

Appeal No. VA05/1/038

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

**HCM Consultants & Actuaries Ltd.**                      **APPELLANT**  
  
and

**Commissioner of Valuation**                      **RESPONDENT**

RE: Office(s) at Lot No. 3(bast. & hall flr.), Marine Terrace, Dunleary, Dun Laoghaire  
East Central, Dun Laoghaire, County Dublin

**B E F O R E**

**Fred Devlin - FSCS.FRICS**

**Deputy Chairperson**

**Mairéad Hughes - Hotelier**

**Member**

**Leonie Reynolds - Barrister**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 22ND DAY OF SEPTEMBER, 2005**

By Notice of Appeal dated the 23rd day of March, 2005 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €85.00 on the above described relevant property.

The Grounds of Appeal as set out in the Notice of Appeal are:

"On the basis that the RV as assessed is excessive, inequitable & bad in law."

The appeal proceeded by way of an oral hearing which took place on 23<sup>rd</sup> May 2005, in the Tribunal Offices, Ormond House, Ormond Quay Upper, Dublin 7. The appellant was represented by Mr. Eamonn Halpin B.Sc.(Surveying), A.S.C.S, M.R.I.C.S, M.I.A.V.I. of Eamonn Halpin & Co.. Mr. John P. Smiley, a Valuer in the Valuation Office, represented the respondent. Both parties having taken the oath adopted their respective précis which had previously been received by the Tribunal as their evidence-in-chief.

### **The Property Concerned**

The property concerned comprises the hall and garden level floors of a three-storey over garden level period terrace house on Marine Terrace, Dun Laoghaire. The upper floors are in residential use. The rest of the properties which enjoy views over Dublin Bay are in mixed office and residential use.

The property at the relevant valuation date was occupied by the appellant under a lease for a period of 4 years, 9 months from the 1<sup>st</sup> of July 2003. The rent payable for the first 2 years being €22,500 per annum rising to €30,000 per annum for the remainder of the term. There is provision in the lease for a reduction of €1,000 per annum should the use of the car parking be extinguished.

### **Accommodation**

The agreed areas of the premises that is occupied by HCM Consultants measured on a net internal area basis are as follows:

#### **Hall Floor**

Offices	55.32 sq. metres
File Store	11.96 sq. metres

#### **Garden Level/Basement**

Offices	52.00 sq. metres
Tea Room	4.18 sq. metres

### Valuation History

In March 2004 the subject property was listed for revision and on the 24<sup>th</sup> June 2004 the appellant was advised that the revision officer proposed to assess the rateable valuation of the property at €92. Following representations this figure was reduced to €85 and a Valuation Certificate to this effect was issued on the 4<sup>th</sup> August 2004. No change was made on foot of an appeal to the Commissioner of Valuation and it is against this decision that the appeal to this Tribunal lies. Prior to the review the entire property known as 3 Marine Terrace was in residential use.

### Appellant's Case

Mr. Halpin on behalf of the appellant contended for the following rateable valuation:

		NAV
Hall floor offices:	55.32 sq. metres @ €109.34 per sq. metre	€6,049.00
Hall floor return office	11.96 sq. metres @ €68.35 per sq. metre	€817.00
(file store)		
Basement offices	52.00 sq. metres @ €68.34 per sq. metre	€3,554.00
Basement kitchen	4.18 sq. metres @ €47.85 per sq. metre	€200.00
2 Car Spaces	@ €190.46 pa each	<u>€381.00</u>
		€10,801.00
	RV @ .63%	€68.04
	Say	€68

Mr. Halpin submitted 6 comparisons in support of his valuation and these are set out in Appendix 1 to this Judgment.

He set out his valuation considerations as follows:

- 1) The offices do not benefit from an “impressive hallway” but rather share a small lobby as the main hall area is incorporated into the residential part of the building.

