

Appeal No. VA13/3/002

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

Durrington Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Property No. 2211318, Studio at Lot No. 124/Unit 2.1 (Pt FF Front), Strand Road,
Bray, Bray No. 2, Bray UD, County Wicklow.

B E F O R E

Niall O'Hanlon - BL

Deputy Chairperson

Rory Hanniffy - BL

Member

Frank Walsh - QFA, Valuer

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 6TH DAY OF JANUARY, 2014

By Notice of Appeal received on the 11th day of July, 2013, the appellant appealed against the determination of the Commissioner of Valuation in fixing a valuation of €68 on the above described relevant property.

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

"That the RV as assessed is excessive & inequitable given the established tone for comparable property in the town of Bray."

"Very moderate location with low rental value given the type & nature of premises with poor access."

The appeal proceeded by way of an oral hearing, which took place at the offices of the Valuation Tribunal on the 18th day of September, 2013. The appellant was represented by Mr Eamonn Halpin, B.Sc. (Surveying), MRICS, MSCSI, of Eamonn Halpin & Co. Ltd, Chartered Valuation Surveyors and Estate Agents, and the respondent was represented by Ms Claire Callan, B.Sc. (Surveying), M.Sc. in Planning and Development, a valuer at the Valuation Office.

In accordance with the Rules of the Tribunal, the parties exchanged their respective précis of evidence prior to the commencement of the hearing and submitted same to the Tribunal. At the oral hearing, both parties, having taken the oath, adopted their précis as being their evidence-in-chief. This was supplemented by additional evidence given directly and via cross-examination. From the evidence so tendered, the following emerged as being the facts relevant and material to this appeal.

At Issue

Quantum.

The Property

The subject property comprises an open plan section of the first floor of the National Aquarium building and was previously used as a fitness and exercise centre.

Location

The property is located on the seafront, Bray, in the county of Wicklow.

Tenure

The subject property is held freehold.

Floor Areas

The subject property was measured on a Gross Internal Area (GIA) basis. The agreed areas are as follows:

Floor Area	180.14 sq. metres
------------	-------------------

Valuation History

2002	Originally valued as part of Property Number 2164618
October 2011	Property inspected
17 th October 2011	Draft Valuation Certificate issued with an RV of €68
10 th November 2011	Representations submitted to the Commissioner of Valuation on behalf of the appellant
8 th February 2012	Valuation Certificate issued unchanged at RV €68
15 th March 2012	Appeal submitted to the Commissioner of Valuation
14 th June 2013	Valuation Certificate issued with an RV of €68
11 th July 2013	Appeal lodged with the Valuation Tribunal

Appellant's Case

Mr Halpin adopted his précis as his evidence-in-chief. He stated that the premises had been largely unoccupied for many years but had for a period been used as a staff area for the employees of the adjacent restaurant, as a gym and pilates studio and most recently as an artist's studio.

Mr Halpin outlined that a rateable valuation of €70 had been applied to the subject property when originally valued in 2002 as part of the adjacent property, the subject of appeal **VA13/3/001 – Durrington Ltd.**

Mr Halpin indicated that the subject property has no ground floor space and has an unimpressive entrance which is an external fire escape stairs.

Valuation by the Appellant

Mr Halpin contended for a rateable valuation of €27 for the subject property, calculated as follows:

	Area	€ per sq. metre	NAV
Gym/Fitness Studio	180.14 sq. metres	30.00	€ 5,404.00
		@ 0.5%	€ 27.02
			SAY RV €27

Appellant's Comparison Properties

In support of his opinion of rateable valuation, Mr Halpin put forward five comparison properties, as follows:

Comparison No. 1

Property: Fitness Centre, Strand Road, Bray, Co. Wicklow.

Property No: 656947

RV: €50

Single storey gym & fitness centre	480 sq. metres	@ €22 per sq. metre
------------------------------------	----------------	---------------------

Mr Halpin submitted, in respect of Comparison No. 1, that the premises is also located on the seafront.

Comparison No. 2

Property: The National Aquarium, Bray, Co. Wicklow.

Property No: 656983

RV: €126.97

Ground floor/basement	916 sq. metres	@ €27.69 per sq. metre
-----------------------	----------------	------------------------

Comparison No. 3

Property: First Floor Offices, Boulevard Centre, Quinnsboro Road, Bray, Co Wicklow.

RV: €101.58

Offices	572 sq. metres	@ €35.54 per sq. metre
---------	----------------	------------------------

Mr Halpin submitted, in respect of Comparison No. 3, that the rate applied reflects the property's secondary location.

Comparison No. 4

Property: Bray Bowl, adjacent to Dart Station and seafront, Bray, Co Wicklow.

Property No: 714104

RV: €533.29

Ground Floor Restaurant & Amusement Area	503.00 sq. metres	@ €41.14 per sq. metre
Ground Floor Bowling Area	1,191.50 sq. metres	@ €41.14 per sq. metre
First Floor Snooker & Children's activity centre	1,584.50 sq. metres	@ €20.57 per sq. metre
Second Floor	46.00 sq. metres	@ €10.93 per sq. metre
80 Car Spaces at €63.50 each		

Mr Halpin made the following submissions in respect of Comparison No. 4:

- The rate applied to the first floor area is 50% of that applied to the ground floor.
- The rate reflects a quantum allowance for the size of the property.

