

Appeal No. VA90/2/013

**AN BINSE LUACHÁLA**  
**VALUATION TRIBUNAL**  
**AN tACHT LUACHÁLA, 1988**  
**VALUATION ACT, 1988**

**A.I.B. Bank Property Services**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Bank and Yard at Lot No. 2, Clonkeen Road, Deansgrange, Co. Dublin  
Quantum - Comparisons, retail and financial considered

**B E F O R E**

**Paul Butler**

**Barrister (Acting Chairman)**

**Padraig Connellan**

**Solicitor**

**Brian O'Farrell**

**Valuer**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 23RD DAY OF NOVEMBER, 1990**

By notice of appeal dated 6th day of July, 1990 the appellants appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £380.00 on the above described hereditament. The grounds of appeal as set out in the Notice of Appeal are that the valuation is excessive and inequitable.

### **Description of Property**

The subject property comprises a bank located at the southern intersection of Kill Lane with Deansgrange Road and Clonkeen Road. The property was originally built as one of a row of 6 suburban shops with residences overhead. It was taken over by the bank in 1969 who carried out minor alterations. A major renovation and extension of the premises was carried out during 1988 and the total expenditure incurred on building and refurbishment was £300,000/£320,000. The work involved the removal of old buildings in the yard; the extension of the ground floor area to provide a larger Banking Hall and a refurbishment of the premises generally.

The areas of the premises have been agreed between the parties as follows:

(a) Main Banking Office Area (including Vault):

Net	10.5m x	23.2m)	
	(34'.6") x	(76'.2") )	
		)	
Less Stairs and Passage		)	
	2.3m x	4.2m )	227m <sup>2</sup> /2,442 sq.ft
	(7'.6") x	(13'.9" )	
Less Yard	3.3m	x	2.1m )
	(10'.9")	x	(6'.10") )

(b) Stores No. 1 - No. 2 42m<sup>2</sup>/452 sq.ft.

(c) First Floor  
Offices and Tea Room 24m<sup>2</sup>/258 sq.ft.

### **Valuation History**

The valuation fixed on the premises at the time it was taken over by the bank in 1969 and minor alterations carried out was £55. In 1988 major alterations were carried out and on the 1989 revision the rateable valuation was increased to £380. This was subsequently appealed to the Commissioner who determined that there should be no change to that rateable valuation.

### **Written Submissions**

A written submission was received from Mr. Christopher Hicks, an Appeal Valuer in the Valuation Office on the 12th September 1990. Mr. Hicks outlined the valuation history of the property and said that the building is now completely renovated and finished to the highest standard. He said there is a small enclosed yard to the rear and ample carparking on all sides. He said that the location at the corner of a busy junction is excellent particularly since access to parking is available from both Clonkeen Road and Kill Avenue. He said that the bank adjoins the post office and supermarket and a wide range of other services.

Mr. Hicks attached comparisons as follows:

1. Bank of Ireland, Deansgrange.
2. Super-Valu Supermarket, Deansgrange.

Mr. Hicks calculates the valuations as follows:

Areas: Ground floor gross internal = 3400 ft<sup>2</sup>

First floor gross internal = 650 ft<sup>2</sup>

Net business area 2400 ft<sup>2</sup> @ £25 = £60,000

NAV £60,00 @ .63% = £378

RV = £380

Mr. Hicks said that this is calculated without zoning to aid comparison with Bank of Ireland nearby and because the corner site provides double frontage. He said that there is no addition for the extra large gross floor area nor for the first floor which would normally let in this area at from £6 to £10 per sq. ft.

Mr. Hicks says that at first glance the Bank of Ireland appears to have an identical location to the subject property however, he said, this is not the case. He said that the Bank of Ireland is set well back from the street, as say an office block might be, at a corner which has virtually no passing pedestrian traffic. A prospective tenant would see this property as having limited commercial potential, a fact that is emphasised by the noticeable lack of window displays. He said that the A.I.B. on the other hand has prominent window displays on both street frontages because of the high density of pedestrian traffic at this corner. The adjoining shops are a newsagent, supermarket, chemist, hairdresser etc. He said that also located near this corner are a school, a church and a medium sized industrial estate. There are also two well known public houses and several good quality restaurants. Mr. Hicks says that the subject property is at the centre of all this considerable commercial activity and the Bank of Ireland, because of its location on the wrong side of Clonkeen Road, is at the periphery.

A written submission was received on the 17th September 1990 from Mr. Des Killen, F.R.I.C.S., I.R.R.V., on behalf the appellants. Mr. Killen is a director of Donal O'Buachalla & Co., which company he joined in 1972. Mr. Killen quoted the judgement of Mr. Justice Barron in the High Court in the Irish Management Institute - v - Commissioner of Valuation case delivered on the 9th March 1990.

