

Appeal No. VA11/5/065

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

**Blythman Assoc. Ltd.**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Property No. 526357, Shop (Offices) at 98 Patrick Street, Dun Laoghaire, County Dublin.

**B E F O R E**

**Maurice Ahern - Valuer, IPAV**

**Deputy Chairperson**

**Mairead Hughes - Hotelier**

**Member**

**James Browne - BL**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 6TH DAY OF JANUARY, 2012**

By Notice of Appeal dated the 11th day of July 2011, the appellant appealed against the determination of the Commissioner of Valuation in fixing a valuation of €19,580 on the above described relevant property.

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

*"The assessment is excessive having regard to the location of the property, and the demand for offices in the locality." "Should be described as offices not as retail."*

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 20<sup>th</sup> day of October 2011. Mr. Conor Ó Cléirigh, Chartered Valuation Surveyor, represented the appellant while Ms. Theresa O'Sullivan BSc, MIAVI, represented the respondent.

### **Location**

The property is located on Patrick Street circa 80 metres from the main George's Street/Marine Road junction in Dun Laoghaire, County Dublin.

### **Description**

The subject property is a ground floor office and store.

### **Accommodation**

The subject property was measured on a net internal area (NIA) basis. Areas have been agreed between the parties. The ground floor office was measured on an NIA basis at 53.5 sq. metres and the ground floor stores were measured on an NIA basis at 35.3 sq. metres.

### **Valuation History**

The valuation certificate (proposed) was issued on the 15<sup>th</sup> day of June 2010. The entire ground floor and first floor of the property were valued together at €38,300. Representations were lodged by the agent for the subject property on the 7<sup>th</sup> day of July 2010 and the valuation was reduced to €32,300. An appeal was lodged by the agent to the Commissioner of Valuation on the 8<sup>th</sup> day of February 2011. The valuation at this stage was subdivided. The valuation of the ground floor was assessed at €19,580.

An appeal was lodged to the Valuation Tribunal on the 11<sup>th</sup> day of July 2011.

### **Basis of Valuation**

The property was subject to a revaluation as one of all rateable properties in the Dun Laoghaire-Rathdown County Council area. The valuation order for Dun Laoghaire-Rathdown County Council specifies that the 30<sup>th</sup> day of September 2005 is the valuation date.

## **Valuation**

The ground floor office of 53.5 sq. metres was valued at €300 per sq. metre, which equals €16,050 and the ground floor store of 35.3 sq. metres at €100 per sq. metre which equals €3,530. The Valuation Office estimates net annual value (NAV) (rounded) at €19,580.

## **The Appellant's Case**

Mr. Ó Cléirigh, having taken the oath, adopted his written précis and valuation, which had been received by the Tribunal, as being his evidence-in-chief. He stated that the NAV adopted by the Commissioner of Valuation was too high. He stated that there was a dispute in the rate as applied per sq. metre. He did agree that the floor areas were agreed.

He set out that the property is located on the eastern side of Patrick Street, approximately 100 metres up from George's Street in the centre of Dun Laoghaire. He stated that the street is mixed in character comprising a range of retail and service providers. He pointed out that on-street parking was prohibited outside the subject property and pay and display parking is available on the opposite side of the street.

He pointed out that the property comprises a two-storey Victorian building in office use throughout. The internal layout at ground floor provides for a front open plan area with toilets and ancillary space. At first floor level there are three small offices with kitchen and toilet facilities. The first floor has a separate access to the street. There is no car parking with the property. All mains services were supplied and connected to the property. The property was maintained by the owner and in good condition throughout.

He set out a number of factors affecting the rental value:

1. Location

The property is situated in Patrick Street, some 100 metres from the intersection with George's Street, and the location would be a secondary position with limited passing pedestrian traffic. Patrick Street is a one way system with traffic moving from George's Street up past the subject property through the intersection with Cross Avenue and therefore the main volume of vehicular traffic on the street is from drivers who are leaving Dun Laoghaire. There is a HSE medical clinic

adjoining the subject property dispensing methadone and this has a negative influence on the street.

2. Car Parking

There are no car parking spaces available with the property. The property is situated in a location which has parking restrictions and consequently an allowance must be made for the absence of car parking with the demise.

3. Office demand in the locality

The demand for offices in Dun Laoghaire has always been somewhat sluggish with Blackrock Village being the preferred location for office tenants seeking a South County Dublin address on the Dart line. The first floor offices are available to rent at a quoting rent of €7,000 per annum and have been on the market for over 12 months with little or no interest.

