

Appeal No. VA91/2/017

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

Kevin Blake

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Premises at Lot No. 33a/9, Castleknock Village Centre, E.D. Castleknock - Park, R.D.
Dublin - Fingal, Co. Dublin

B E F O R E
Henry Abbott

Barrister Chairman

Mary Devins

Solicitor

Brian O'Farrell

Valuer

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 18TH DAY OF OCTOBER, 1991

By Notice of appeal dated the 19th day of July, 1991 the appellant appealed against the determination of the Commissioner of Valuation in fixing a Rateable Valuation of £65.00 on the above described hereditament.

The grounds of the appeal are that "valuation is excessive in view of the open market rental value of property and in view of fact that valuation had already been fixed 2 years ago at lower valuation".

PRECIS OF EVIDENCE

A written submission was received from the Respondent on the 2nd September, 1991. The submission described the property the subject of this appeal as situated in the Castleknock Village Shopping Centre, a medium sized development built in 1987. The centre is located on Castleknock Road close to the junction with College Road, and virtually opposite "Myos" licensed house. It was stated that this is the heart of Castleknock Village and is the main route to the city through the Phoenix Park from Castleknock and its environs. The surrounding area was described as mainly residential in nature but with mixed retail/commercial areas in the immediate vicinity of the Village.

The Shopping Centre, with a site frontage of about 140 feet to the main road is principally L-shaped in design and mainly single storey in layout apart from one unit which is at first floor level. There is a total of 10 units valued to eight occupiers in the Centre and fronting onto a tarmacadamed car park consisting of 36 spaces.

Construction was stated to be of a high standard, comprising fair faced concrete block walls under an insulated metal decking. The front of each unit is finished in brick, where appropriate, with a pitched concrete tile canopy overhead. The location and plan of the units was submitted in the precis and the subject was marked as number 9 and coloured yellow.

The subject was one of the standard units being rectangular in shape with frontage of approximately 17 feet and a depth of approximately 36 feet giving a net floor area of 603 sq feet. A lofted storage space was added by a previous owner and this added to the value of the property. The unit was acquired in 1988 as a shell unit for £85,000 with a further £20,000 being spent on completion and finishing and fitting-out. Premises were acquired by their present

occupier in January 1990 for £125,000. Tenure is a long lease for a thousand years from 1988 at a nominal rent. The accommodation was broken down in the precis as follows:-

	<u>m²</u>	<u>sq ft</u>
Retail Unit - gd fl. -	56.1	603
Lofted Store - 1st fl. -	56.1	603

Small yard in common at rear.

Common car park at front and side.

VALUATION HISTORY

The unit was first valued in 1987 at £46.00. In keeping with the general revision of Shopping Centres in the Dublin area, the entire Centre was listed for the 1990 revision by Dublin County Council "to revise and update as necessary". At this stage the Rateable Valuation was increased to £80.00. The Appellant was aggrieved by the valuation and lodged an appeal with the Commissioner of Valuation and Mr. Maher, Valuer with the Commissioner of Valuation was deputed to inspect the property and report. As a result of Mr. Maher's report the Commissioner reduced the valuation on 1st Appeal to £65.00.

The Respondents precis set out the valuation method which was applied to the subject premises as follows:

"The valuation is arrived at on the basis of calculating a Net Annual Value and having done so arriving at a relationship between Net Annual Value and R.V. based on the relationship of N.A.V. to R.V. for recently revised comparative properties.

Basis:-

Retail Unit -	Zone A -	334 sq ft @ £22 = £ 7,348
	Zone B -	267 sq ft @ £11 = <u>£ 2,937</u>
		£10,285

Loft - 603 sq ft @ £1.50 £ 905
 £11,190
Say £11,000

Applying the Rates Impact formula Circ. No 1/91 to allow for the effect of increase in Rates on Rental levels as follows:-

$$\frac{\pounds 11,000 + (34.84 \times 46)}{1 + (.63\% \times 34.84)} \quad \frac{\pounds 12,600}{1.2195} = \pounds 10,332$$

the adjusted Net Annual Value amounts to, say, £10,350

Adjusted N.A.V. - £10,350
 R.V. at .63% - £65.20 Say £65.00"

Details of comparisons at 33a/5 Castleknock Village Centre, 33a/3 Castleknock Village Centre, Unit 3.4 Laurel Lodge Shopping Centre and Lot 32Ea1 Castle Court Shopping Centre, Castleknock were given. Also a summary of the comparative evidence was set out.

Messrs O'Kennedy & Co. submitted a precis of their evidence on behalf of the Appellant on 5th September, 1991, which substantially agreed with the Respondents precis in relation to the location, layout and dimensions of the premises. Messrs O'Kennedy & Co. submitted that in their opinion a fair valuation ought to be £55.00. They explained that while the property was sold in 1990 for £125,000 the difference in price paid for the unit over and above that paid for other standard units was due to the following factors.

- (a) The addition of a mezzanine floor.
- (b) Inflation in property market between 1988 and 1990.
- (c) The unit was purchased by the adjoining supermarket so the sale of the property could fit into the special purchaser category.

It was the view that while other standard units in the complex sold for £78,000 and £80,000 in 1988 the subject property would have commanded a purchase price of approximately £90,000. From £90,000 was deduced a rental value of £9,000 giving a valuation of £55.00 on the basis of an agreed percentage of 0.63% in relation to the R.V./N.A.V. ratio.

ORAL HEARING

The oral hearing took place on the 6th September, 1991 and the Appellant was represented by Mr. Eamonn O'Kennedy (Principal) of O'Kennedy & Co., Valuation and Rating Consultant and the Respondent was represented by Mr. Denis Maher. Mr. O'Kennedy argued along the lines of his precis and argued also that as the property had only recently been valued his clients had a grievance in relation to the valuation under appeal.

Mr. Maher explained that the earlier valuation was carried out under the older legislation and affirmed that in his calculations he had acted as favourably toward the lower valuation of the subject property as he could. The Tribunal having considered all the evidence including the comparisons and the location of the subject premises are of the view that the valuation offered by Mr. Maher should stand. However, the Tribunal are mindful of the apprehension of the Appellant that there will be continued revisions of the subject property on a frequent basis in the years to come. The Tribunal has referred to this type of apprehension in an earlier appeal (Appeal no. 89/24 between North Kerry Milk Products Limited -v- Commissioner of Valuation) in which it was determined that

"the Tribunal accepts the force of this qualification and would express the wish that valuations now fixed (mostly by agreement) should remain in place for an appreciable length of time which it would regard as not less than five years. Of course, if circumstances change - if there are new buildings or installations, for example the situation would obviously be different".

The Tribunal therefore determines the valuation of the subject premises at £65.00 and would adopt the earlier comments of the Tribunal in the North Kerry Milk Products appeal relating to further revisions.