

Appeal No. VA01/1/114

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

Irish Business Systems

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Office (s) Warehouse/Warerooms at Map Reference 8B/1. Townland:
Ballytrasna, ED: Caherlag, UD: Cork Upper. County Cork

B E F O R E

Fred Devlin - FSCS.FRICS

Deputy Chairman

John Kerr - MIAVI

Member

Maurice Ahern - Valuer

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 26TH DAY OF NOVEMBER, 2001

By Notice of Appeal dated the 26th day of April 2001, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £185 on the above described hereditament.

The Grounds of Appeal as set out in the said Notice of Appeal are that; "In our opinion the current rateable valuation assessment is excessive and inequitable having regard to the provisions of the Valuation Acts and on other grounds also".

The appeal proceeded by way of an oral hearing which took place in the District Court Cork on the 9th day of November 2001. Mr. Edward Hanafin BSc (Surv) MRICS, ASCS, MIAVI, Lisney Chartered Surveyors appeared on behalf of the appellant. Mr. Terence Dineen, a District Valuer in the Valuation Office appeared on behalf of the Commissioner of Valuation. In accordance with the Rules of the Tribunal, the valuers had prior to the commencement of the hearing exchanged their précis of evidence and submitted the same to this Tribunal. Both parties having taken the oath, adopted their précis as being their evidence in chief. Submissions were also made. From the evidence so tendered the following emerged as being the facts relevant and material to and for the purposes of the appeal.

The Property

The subject property comprises of a detached light industrial/ warehouse building which has been converted to primarily office use. The building is located in Little Island Industrial Estate and the agreed accommodation measured on the gross external area basis is as follows.

Warehouse	219metres squared
Offices (two storey)	720metres squared
Total Covered Area	939metres squared

The Valuation History

The property was originally assessed at a rateable valuation of £95 and as a result of the modification carried out this figure was increased to a rateable valuation of £200 at the revision carried out in August 2000. At first appeal stage the rateable valuation was reduced to £185 and it is against this decision that the appeal to this Tribunal now lies.

The Appellant's Contentions

Mr. Hanafin on behalf of the appellant contended for a rateable valuation of £143 based upon a net annual value of £28,500 calculated as set out below:

Warehouse	219m.sq.	@	£24.21 per square metre	= £ 5,302
Offices (two storey)	720m.sq.	@	£32.28	= <u>£23,241</u>
Total				£28,543
Net Annual Value	say			£28,500

Rateable Valuation @ 0.5% = £ 143

In support of his opinion of net annual value Mr. Hanafin introduced 10 comparisons as set out in the appendix attached to this judgement. Five of Mr. Hanafin's comparisons are located in the Little Island area whilst the remainder are situated in other industrial estates elsewhere in the south western suburbs of Cork city close to the N28 dual carriageway.

Mr. Hanafin in his evidence pointed out that whilst the building was substantially altered to provide mainly office accommodation the physical structure of the building was not altered and the fact that the roof covering was asbestos sheeting over 80% of area was a factor which must be taken into account when determining net annual value.

Mr. Hanafin also took issue with Mr. Dineen's decision to attribute a separate value to the yard at the rear. In his opinion this yard was used for circulation and off street car parking purposes and hence its value should be reflected in the valuation levels attributed to the different element of the property.

The Respondents Contentions

Mr. Dineen on behalf of the respondent contended for a rateable valuation of £185 based on a net annual value of £37,000 calculated as set out below.

Warehouse	219m.sq.	@ £24.22	= £5,304
Offices (two storey)	720m.sq.	@ £43	= £30,960
Yard	464m.sq.	@ £2	= £ 928
Total			£37,192
Net annual value	say		£37,000
Rateable Valuation		@ 0.5%	= £ 185

In support of his valuation Mr. Dineen introduced 6 comparisons two of which are located in the Little Island area whilst the other four are located within industrial estates in Ballycoreen. A schedule of Mr. Dineen's comparisons are attached to the appendix attached to this judgment.

Mr. Dineen in his evidence argued that his decision to attribute a value to the enclosed yard to the rear was fair and relied upon the agreed valuation in respect of premises occupied by Nash Beverages i.e. Unit 7 O.C. Commercial Park, Little Island close to the subject property. This is a common comparison with a net annual value of £48,000 which has been devalued by both valuers in an almost identical fashion and provided that the enclosed yard be valued.

Findings

The Tribunal has carefully considered all the evidence adduced by the parties and makes the following findings.

1. Whilst the nature of the subject property has undoubtedly altered the external appearance and envelope is substantially the same except for the addition of a two-storey entrance at the front and the additional windows along the side elevations in order to provide natural lighting within the office space.
2. Of all the comparisons introduced the Nash Beverage premises in the O.C. Commercial Park is the most helpful and this is reinforced by the fact that it is a common comparison devalued in a largely similar fashion. The other comparisons are helpful in establishing the general tone of assessments in other industrial estates throughout the greater Cork area.
3. Both valuers have valued the warehouse space at an identical level of assessment and the only difference is the level of assessment attributed to the office space and the yard at the rear. In regard to the latter the Tribunal considers that a substantial part of the yard space is given over to necessary circulation space and hence is reflected in the levels of assessment attributed to the office and warehouse areas respectively. Having regard to the fact that the building is substantially a converted warehouse building albeit in mainly office use the Tribunal considers the rate per square meter applied by Mr. Dineen as somewhat on the high side. Similarly the Tribunal considers the yard at the rear to be partly used for circulation purposes and that only part should be valued for storage purposes.

Determination

Having regard to all the evidence proffered and arguments adduced the Tribunal determines the appropriate net annual value to be as follows:

Warehouse	219m.sq.	@	£24.21 per sq.m. (as agreed)	= £ 5,302
Offices (two storey)	720m.sq.	@	£36.50 per sq.m.	= £26,280
Excess Yard Area				= <u>£ 500</u>
Total				£32,082
Net annual value		say		£32,000
Rateable valuation		@	0.5%	= £ 160