Comparison No. 5

Property: First Floor Offices, 4 Fitzwilliam Terrace, Bray, Co Wicklow.

Property No: 655419

RV: €12.70

Offices (First Floor)	45 sq. metres	@ €54.68 per sq. metre
-----------------------	---------------	------------------------

Addressing the respondent's comparisons, Mr Halpin argued that comparison properties 3 and 4 are modern offices, complete with parking and a lift service. He described the said properties as the best modern offices in Bray and highlighted that same were brand new when originally rated. He submitted that the rate of €100 per sq. metre represents the zenith of office space in Bray.

Cross-examination of the Appellant

Ms. Callan did not cross-examine Mr Halpin.

Respondent's Case

Ms. Callan adopted her précis as her evidence-in-chief.

Valuation by the Respondent

Ms Callan contended for a rateable valuation of €68 for the subject property, calculated as follows:

	Area	€ per sq. metre	NAV
Total Area	180.14 sq. metres	75.17	€13,541.20
		@ 0.5%	€ 67.71
			SAY RV €68

Respondent's Comparison Properties

In support of her opinion of rateable valuation, Ms Callan put forward four comparison properties, as follows:

Comparison No. 1

Property: 124 Strand Road, Bray, Co. Wicklow.

Property No: 2164618

RV: €294

Note: This property is the subject of an appeal submitted to the Valuation Tribunal in July, 2013, i.e. at the same time as this appeal.

Comparison No. 2

Property: 27 Strand Road, Bray, Co. Wicklow.

Property No: 2188700

RV: €67

Ground Floor	63.29 sq. metres	@ €110.00 per sq. metre
First Floor	51.24 sq. metres	@ € 90.00 per sq. metre
Basement	13.48 sq. metres	@ € 90.00 per sq. metre

Comparison No. 3

Property: Unit 3 Carlisle House, Bray, Co Wicklow.

Property No: 2179604

RV: €91

First Floor Office	180.40 sq. metres	@ €100.00 per sq. metre
Tea Station	4.60 sq. metres	@ € 40.00 per sq. metre

Comparison No. 4

Property: Unit 4 Carlisle House, Bray, Co Wicklow.

Property No: 2179606

RV: €32

First Floor Office	63.80 sq. metres	@ €100.00 per sq. metre
--------------------	------------------	-------------------------

Addressing the appellant's comparison property 1, Ms Callan argued that the property was of inferior construction.

Cross-examination of the Respondent

In response to questions raised by Mr Halpin and the Valuation Tribunal, Ms Callan indicated that:-

1. The respondent's comparison property 1 is not on the list.
2. The Tribunal can only consider comparisons which are on the list.

Summaries

Both the appellant and the respondent availed of the opportunity to provide summation statements which were a synopsis of the foregoing arguments and positions adopted by them in both their précis of evidence and at hearing.

Findings

The Tribunal finds:-

1. The comparisons advanced in this appeal to be of limited assistance. In particular, the Tribunal notes the very significant disparity in the rate per sq. metre applied to the first floor of the respondent's comparison property 2 and the rate applied to the first floor of the appellant's comparison property 5, notwithstanding what appeared to be very substantial similarities between the comparisons on the evidence adduced.
2. The appellant's comparison property 4 to be of limited assistance in view of the very significant disparity between its first floor area and the first floor area of the subject property.
3. The appellant's comparison property 1 is of limited assistance given its large size and the fact that it is a ground floor property in what was argued by the respondent to be an inferior building.

4. The appellant's comparison property 2 is of limited assistance in that it constitutes a ground floor and semi-basement premises.
5. The appellant argued that the respondent's comparison property 1 ought not to be considered in circumstances where same was not part of the list at the time of the revision of the subject property. The Tribunal accepts the appellant's argument in this regard.
6. Insofar as the respondent's comparisons 3 and 4 are concerned, it is noted that they are both first floor properties and that comparison 3 has approximately the same floor area as the subject property. The rate applied of €100 per sq. metre is, however, in the Tribunal's view, not appropriate for the subject property in circumstances where the evidence before it established that comparison property 3 enjoys the benefit of lift access, parking facilities and is a recent (2004) purpose-built structure.
7. The appellant's comparison property 3 is of some assistance in that it also is a first floor property, although in the Tribunal's opinion, the rate of €35 per sq. metre is too low to apply to the subject property. The appellant's comparison property 3 is three times in excess of the size of the subject property.
8. Having carefully considered the evidence and, in particular, the fact that the access to the property is restricted to an external staircase, the Tribunal is of the view that the appropriate rate to apply to the subject property is one of €54 per sq. metre.

Determination

In view of the foregoing, the Tribunal determines that the RV on the subject property should be calculated as follows:-

Total Area	180.14 sq. metres @ €54 per sq. metre	=	€9,727.56
			€9,727.56 @ 0.5% = €48.64
			RV say €48

And the Tribunal so determines.