

Appeal No. VA92/1/011

**AN BINSE LUACHÁLA**  
**VALUATION TRIBUNAL**  
**AN tACHT LUACHÁLA, 1988**  
**VALUATION ACT, 1988**

**Denis Coakley**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Bracetown Office Park at Lot No. 1G/1 - 9 Bracetown, Clonee, Co. Meath  
Quantum

**B E F O R E**  
**Paul Butler**

**S.C. (Acting Chairman)**

**Mary Devins**

**Solicitor**

**Brian O'Farrell**

**Valuer**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 29TH DAY OF JULY, 1992**

By notice of appeal dated the 6th day of February, 1992, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £350 on the above described hereditament.

**The Property:**

The property comprises a purpose built single storey office building containing self-contained units. The building has reinforced concrete frame, flat roof and window panels. It is located close to the village of Clonee, Co. Meath. The area, which is agreed between the parties, is 22,184 sq.ft..

**Valuation History:**

When first valued in 1978 the total R.V. including all warehouses was fixed at £2,370 and on 1st appeal this was reduced to £2,100 with £415 of this attributed to the office complex. In 1990 revision the R.V. was fixed at £1,085, £640 attributable to the offices. An appeal was lodged and on considering the report of the appeal valuer the Commissioner of Valuation valued the offices separately at £350. It is against this determination that this appeal now lies to the Tribunal.

**Written Submissions:**

A written submission was received on the 22nd April, 1992 from Mr. Brian Bagnall, A.R.I.C.S., M.I.A.V.I. of Brian Bagnall & Associates on behalf of the Appellants. In this Mr. Bagnall said that it is the office section of a large industrial complex which is under appeal. He said that the complex was built in 1973 as the HQ for Denis Coakley Limited. It has a total gross floor area of 148,000 sq.ft. of which 22,000 sq.ft. is offices. Mr. Bagnall said that due to economic factors the buildings became surplus to Denis Coakley Limited and efforts were made to sublet portions of the office and warehousing. Because the industrial buildings were built in three separate units it was possible to let these buildings in their entirety at agreed rental levels of £1.60 per sq.ft. for the larger units of 8,000 to 21,000 sq.ft.. He said that Messrs. Coakley were advised that there was no possibility of letting the 22,000 sq.ft. offices in one lot and that it would be very hard to find tenants to take a long term lease. He said that the building was not suitable for storage. Mr. Bagnall said that over the last five

years the Appellants have attempted to let the property as serviced office suites or sublet a portion of them as individual units. He said that the maximum occupancy rate was 65%. In calculating his estimate of Rateable Valuation Mr. Bagnall submitted the following calculation:-

22,148 sq.ft. @ £1.50 per sq.ft. = £33,276

Say £33,000 per annum

R.V. assessed at .5% of market rent = £165

Mr. Bagnall supplied four comparisons as follows:-

Leaf Limited, Kilcock - a large industrial building (excess 100,000 sq.ft. on ground floor) which was agreed on 1990 1st appeal at £1,050.

Soft Kit Systems, Kildare Enterprise Centre - valuation agreed at 1990 1st appeal at £500. Main warehouse building including offices has an area of 47,712 sq.ft..

Lough Egish Co-op, Trim Co. Meath - valuation agreed on 1st appeal at £100.

T. & E. Potterton Limited - sales yard at Devlin, Co. Westmeath -agreed on 1989 1st appeal at £110. Property consists of 3,000 sq.ft. of offices and sales ring.

A written submission was received on the 22nd April, 1992 from Mr. Patrick Berkery, Valuer with 16 years experience in the Valuation Office. In this submission he dealt with the valuation history referred to above. Mr. Berkery said that when he inspected the property in November 1991 it consisted of a serviced office complex with various tenants occupying self-contained units. He calculated the Net Annual Value as follows:-

Area of offices 22,184 sq.ft. @ £3.15 per sq.ft. = £69,879

Say Net Annual Value = £70,000

Mr. Berkery also supplied the Tribunal with six comparisons which are attached to this judgment as Appendix "A".

**Oral Hearing:**

The oral hearing took place in Dublin on the 27th April, 1992. Mr. Brian Bagnall represented the Appellant. Also present to give evidence were Mr. Denis Coakley and Ms. Anne O'Dea, Accountant of Stokes Kennedy Crowley. Mr. Patrick Berkery represented the Respondent.

In his evidence Mr. Bagnall relied on his written submission. He said that the property, consisting of 22,000 sq.ft. is situated in a rural area and it has proved almost impossible to let. He said that his client would accept £1.50 per sq.ft..

Ms. Anne O'Dea in her evidence said that she had examined the summary of costs and that they are accurate.

Mr. Coakley said that he tried to let the premises in their entirety in 1975. At that stage he said that the property was split in two with part of it let to B.A.S.F. Limited, which is part of the Appellant Company, for a short period. He said that it is easier to let premises when part of it is in occupation. He said that from 1987 they spent 1½ years and approximately £60,000 in advertising trying to let the premises without success. When asked by Mr. Berkery about the high cost of repairs, Mr. Coakley said that when the building was first constructed it was done so for owner occupation. He said it was constructed of very basic materials and was used for agricultural business. He said that prospective tenants were looking for a building that was bright, freshly decorated, carpeted and partitioned to suit their requirements. He said that tenants did not stay very long and when they were advertising for

new tenants the offices had to be redecorated to suit different requirements of new tenants. Mr. Coakley said that in 1990 there was an income of £77,729 (gross) from 60% of the premises being let.

Mr. Berkery said that, in the normal way, offices are valued at 50% higher than warehouses. Mr. Bagnall agreed with this but said that this refers to offices adjoining a warehouse where the offices would be finished to a higher standard and that a tenant occupying the warehouse would normally require an office.

Mr. Berkery, in his oral evidence, relied on his written submission. He emphasised the valuation history which had been referred to above. He also relied on his comparisons which are attached as Appendix "A". Mr. Berkery said that the expenditure on repairs would increase the letting value of the premises. He said that the subject property has a separate access and is surrounded by landscaped estate and is finished to a good standard. He said that it is the function of the Commissioner to rate this property and that there is a vacancy relief available from the rating authority where premises cannot be let.

**Determination:**

The Tribunal accepts Mr. Berkery's evidence in relation to the nature and condition of the subject premises and also accepts that offices are usually valued at a higher rate than warehouses.

In the instant case, however, while the property has obviously been refurbished, it remains essentially a fairly basic, functional building which was suitable for its initial purpose i.e. the agricultural business in which the appellant company was engaged, but may not now be suitable for modern letting purposes.

Mr. Bagnall gave convincing evidence in relation to the drawback of the location of the premises in a rural area, and the Tribunal is satisfied that this factor would be taken into

account by a prospective tenant, particularly when the adjoining warehouse complex is in separate occupation.

Taking all of the above into consideration, together with the comparisons put forward by both parties, the Tribunal is of the opinion that the correct R.V. of the subject premises is £230 and so determines.