Mr. Killen supplied the following four comparisons:

- (1) Bank of Ireland - immediately opposite
- (2) A.I.B. Tallaght - new premises valued for the first time in the 1989 Revision/Appeal
- (3) A.I.B. Artane - formerly Northern Bank premises purchased by A.I.B., renovated and extended and the valuation fixed in the 1989 Revision/Appeal.
- (4) Trustees Saving Bank, Artane - renovated and extended and the valuation fixed in the 1989 Revision/Appeal.

The details of these comparisons are attached at Appendix A. Mr. Killen, having regard to these comparisons, submitted his estimate of (1) Net Annual Value and (2) Rateable Valuation as follows:

**(1) Net Annual Value (Estimate in the absence of an actual rent)**

Ground floor:

Vault, Banking Offices,

2,442 sq. ft. @ £15 = £36,330

Stores 452 sq. ft. @ £2.50 = £ 1,130

First Floor

Offices 258 sq. ft. @ £6.00 = £ 1,548  
£39,008

Say, £39,000

**(2) Rateable Valuation**

Mr. Killen said that it would appear that the appropriate factor to apply to Banks to

translate from N.A.V. to R.V. is 0.63%

Thus, estimate of R.V.

N.A.V. £39,000 x 0.63% = £246

Say £250

or

Ground floor 227m<sup>2</sup> @ £1 = £227

42m<sup>2</sup> @ £0.15 = £ 7

First floor 24m<sup>2</sup> @ £0.40 = £ 10

£244 say £250

**Oral Hearing**

At the oral hearing which took place on the 21st day of September, 1990 Mr. Desmond M. Killen represented the appellant and Mr. Christopher Hicks represented the respondent. Mr. Killen referred to the judgement of Mr. Justice Barron in the High Court in the Irish Management Institute - v - the Commissioner of Valuation case and said that he had attached comparisons which were in line with that judgement. He said that the best comparison was the Bank of

Ireland property which was immediately opposite the subject property. However, he said, the Bank of Ireland property had a carpark capable of taking 40 cars and that it was widely used by customers for the entire area. He disagreed with Mr. Hicks that the rateable valuation of the Bank of Ireland devalued at £17.25 per sq. ft. He said, that after taking the carparking spaces into consideration it devalued at £14.74 per sq. ft. Mr. Killen said, that both banks are practically in the same area and that in applying £15 per sq ft to the Banking Offices and Vault area of the subject property, £2.50 per sq ft to the stores and £6 per sq ft to the first floor offices he arrived at a net annual value of £39,000 which would yield a rateable valuation of £250. Mr. Killen also referred to the A.I.B. branch in Tallaght, which, he said, was a new purpose built bank and which was revised at the same revision as the subject property. He said that the main area of this bank devalues at £15 per sq ft and in a reference to the Allied Irish Bank in Artane he said that the main banking area here devalues at £12 per sq ft. He referred also to the Trustees Savings Bank, Artane which he said was not as good a building as either of the other two but that it devalued at £11.50 per sq ft.

Mr. Hicks said that while the subject property devalued at £25 per sq ft he took into consideration the Super-Valu supermarket which is beside the subject property and which devalued at £26 per sq ft. He said that in fixing a rateable valuation one had always to take the alternative use into consideration and that this subject property was ideal for a number of alternative uses whereas the Bank of Ireland opposite was not because its location was away from the main stream of business. He said that the gross area of the subject property was 3,200 sq ft whereas, the square footage of the Bank of Ireland was 2,800 sq ft. He said that the subject premises is situated on the street front which is a prime location for a bank whereas the Bank of Ireland premises is set behind a green area which does not encourage customers. Mr. Hicks said that the value which the bank put on this location is reflected by the fact that they spent in excess of £300,00 on renovation and extension, whereas, the Tallaght bank only cost £250,000 to construct. Mr. Hicks agreed that the Bank of Ireland is the main comparison although he said

that the Super-Valu supermarket was not irrelevant as banks often moved to premises formerly occupied by supermarkets. He said, nonetheless, that the difference between the two banks is that the Bank of Ireland is removed from the main shopping area and is on the wrong side of the road with a green area in front of it which made it much less valuable to a potential tenant.

The Tribunal agrees with both parties that the best comparison in this case is the Bank of Ireland which is across the road from the subject premises. However, it is aware, that the rateable valuation was fixed on that property in 1980 and there has been an upturn in economic development and activity since then.

It has also taken into consideration the fact that the subject property is on a busier and better side of the road than the Bank of Ireland and although the distance between them is comparatively short, the Tribunal accepts that much of the business activity takes place on the side of the road on which the subject property is placed. Taking all these factors into consideration, the Tribunal determines that a rateable valuation of £310 is appropriate to this property.