

Appeal No. VA11/5/125

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

Where Service Counts Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Property No. 511081, Retail (Shops), at 87 Booterstown Avenue, Booterstown, County Dublin.

B E F O R E

Maurice Ahern - Valuer, IPAV

Deputy Chairperson

Joseph Murray - BL

Member

Frank Walsh - QFA, Valuer

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 9TH DAY OF FEBRUARY, 2012

By Notice of Appeal dated the 8th day of August, 2011, the appellant appealed against the determination of the Commissioner of Valuation in fixing a valuation of €23,500 on the above described relevant property.

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

"On the basis that the RV as assessed is excessive and inequitable." "The Commissioner over-estimated the relative value of this unit at this moderate location on a one year with another basis. Greater allowance must be made."

The appeal proceeded by way of an oral hearing which took place in the offices of the Valuation Tribunal, Ormond House, Ormond Quay Upper, Dublin 7 on the 14th day of December, 2011. At the hearing the appellant was represented by Mr. Eamonn Halpin, BSC (Surveying), ASCS, MRICS, MIAVI. The respondent was represented by Ms. Olga Harney, BSC (Hons) Property Studies, a valuer in the Valuation Office. Both parties, having taken the oath, adopted their respective précis which had previously been received by the Tribunal as their evidence-in-chief. From the evidence so tendered, the following emerged as being the facts relevant and material to the appeal.

Issue

Quantum

The Property

The subject property comprises a ground floor retail unit in good condition. There are offices overhead in use as a doctor's surgery and another retail user neighbouring the property. The property is located at 87 Booterstown Avenue.

Location

The property is located on Booterstown Avenue, which connects Rock Road (R118) to Stillorgan Road (N11). It is located near the junction with Cross Avenue which connects Booterstown Avenue to Mount Merrion Avenue. The area is primarily residential, with some commercial activity and St. Andrews College is located close to the subject property. The property is located approximately 7km from Dublin City Centre. Public transport to the area is serviced by Booterstown DART Station and Bus Services.

Accommodation

The agreed floor areas are measured on a Net Internal Area (NIA) basis.

Retail Zone A	28.60 sq. metres
Retail Zone B	18.24 sq. metres
Store	13.80 sq. metres
Total NIA	60.64 sq. metres
Total Retail Zoned Area	46.84 sq. metres

Tenure

It is understood that the title is held freehold by the occupier.

Basis of Valuation

The property was the subject of a revaluation in common with all other rateable properties in the Dun Laoghaire Rathdown County Council area. The valuation order specifies 30th September, 2005 as the valuation date. Valuation levels were derived from the analysis of available open market rental information of comparable

Valuation History

A valuation Certificate was issued on the 15th June, 2010. The property had a valuation of €23,500. No representations were made. An appeal was lodged by the appellant's agent to the Commissioner of Valuation on 8th February, 2011, the valuation remained unchanged at €23,500. An appeal was lodged to the Valuation Tribunal on 10th August, 2011.

Valuation

Retail Zone A	28.60 sq. metres	@	€600	=	€17,160
Retail Zone B	18.24 sq. metres	@	€300	=	€5,472
Store	13.8 sq. metres	@	€70	=	<u>€966</u>
Total				=	€23,598

Valuation Office Estimate of NAV (Rounded to) €23,500

The Appellant's Evidence

Mr. Halpin having taken the oath adopted his précis of evidence and valuation which had previously been received by the Tribunal and the respondent's, as being his evidence-in-chief. In his evidence, Mr. Halpin contended for Net Annual Value (NAV) of €10,700.

Calculated as follows:

Shop Zone A	28.60 sq. metres	@	€280 per sq. metre	=	€8,008
Shop Zone B	18.24 sq. metres	@	€140 per sq. metre	=	€2,554
Zoned Area Less 5% for front to depth ratio					-€28
+Store	13.80 sq. metres	@	€50 per sq. metres	=	<u>€690</u>
Total				=	€10,724

Say RV €10,700

In support of his opinion of the foregoing estimate of Valuation, Mr. Halpin introduced four comparisons details of which are contained in Appendix 1 attached to this judgment.

Mr. Halpin's first comparison is the occupiers other unit at Carysfort Avenue, Blackrock. The Valuation here on a NAV Basis is:

Shop	62.95 sq. metres	@	€200 per sq. metre
Store	22.10 sq. metres	@	€50 per sq. metre

Mr. Halpin estimated that the Zoned NAV of the Shop Zone A at 37.43 sq. metres @ €250 per sq. metre and stressed that this would represent a premium of @ 240% over the subject.

The second comparison property chosen is Unit 3 &4 Newpark Centre, Blackrock which was described as a unit in a small shopping centre with parking with a Zone A rate established by the Commissioner @ €500 per sq. metre.