- 2) The heating system for upper floor residential is located in basement kitchen and the landlord has retained a right to access at any time without notice.
- 3) The pavement in front of the property has been paved and provides off-street car parking for two cars and is occupied solely by the appellant. Mr. Halpin said that the planning situation in relation to the car parking was unclear and that the local authority had indicated that it may take steps to prevent such use. If this were to happen it would, Mr. Halpin said, have an adverse effect on the marketability and rental of the office accommodation.
- 4) As the building has mixed use (i.e. office and residential) the main hallway is shared. Entry to the back office is through the other two offices.
- 5) Period details are missing and the middle office at hall floor level does not have a roof light and consequently natural lighting is very poor.

The NAV adopted by the Commissioner fails to make the distinction between the subject premises and better period offices in the area and values the subject similarly to better period properties office space. In oral evidence Mr. Halpin said that there should be a differential between the valuation on the subject premises and similar period properties in the Dun Laoghaire area.

### **Respondent's Case**

Mr. Smiley contended for the following valuation:

#### **Hall Floor**

Offices	55.32 sq. metres	@ €125.00 per sq. metre	= €6,915.00
File Store	11.96 sq. metres	@ €68.35 per sq. metre	= €817.47

#### **Garden Level/Basement**

Offices	52 sq. metres	@ €95.69 per sq. metre	= €4,975.88
Tea Room	4.18 sq. metres	@ €47.85 per sq. metre	= €200.00
2 Car Spaces		@ €254.00 each	= €508.00
			€13,416.36

NAV €13,500.00 @ 0.63% = €85.05

RV €85.00

Mr. Smiley submitted 9 comparisons in support of his valuation and these are set out in Appendix 2 to this Judgment.

In oral evidence Mr. Smiley said that the subject was a typical mid terrace period building and in a “most lovely location overlooking the sea”. Mr. Smiley stated that he had checked with the local Planning Authority whether the use of the forecourt for car parking purposes was in dispute and found no evidence of such a dispute. He stated that his Comparison No. 1 was three or four minutes from the subject and that his Comparison No. 9 shows garden/basement with an R.V. of €109.34. He considered his valuation of the subject to be fair and reasonable. He stated that there was a view of the sea from the garden level of the subject, and that overall the subject was an attractive building and that he was very impressed with the offices.

### **Findings**

The Tribunal has considered the evidence and arguments presented by both parties and makes the following findings:

1. The subject property is a period building, formerly in residential use, which has now been adapted at hall and garden level for office use.
2. It is the Tribunal’s view that Marine Terrace is one of the most desirable addresses in Dun Laoghaire for office purposes. It is also close to Georges Street and the town centre.
3. It is the Tribunal’s view that the absence of the original decorative plaster details would not have a significant bearing on the rental value of the property concerned. The hypothetical tenant would be more concerned about location, internal layout, and suitability of the accommodation for office use.
4. It is common case that the quality of the accommodation at garden level is inferior to that at hall floor level and that this would be reflected in the letting values of the floors. The Tribunal is of the view that Mr. Smiley’s valuation of the hall floor accommodation is well supported by the comparison evidence. However the

Tribunal is also of the view that Mr. Smiley's valuation of the garden level accommodation is on the high side and does not adequately reflect the difference in letting value between the hall and garden levels.

5. The Tribunal notes that there is some difference in the evidence regarding the planning status of the use of the forecourt for off-street car parking purposes. Nonetheless both valuers quite properly have included the car parking in their respective valuations as the forecourt at the relevant date was being used for this purpose. In this regard the Tribunal prefers Mr. Smiley's valuation.

### **Determination**

Having regard to the foregoing the Tribunal determines the rateable valuation of the subject property to be €82 calculated as follows:

#### **Hall Floor:**

Offices	55.32 sq. metres	@ €125.00 per sq. metre	= €6,915.00
File Room	11.96 sq. metres	@ €68.35 per sq. metre	= €817.47

#### **Garden Level/Basement:**

Offices	52.00 sq. metres	@ €90.00 per sq. metre	= €4,680.00
Tea Room	4.18 sq. metres	@ 47.85 per sq. metre	= €200.01

#### **Car Spaces:**

2	@ €254.00 per sq. metre	= €508.00
Total NAV		= €13,120.48

Say = €13,000.00

RV @ 0.63% = €81.90

Say = €82.00

And the Tribunal so determines.