

Appeal No. VA93/1/011

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

William J. Roben

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Surgery (ground floor) at Map Ref: 9b1, New Street, Town of Malahide, E.D. Malahide East, Co. Dublin
Quantum

B E F O R E
Henry Abbott

S.C. Chairman

Mary Devins

Solicitor

Paddy Farry

Solicitor

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 28TH DAY OF JULY, 1993

By Notice of Appeal dated the 17th day of February, 1993 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £30 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that "in my opinion, sufficient cognizance was not taken by the Commissioner of the fact that the premises are in use for only eleven hours per week. Rates now being levied would amount to 10% of gross fees earned in the premises".

The Property

The property consists of a detached ground floor veterinary surgery on a side street in a tertiary location in Malahide. It is convenient to the centre of the Malahide business area and located at the entrance to the car park of a newly developed shopping centre in the Village. The property was recently extended and given a first floor. It has shared access with the first floor offices.

The property has no yard but it has car parking space to the rear.

Valuation History

The property was first valued in 1980 revision as a detached single storey veterinary surgery at £14 R.V.. It was reduced to £12 R.V. on 1980 First Appeal. There was a subsequent revision in 1988 but no change was made to the valuation. Following extension of the building and addition of a first floor the property was revalued on 1991 revision and the R.V. increased from £12 to £34 for the ground floor, the first floor offices were valued at £24 and are not the subject of appeal. The ground floor surgery was appealed to the Commissioner of Valuation and the valuation reduced to £30 at First Appeal.

Written Submissions

A written submission was received on the 15th June, 1993 from Mr. William J. Roben, appellant. In the written submission, Mr. Roben, described the property and set out the accommodation as follows:-

Waiting Room	137.5 sq.ft.
Consulting Room	144 sq.ft.
Kennel Room	78 sq.ft.
Operating Room	91 sq.ft.
Dark Room	18 sq.ft.
W.C.	21 sq.ft.

He said that the property was located on Strand Street and had been constructed in 1979 at a cost of £8,000 with the site cost of £6,000. It was designed as a veterinary surgery and does not lend itself to any other use. He said that, in his opinion, the open market rental valuation on the premises could be assessed as follows:-

Waiting Room	137.5 sq.ft. @ £12.00 per sq.ft. = £1650 p.a.
Consulting Room	144 sq.ft. @ £10.00 per sq.ft. = £1440 p.a.
Kennel Room	78 sq.ft. @ £ 5.00 per sq.ft. = £ 390 p.a.
Operating Room	91 sq.ft. @ £ 5.00 per sq.ft. = £ 455 p.a.

Dark Room 18 sq.ft. @ £ 3.00 per sq.ft. = £ 54 p.a.
 W.C. 21 sq.ft. @ £ 2.00 per sq.ft. = £ 44 p.a.

Total £4,033 p.a. - Say £4,000 p.a.

£4,000 @ .63% = 25.2

R.V. £25.00

In relation to comparisons Mr. Roben stated that most of the properties in Strand Street were freehold and are owner occupied or residential. He said there were four shops opposite the subject and that all were let on either 6 months or longer leases and do not reflect rental values. Mr. Roben said that an increase from £12 to £25 would be an increase of over 100% and that any higher increase would not be fair or equitable.

A written submission was received on the 10th June, 1993 from Mr. Frank Gregg of the Valuation Office on behalf of the Respondent. In the written submission, Mr. Gregg, described the hereditament and the valuation history as set out above. Mr. Gregg, commenting on the property said, that it would have a variety of alternative uses other than a veterinary surgery and that the hypothetical tenant here would not be limited to the actual use at present and all potential uses must be considered as well as the current user in assessing N.A.V. as per Section 11 of the 1852 Act and Section 5 of the 1986 Act. He said that the upper floor was let at £10.74 per square foot overall and it would be reasonable to suggest the ground floor would have a higher value than the first floor because it would have a possible retail use. He said that he attached a list of comparisons showing that central locations have a Zone A rental level of £25 per square foot, secondary locations have a Zone A rental level of £20 per square foot and tertiary locations have a Zone A rental level of £15 per square foot. He said that in the instant case the overall rent devalued at £12 per square foot and given the rent rates allowance which he had applied, the overall rent was £10.70 per square foot. He set out his basis of value as follows:-

Area Net 451 sq.ft. @ £12 psf = £5412

Rent/Rates allowance

£5412 + (£12 O.V. X £32)

1.2

= £4830

@ .63% = £30

The schedule of comparisons provided by Mr. Gregg are attached to this judgment as Appendix 1.

Oral Hearing

Present at the oral hearing which took place in Dublin on the 30th June, 1993 were the appellant, Mr. William Roben and Mr. Frank Gregg of the Valuation Office, representing the Respondent.

Mr. Roben submitted that the subject hereditament was purpose-built as a surgery for a small-animals veterinary practice. He pointed out that to convert it to commercial/office use would mean knocking down walls and extensive reconstruction.

Mr. Roben referred in particular to the kennel room where the animal pens had been constructed as a virtually integral part of the room and could be removed only with the greatest difficulty.

He further submitted that the rental values overall in Malahide, were too high, as was evidenced by the large number of short lettings and the rapid turnover of tenants.

Mr. Gregg gave evidence of the current rental values in Malahide and submitted that the £12 p.s.f. (before rent/rates allowance) attributed by him to the subject premises, was conservative even for what he described as a tertiary location.

Mr. Gregg disagreed with the appellant's contention that the property could not be easily adapted for alternative use. He felt that small units like this were considered attractive, particularly for the smaller type of commercial outlets.

Mr. Gregg stated that the location of the subject property was now greatly improved because of its proximity to a newly developed shopping centre.

Findings

The Tribunal accepts Mr. Gregg's detailed analysis of the rental values for the village of Malahide, and notes Mr. Roben's concession that because of the compact layout of the village, no location can be said to be too inferior.

It does seem, however, that the purpose-built nature of the property, with its consequent limitations for any other type of user, would be reflected in its N.A.V..

The Tribunal therefore is of the opinion that the correct R.V. of the subject hereditament is £28 and so determines.