internal layout	€796
Subtotal	€19,330

1 st Floor Office and ancillary Workshop	60.76 sq. metres @ €70 per sq. metre	= €4,253
1 st Floor Stores (moderate)	17.39 sq. metres @ €60 per sq. metre	= €1,043
1 st Floor Stores (poor)	11.61 sq. metres @ €50 per sq. metre	= <u>€ 580</u>
Total		€25,206

Say NAV €25,200

OR

Ground Floor retail	32.73 sq. metres @ €300 per sq. metre	= €9,819
Workshop	50.00 sq. metres @ €100 per sq. metre	= €5,000
1 st Floor Office and ancillary Workshop	60.76 sq. metres @ €70 per sq. metre	= €4,253
1 st Floor Stores (moderate)	17.39 sq. metres @ €60 per sq. metre	= €1,043
1 st Floor Stores (poor)	11.61 sq. metres @ €50 per sq. metre	= <u>€ 580</u>
Total		€20,695

Say NAV €20,700

Mr. Halpin provided 6 comparisons on which to base his contention (details of which are attached at Appendix 2 to this judgment) and commented on them as follows:

1. Comparison 1 is in a prime location and was described as “massively more valuable” than the subject property.
2. Comparison 2 is located only a couple of doors away from the subject property.
3. Comparison 3 is located across the street from the subject property. The passing rent in 2010 was €19,000 per annum which Mr. Halpin felt could not be disregarded.
4. Comparison 4. This is the appellant’s new premises and Mr. Halpin felt that its significance was to show the level of €70 per sq. metres for first floor ancillary.
5. Comparison 5. This premises was quite removed from the centre of Dun Laoghaire but Mr. Halpin felt that it had some similarities to the subject property in terms of NAV.
6. Comparison 6. This property was allowed 5% discount for frontage to depth and a further 5% allowance for layout.

Cross-Examination

On cross-examination from Mr. Diskin, Mr. Halpin stated that the Commissioner had devised a formula for 5% frontage to depth allowance to cover a situation where premises only had a Zone A retail area. Mr. Halpin confirmed that he did not have comparisons in this regard. Mr. Halpin described as having poor layout a poor premises with a good Zone A area but a small Zone B area. Mr. Diskin made the point that the appellant’s comparison 4 was a similar property to the subject property and that it had no allowances but Mr. Halpin did not agree with this assessment, stating that his comparison 4 had a Zone B which was almost as large as Zone A and that that balanced the property out.

Under questioning from the Tribunal, Mr. Halpin stated that comparisons 1 and 2 were in the prime section of Georges Street and would be superior in terms of rent. Mr. Halpin also confirmed that there was a separate side entrance to the property by a way of a doorway leading to the side street, allowing access to blocks 4, 5 and 6 without entering the lobby of the subject property.

The Respondent's Case

Mr. Diskin took the oath and adopted his précis as his evidence-in-chief with one amendment to page 8 amending the NAV for Zone A from €17,960 to €15,485. Mr. Diskin contended for a valuation of €43,300, as follows:

Zone A	30.97 sq. metres @ 500 per sq. metre	=	€17,960.00
Zone B	01.75 sq. metres @ 250 per sq. metre	=	€ 437.50
Workshop	50.00 sq. metres @ €100 per sq. metre	=	€ 5,000.00
Office (1 st fl)	89.76 sq. metres @ €250 per sq. metre	=	<u>€2,440.00</u>
			€43,362.50

NAV say €43,300

Mr Diskin provided 5 comparisons in support of his valuation, details of which are attached at Appendix 3 to this judgment. Mr. Diskin pointed out specifically that comparisons 1, 2 and 3 had all been let in 2008, 2003 and 2005, respectively, which was nearer the valuation date than the 2010 rent referred to by Mr. Halpin. Mr. Diskin confirmed that there was no rental evidence available for comparison 4. Mr. Diskin further stated that it was his opinion that comparison 5 was of a poorer quality than the subject property.

Cross-Examination

On cross-examination Mr. Diskin admitted that he had not aware that the subject property was previously residential.

Findings

1. The Tribunal notes the paucity of rental evidence proffered by both parties with respect to the developing and evolving tone of the list for properties comparable to the subject property within the relevant rating area. The rental evidence which was furnished is not relevant to the valuation date.
2. The Tribunal accepts the uncontested evidence produced by the appellant with regard to the application of frontage to dept allowance.
3. The Tribunal noted that there was no dispute on the rate per square metre applied to the ground floor.
4. The Tribunal accepts the appellant's evidence in relation to the ancillary nature of the first floor accommodation and finds that in this case the first floor accommodation is ancillary

and accordingly should be valued at a lower rate than the self-contained first floor accommodation.

5. The Tribunal finds that the evidence presented in respect of the portion described by Mr. Halpin in the appellant's précis as "first floor stores (poor)" is inferior to the remainder of the first floor and as such should be valued at a lower rate.

Determination

Having considered all the evidence and submissions, the Tribunal considers that a fair and equitable assessment of valuation of the subject property be as follows:

Zone A - 30.97 sq. metres @ €500 per sq. metre	= €15,485.00
Zone B - 1.75 sq. metres @ €250 per sq. metre	= € 437.50
Workshop- 50.00 sq. metres @ €100 per sq. metre	= <u>€ 5,000.00</u>
	<u>€20,922.50</u>
<u>Less:</u> 5% frontage to dept allowance (Zones A & B only)	<u>€ 796.00</u>
Subtotal	€20,126.50
Upstairs 1 st floor office and ancillary workshop- 60.76 sq. metres	
@ €200 per sq. metre	= €12,152
1 st Floor Stores (moderate) 17.39 sq. metres @ €200 per sq. metre	= €3,478
1 st Floor Stores (poor) 11.61 sq. metres @ €150 per sq. metre	= <u>€1,741.50</u>
Subtotal	€17,371.50
Total:	€37,498.00

NAV Say €7,500

And the Tribunal so determines.