Mr. Ó Cléirigh then set out his assessment of NAV as follows:

Ground floor offices	53.52 sq. metres x €225 =	€12,039
Ancillary	35.3 sq. metres x €100 =	<u>€ 3,530</u>
		€15,530

NAV say €15,500

Mr. Ó Cléirigh, in arriving at his assessment of NAV, said that he had regard to the following comparisons which were all office properties located in the immediate locality:

Comparison No. 1

This is Enterprise House, Block E, Centaury Court, George's Street, Dun Laoghaire, Valuation Office property reference 1106671. This property is a modern purpose built office of 105.8 sq. metres with an NAV of €25,100 per annum. An analysis of NAV shows 105.8 sq. metres x €37.20 per sq. metre = €25,100.

Comments:

This is a modern office building, with no car parking, with a town centre location.

### Comparison No. 2

This is situated at 62 Mulgrave Street, Dun Laoghaire, Valuation Office property reference 526314. The property comprises offices of 181 sq. metres with four car parking spaces. The NAV is €48,100 per annum with analysis of NAV being 181 sq. metres x €238 per sq. metre = €43,078. The four car parking spaces are valued separately.

### Comments:

The adjoining side street was similar to Patrick Street;

The offices were refurbished;

There were four car parking spaces with demise;

The property brochure was attached by Mr. Ó Cléirigh to his submissions.

### Comparison No. 3

This is 51 Mulgrave Street, Dun Laoghaire, Valuation Office property reference 527154. This property comprises ground floor offices of 47.6 sq. metres and first floor offices of 46.32 sq. metres, giving a total of 93.92 sq. metres with two car parking spaces. The NAV was €23,600 per annum; analysis of the NAV being 93.91 sq. metres x €25 per sq. metre = €21,132. The two car parking spaces were valued separately.

### Comments:

These were refurbished offices with an adjoining side street similar to Patrick Street with two car parking spaces.

### **Cross-Examination of Appellant**

In reply to Ms. O'Sullivan for the Valuation Office, Mr. Ó Cléirigh agreed that Mulgrave Street was in mixed office and residential use, while Patrick Street was in mixed shop and office use. However, Mr. Ó Cléirigh pointed out that market demand for offices with no parking is significantly down in a congested town like Dun Laoghaire. Ms. O'Sullivan pointed out that his first comparison had a discount of 5% as a consequence of a spiral staircase being in place. Mr. Ó Cléirigh responded that the subject property is not a modern property but a Victorian property with no car parking, a one way street with congested traffic and a methadone clinic nearby. He did agree that tenants may prefer Patrick Street but not a premises beside a methadone clinic.

**The Respondent's Case**

Ms. Theresa O'Sullivan, having taken the oath, adopted her written précis and valuation, which had been received by the Tribunal, as being her evidence-in-chief. She stated that her NAV as set out by her and adopted by the Commissioner of Valuation was correct. In support of her opinion of NAV, Ms. O'Sullivan put forward 3 comparisons, details of which are attached at Appendix 1 to this judgment. Ms. O'Sullivan then went through the description of the property, its location, the nature of the accommodation, the valuation history and her basis of valuation.

Ms. O'Sullivan set out that the property was the subject of a revaluation as one of all rateable properties in the Dun Laoghaire-Rathdown County Council area. The valuation order for Dun Laoghaire-Rathdown County Council specifies that the 30<sup>th</sup> day of September 2005 is the valuation date. The valuation levels were derived from an analysis of available open market rental information of comparable properties and applied to the subject property. She stated that the valuation of this property, on appeal to the Commissioner of Valuation, was determined by reference to the values of comparable properties stated in the valuation list in which the property appears.

**Cross-Examination of the Respondent**

Ms. O'Sullivan agreed, when it was put to her by Mr. Ó Cléirigh, that there was a methadone clinic next door.

She agreed that the car parking did provide a pinch point but that this was so for all properties. She also agreed that her comparisons were modern construct properties and that these properties were further from the methadone clinic.

**Findings**

The Tribunal, having carefully considered all the evidence and arguments adduced by the parties, made the following findings:

1. The subject property is a Victorian two-storey property converted to office use and is in good condition.
2. While the said location is a secondary location, this has been taken into consideration in the valuation of the property.

3. On revaluation the property must be valued based on section 48 of the Valuation Act, 2001.
4. It is noted by the Tribunal that the appellant put forward no rental evidence to support a lower valuation.
5. The Tribunal notes that the comparisons put forward by the appellant were not on Patrick Street.
6. The comparison properties provided by the appellant, although close in proximity, were not directly comparable to the subject property.
7. Overall, the Tribunal found that the comparisons put forward by both parties were not overly helpful but the Tribunal found that the comparisons put forward by the respondent were of more assistance.

### **Determination**

Having regard to the foregoing, the Tribunal determines that the appeal be disallowed and that the valuation as determined by the respondent be affirmed.

And the Tribunal so determines.