

Appeal No. VA10/1/011

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

Berganza Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Property No. 5002102, Warehouse at Unit 649, Jordanstown Avenue, Greenogue Business Park, Rathcoole, County Dublin

B E F O R E

Maurice Ahern - Valuer

Deputy Chairperson

Patrick Riney - FSCS FRICS FIAVI

Member

James Browne - BL

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 5TH DAY OF AUGUST, 2010

By Notice of Appeal dated the 9th day of February, 2010 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €282,000 on the above described relevant property.

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

"The rental level set by the Valuation Office in setting the valuation is excessive and higher than the actual level of rent on the property. Location of unit and quality of unit is not comparable with comparisons supplied by Valuation Office."

This appeal proceeded by way of an oral hearing held at the Tribunal offices, Ormond House, Ormond Quay Upper, Dublin 7 on 14th April 2010. The appellant, Mr. David Ruane, of Berganza Ltd. represented himself and the respondent was represented by Mr. James Costello, BSc, a Valuer in the Valuation Office.

The Tribunal was furnished with submissions in writing on behalf of both parties. These submissions were detailed and to the point. Both parties adopted their submissions as their evidence-in-chief at the oral hearing.

The Property

The property is located in Greenogue Business Park, situated approximately 1.2km from the Rathcoole Interchange on the Naas Road. The property has good accessibility to the immediate road network. It is located to the rear of the estate and is built on site 649, comprising a detached property in the centre of two other similar units.

Description

The property comprises a light industrial unit of mainly steel frame construction with a concrete block infill to two metres high. It is finished externally with profile metal cladding to the warehouse area. The entire is covered with a double skin insulated metal deck roof. The warehouse has an eaves height of circa 10.8 metres. It is also understood that the entire is in excellent condition and that the two storey office section is of mainly block construction and finished to a high standard. The warehouse area, with the main access via a roller door system, has a total agreed external area of 1,825 sq. metres. The office area is 868 sq. metres, incorporating a showroom, reception area, boardroom and other various offices. The total agreed area, which was measured on a gross external area basis, is 2,690 sq. metres.

Valuation History

- 4th March 2009 – draft cert issued at a valuation of €340,000
- 23rd March 2009 – representations received
- 26th May 2009 – representations decision (dispute over quantum agreed and valuation adjusted downward to €296,000)
- 2nd June 2009 – Valuation Certificate issued
- 15th July 2009 – Appeal application submitted to the Commissioner of Valuation
- 12th December 2009 – Appeal was decided as follows:

Office	868 sq. metres	@ €105 per sq. metre =	€91,450
Warehouse	1,825 sq. metres	@ €105 per sq. metre =	€191,625
Revised Total			= €282,450
Say	€282,000		

- 9th February 2010 – The decision was appealed to the Valuation Tribunal.

Appellant's Case

Mr. David Ruane gave his evidence under oath and adopted his précis as his evidence-in-chief.

In referring to his submission, he pointed out that the valuation of €282,000 applied by the Valuation Office was excessive taking comparative and actual rental evidence into account. In particular, he referred to comparisons which, he stated, had been used by the respondent at first appeal stage:

1. **John Toner & Sons Ltd, Unit 505, Greenogue Industrial Estate, Rathcoole, Co. Dublin.** Mr. Ruane emphasised this property was situated closer to the estate entrance than the subject property. Situated off the main access road, it has a glazed high-profile frontage, and three dock levellers, as compared to only one in the subject property. There are also two entry/exit points in this property, as compared with one in the subject property.
2. **Cahill May Roberts Ltd., Unit 645, Greenogue Business Park, Rathcoole, Co. Dublin.** Mr. Ruane pointed out that this property is off the main access road with a high bay height of nearly 16 metres, as compared with a bay height of 10.8 metres in the subject property. This has four dock levellers compared to only one in the subject property.

Mr. Ruane pointed out that, in his view, the above points were not adequately reflected in the valuation assessed on his property. He also stated that none of the yards in the said properties had been valued.

In regard to his comparison 1, ABP Builders Providers, Unit 648, Greenogue Business Park, Rathcoole, Co. Dublin, he pointed out it was adjacent to the subject property, had a higher profile on a corner site with two access points, four electric roller shutter doors and the benefit of a yard of circa 4,347 sq. metres.

Mr. Ruane also referred to his second comparison, A to Z Hire Ltd., Unit 621, Greenogue Business Park, Rathcoole, Co. Dublin, stating it too was adjacent to the subject property, on a higher profile corner site with four electric roller shutter doors and the benefit of a yard of circa 3,374 sq. In his opinion, the method adopted by the Valuation Office, i.e., the tone of the list, should take into account other issues such as the size of a site, corner locations and any other differences between existing individual properties. The appellant's comparisons are set out in Appendix 1 attached to this judgement.

The Respondent's Case

Mr. James Costello adopted his submission as his evidence-in-chief and referred to it in some detail. Mr. Costello pointed out that the property was freehold and was occupied by the owners. He understood the property had cost in the region of €4,200,000 and that a further €500,000 was invested in the enlargement of the office to its present size. In carrying out his valuation he had based it on comparisons of similar revised properties in the same general location.

Mr. Costello referred to his comparisons 1, 2, 3 and 4, details of which are set out in Appendix 2 attached to this judgement, which are all located at Greenogue Business Park (i.e. units 648, 537, 538 and 621 respectively) and summarised his case as follows:

- “1. Having considered all the relevant facts it is apparent that the tone of the list was well and truly established on two essential points: 1. location, 2. property type and there appears to be no grounds for adjusting levels applied.
2. Location, size, use and relative value have been strongly considered through the comparisons supplied.
3. The tone of the list is well established at €105 /Sq. Mt. for this type of property.
4. The property is part of a well recognised estate on the outskirts of Dublin with accessibility being a very strong factor.
5. The location is not prohibitive.
6. The standard of the property in both warehouse and offices were excellent.
7. The available parking to the front of the property is an advantage.”

In conclusion, Mr. Costello stated that, in his opinion, the valuation of €282,000 applied by him was fair and reasonable.

Findings

The Tribunal has carefully considered all of the evidence, both written and oral, and the arguments adduced by the parties and finds as follows:

1. Section 49 sets down that the valuation of the property concerned, which is subject to a revision under Section 28 of the Valuation Act 2001, be determined “*by reference to the values as appearing on the valuation list relating to the same rating authority area as that property is situate in, of other properties comparable to that property.*”
2. The Tribunal accepts Mr. Costello’s evidence that the prevailing tone of the list for modern warehouse buildings and associated office space in this area is €105 per sq. metre.
3. The Tribunal have also considered comparisons 1 and 2 of the appellant’s submission, i.e., units 648 and 621, Greenogue Business Park, Ratchoole, Co. Dublin. In particular, it is noted that these two properties are superior to the subject property with higher profile corner sites, additional access points and larger yard areas. In view of this, it is considered that an appropriate allowance of 5% should be allowed.

Determination

Having regard to the above, the Tribunal determines that the valuation of the property concerned as follows:

Total Agreed Gross External Area - 2,690 sq. metres
 2,690 sq. metres @ €99.75 per sq. metre = €268,327.50
 Say, €268,000

And the Tribunal so determines.