

Appeal No. VA09/3/018

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

Michael Barrable Motors Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Property No. 2197766, Showroom at Lot No. 1.2.3/Unit 8, Nevinstown East, Kinsaley, Malahide, County Dublin.

B E F O R E

Maurice Ahern - Valuer

Deputy Chairperson

Mairéad Hughes - Hotelier

Member

Michael F. Lyng - Valuer

Member

JUDGMENT OF THE VALUATION TRIBUNAL

ISSUED ON THE 13TH DAY OF JANUARY, 2010

By Notice of Appeal dated the 14th day of July, 2009, the appellant appealed against the determination of the Commissioner of Valuation in fixing a valuation of €12.00 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 and inequitable. The building here is a much lower specification to those in the Airside Retail Park. It is also larger and does not have retail warehouse zoning."

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 13th day of October, 2009. At the hearing the appellant was represented by Mr. Eamonn Halpin, BSc (Surveying), ASCS, MRICS, MIAVI. Ms. Claire McInerney, BSc (Hons) Property Studies, a Valuer in the Valuation Office, represented the respondent.

Valuation History

The property was valued in October 2008 with a proposed RV of €1,013. Following representations from the appellant's agent Mr. Eamonn Halpin, the rateable valuation was reduced to €12. Following an appeal to the Commissioner of Valuation, a valuation certificate issued in June 2009 with the rateable valuation unchanged at €12. The appellant appealed this decision in July 2009 to the Valuation Tribunal.

The Property

The subject property is located in Airside Motor Park in Swords, Co. Dublin and is adjacent to Airside Retail Park. The subject is located to the rear of HB Dennis Motors and is adjacent to the Royal National Lifeboat Institute (RNLI) building. The property comprises a purpose-built showroom with ancillary offices, reception, and workshop with mezzanine store, car valet, workshop and yard. The main building is completed to a high standard with a steel portal frame, concrete block walls, double clad kingspan roofing on steel frame roof and glass and metal finishes at external front elevations. The first floor showroom has an external car lift. All main services are connected and supplied to the premises.

Accommodation

Internal floor areas are agreed as follows:

Ground floor

Showroom & Porch	914.32 sq. metres
Workshop	650.49 sq. metres
Valet workshop	77.88 sq. metres

First floor

Showroom	704.79 sq. metres
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Mezzanine

Store 68.38 sq. metres

The Appellant's Case

Having taken the oath, Mr. Halpin adopted his précis as his evidence-in-chief. He then gave a brief description of the valuation history of the subject property. He described the location of the subject as being in an inferior location at the rear of Airside Motor Park, to the rear of HB Dennis Motors and adjacent to the RNLI building. Therefore, Mr. Halpin said, the subject property was not visible to the public when entering the Retail Park, because the RNLI building next to subject broke the line of showrooms in this location. The road came to an end beside the subject and because of this, Mr. Halpin said, there was very little potential for passing trade. Mr. Halpin stated that the site cost of the subject property was a fraction of the site costs of the frontline comparable properties.

Mr. Halpin went on to say that the Commissioner had already varied by 14% the difference between the best and worst locations in the Motor Park. He said that the quantum should be reduced to a level that would reflect the relative value of the subject, given its size, location and the tone already established for the other showrooms fronting & adjoining the Motor Park, notwithstanding the hypothetical tenant's view of all of these issues. He said that the Commissioner had already applied an increase to the smallest and one of the best-located units within the Motor Park, i.e. Chevrolet (approx 10%) and because of this it was inequitable not to allow a quantum allowance on the subject, given its overall size.

Mr. Halpin concluded his evidence by saying that he was looking for an RV of €80 on the subject property, detailed as follows:

External Porch	4.32 sq. metres		Nil
Showroom	910.00 sq. metres	@ €4.68 per sq. metre	= €49,759
1 st floor S/room	704.79 sq. metres	@ €27.34 per sq. metre	= €19,268
Workshop	650.49 sq. metres	@ €34.17 per sq. metre	= €22,227 (<i>corrected</i>)
Valet workshop	77.88 sq. metres	@ €13.67 per sq. metre	= €1,065 (<i>corrected</i>)
Mezzanine Store	68.38 sq. metres	@ € 6.83 per sq. metre	= <u>€67</u>
Total NAV			€2,786 (<i>corrected</i>)
RV @ 0.63%	€84.55		

Say RV €80

In support of his valuation Mr. Halpin introduced 7 Comparisons, details of which are set out in Appendix 1 to this judgment.

Respondent's Evidence

Ms. Clair McInerney, having taken the oath, adopted her written précis as her evidence-in-chief. In her evidence Ms. McInerney contended for a rateable valuation of €12 calculated as set out below:

Showroom	914.32 sq. metres	@ €88.83 per sq. metre	= €81,219.05
1 st floor S/room	704.79 sq. metres	@ €41.00 per sq. metre	= €28,896.39
Workshop	650.49 sq. metres	@ €47.83 per sq. metre	= €31,112.94
Valet workshop	77.88 sq. metres	@ €39.29 per sq. metre	= €3,059.91
Mezzanine Store	68.38 sq. metres	@ € 6.84 per sq. metre	= <u>€467.72</u>
Total NAV			= €144,756.01

RV @ 0.63% = €11.96

Say €12

In support of her opinion of Net Annual Value, Ms. McInerney introduced 8 comparisons, details of which are set out in Appendix 2 to this judgment. She said that there were 9 showrooms in Airside Motor Park, including the subject property, and that the best comparative evidence for the property under appeal is that relating to the existing valuations for the other 8 properties in the Motor Park. She said that 5 of the existing valuations relate to properties on the main road of the development, while the remaining 3 valuations refer to properties with a lesser profile to the rear of the development. She said that as far as she was concerned the valuation approach adopted by her in this case was consistent with that used when valuing other car showrooms at Airside Motor Park.

Findings and Determination

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

1. The subject property is in an inferior location to the other car showrooms in Airside Motor Park.
2. Ms. McInerney in her evidence has categorised the car showrooms and workshops at Airside Motor Park into 3 types for valuation purposes, i.e. Type A Showroom (the front line showrooms) is valued at €5.67 per sq. metre, while Type B Showroom (at the rear of the Motor Park) is valued at €8.83 per sq. metre. Ms McInerney also presented a Type C for the Chevrolet garage (already discussed in this document) with that Showroom being valued at €102.51 per sq. metre.
3. The Tribunal considers that a fourth type of showroom should be introduced, because the buffer zone created between Types A, B and C and the RNLI warrant this.
4. The tone of the list is already well-established by 5 appeals to the Commissioner of Valuation and one Valuation Tribunal appeal (**VA06/2/006 – Tapison Ltd.**).
5. The Valuation Office has already factored in a 13.5% difference between the front line garages and the smallest one (i.e. Chevrolet).
6. The hypothetical tenant would not pay more for the subject.

In view of the foregoing the Tribunal determines the valuation of the subject property to be €75 as calculated below:

Porch	4.32 sq. metres		Nil
Showroom	910.00 sq. metres @	€4.40 per sq. metres	= €76,804.00
1 st floor S/room	704.79 sq. metres @	€8.96 per sq. metres	= €7,458.62
Workshop	650.49 sq. metres @	€7.83 per sq. metres	= €1,112.94
Valet workshop	77.88 sq. metres @	€9.29 per sq. metres	= € 3,059.91
Mezzanine Store	68.38 sq. metres @	€8.84 per sq. metres	= <u>€ 467.72</u>

Total NAV = €138,903.19

RV @ 0.63% = €875.09

Say €875.

And the Tribunal so determines.