The Third comparison, The Pizza Slice, Oliver Plunkett Road, Dun Laoghaire – has a Zone A rate of €468 per sq. metre.

Mr. Halpin's fourth comparison is Unit 7 Ballybrack Shopping Centre which was described as a retail unit in a Bray neighbourhood centre with a large Tesco Store as Anchor Tenant. This unit has a Zone A level established by the Commissioner @ €550 per sq. metre.

Cross-Examination

In response to questions by Ms. Harney and the Tribunal, Mr. Halpin stated that:

1. This is a moderate retail location with little passing trade.
2. There is no parking directly connected to the subject property.
3. Booterstown Avenue is not a successful retail location with 5 of the 7 properties currently in the valuation list as shops being listed as vacant.
4. All of his comparisons are in more favourable locations with more passing trade, but are still valued less per sq. metre for a Zone A, than the subject property.

Respondent's Evidence

Ms. Olga Harney having taken the oath adopted her précis of evidence and valuation which had previously been received by the Tribunal and appellant as being her evidence-in-chief. In her evidence Ms. Harney contended for a value on the subject property in the amount of €23,500 calculated as follows:

Retail Zone A	28.60 sq. metres	@	€600	=	€17,160
Retail Zone B	18.24 sq. metres	@	€300	=	€5,472
Store	13.8 sq. metres	@	€70	=	<u>€966</u>
Total NAV				=	€23,598
Rounded to €23,500					

In support of her opinion of valuation Ms. Harney introduced three comparisons, details of which are set out in Appendix 2 attached to this judgment.

1. Her first Comparison property was –
Booterstown Pharmacy located on Booterstown Avenue, neighbouring the subject property with a Zone A rate per sq. metre of €600 and a rent set at 1st May, 2005 at €25,000 per annum.
2. Ms. Harney's second comparison was 45 Booterstown Avenue which also has a Zone A rate of €600 per sq. metre listed as vacant, its rent was set at €37,200 at 8th May, 2005.
3. The third comparison chosen was a small barber shop, 115b Rock Road, located on Rock Road at the junction with Booterstown Avenue, with a Zone A rate of €600 per sq. metre.

Cross-Examination

In response to questions put forward by Mr. Halpin and the Tribunal, Ms. Harney stated that:

1. She accepted that the freehold of "Booterstown Pharmacy" was owned by the Pharmacist, Ms. Helena Fitzpatrick.
2. Mr. Halpin's comparison 1 was out of line with all the other comparisons on the list.

3. That the subject was valued in line with other properties on the list, it is a good location with schools and offices close by.
4. The area is primarily residential and has a medical unit overhead and is an ideal location for a convenience shop.
5. That the subject property although not purpose built had a good shop front and profile.

Determination

The Valuation Tribunal thanks the parties for their efforts, their written submission, arguments and contribution at the hearing.

The Tribunal finds that:

The legal basis for this valuation is section 48(3) of the Valuation Act, 2001 and the emerging tone of the list as set down in section 49.

1. In relation to Comparison 1 as submitted by the respondent, Booterstown Pharmacy Ltd which is neighbouring the subject property, the Tribunal could not attach any significant weight to this rental evidence as it was confirmed to the Tribunal that this was not an arm's-length transaction. The respondent's comparison no. 3 has a much higher profile on the corner of Booterstown Avenue and Rock Road and is a more modern building than the subject.
2. The Tribunal accepted the appellant's argument that Booterstown Avenue is a moderate trading location with 5 of the 7 retail units being listed as vacant in the valuation list. It is noted that this evidence was not challenged or refuted by the respondent.
3. Booterstown Avenue is very narrow, particularly outside the subject property, thus making parking difficult.
4. It is accepted that the subject is an old residential unit converted to a retail convenience shop and not purpose-built.
5. The Tribunal is satisfied that the appellant's comparison 1, Clark's, Carysfort Avenue, Blackrock is out of line with the valuations of other comparisons supplied.

6. The appellant's comparisons, while they are not on Booterstown Avenue, where the subject is located are nevertheless in the same rating authority area and the Tribunal took into consideration the comparative evidence of these properties.

All of the foregoing considered, the Valuation Tribunal considers that the valuation of the subject property should be computed as follows:

Retail Zone A	28.6 sq. metres	@	€480	per sq. metre	=	€13,728.00
Retail Zone B	18.24 sq. metres	@	€240	per sq. metre	=	€4,377.60
Store	13.80 sq. metres	@	€70	per sq. metre	=	<u>€966.00</u>
Total =						€19, 071.60
Say €19, 070						

And the Tribunal so determines.