

Appeal No. VA93/1/028

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

A.I.B. Bank, Dundrum

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Office and Warehouse at Map Ref: 1.2.5B/17AB, Townland: Blackthorn, Stillorgan Park
Industrial Estate, E.D. Dundrum-Balally, Co. Dublin
Quantum

B E F O R E
Veronica Gates

Barrister (Acting Chairman)

Joe Carey

P.C. M.I.A.V.I.

Paddy Farry

Solicitor

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 20TH DAY OF DECEMBER, 1993

By Notice of Appeal dated the 23rd day of February, 1993 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £435 on the above described hereditament.

The grounds of appeal as stated on the Notice of Appeal are that:-

"the valuation is excessive, inequitable and bad in law."

The Property:

The premises is located in Stillorgan Park Industrial Estate at Sandyford and serves as the stationery depot for the Allied Irish Bank Group. It comprises a warehouse and print room with a two-storey office block to the front on a spacious end site.

The construction is of standard concrete beams in two spans with concrete block walls rendered externally and unrendered internally, concrete floor and insulated metal decked roof.

The property is held under a single lease for 35 years on F.R.I. terms from 1st June, 1990 at a rental of £83,435 per annum with 5-yearly reviews.

Valuation History:

The premises was first valued on 1991 Revision at £460. This was subsequently appealed by Donal O'Buachalla & Company, acting on behalf of the appellant. The result of the First Appeal was that the rateable valuation of £460 was reduced to £435 and it is against this determination that the subject appeal lies to the Tribunal.

Written Submissions:

On 8th October, 1993 a written submission was received from Mr. Alan McMillan of Donal O'Buachalla & Company, acting on behalf of the appellant.

A written submission was also received on the 4th October, 1993 from Mr. Jim Gormley, a District Valuer with 19 years experience in the Valuation Office, on behalf of the respondent.

These submissions are attached to this judgment as Appendices 1 and 2.

Oral Hearing:

An oral hearing took place on the 30th day of October, 1993. Mr. Alan Mc Millan of Messrs Donal O'Buachalla & Company appeared on behalf of the appellant and Mr. Jim Gormley, District Valuer, appeared on behalf of the Respondent.

Mr. Mc Millan said that the principal area of difference between the parties lay in deducing from the passing rent, a reasonable N.A.V., which should be looked at as of November 1988, by taking a rateable valuation of .63% of that figure. He contended that the Respondent's approach had been to assume a growth of 20% forward from 1988 and to apply that calculation back to the passing rent. This, Mr. Mc Millan said was an inadequate approach and that in his opinion it was

more appropriate to assume a growth of 27.5% from November 1988 to the lease date. As the second part of his argument, Mr. Mc Millan said that he had considered a number of comparable rents, the most pertinent being the comparison at Number 17c which adjoins the subject premises and is also leased by the appellant. This property devalues at £4.25 p.s.f on the offices and £2.73 on the remainder. Given this rental evidence, Mr. Mc Millan said that a reasonable valuation for the subject premises would be £3.00 p.s.f. overall or £4.00 on the offices and £2.80 on the warehouse which gives an average N.A.V. of £63,000 and applying .63% an R.V. of £400.

Mr. Gormley commented on the comparisons put forward by the appellant. In relation to the subject premises, he said that there is a market rent passing at the relevant date, that is 1990, which is not in dispute, so by working from this figure it can be established what is an appropriate deduction for a 1988 base date.

Referring to his summary of comparative evidence on page 6 of his written submission which were agreed at first appeal with various consultants on properties within the same estate and in the same year, he said that an appropriate allowance was 20% growth off the open market rent.

Mr. Gormley said that basically his case is that given the existing rental on the subject premises, the deduction allowed is the appropriate one in the light of what has been agreed for other properties in the estate. In conclusion he said that one must bear in mind that the subject is a fine property and is used as the depot for all the stationery used by A.I.B. and is situate in a good estate.

Determination

The Tribunal has had regard to the evidence adduced by the parties, both in their written and oral submissions and in particular it notes the evidence in relation to the location of the subject premises, the valuations on other comparable premises especially those within the same industrial estate, and the appropriate allowance for rental growth in the relevant period. Taking these, and all other relevant factors into consideration, the Tribunal is of the opinion that the correct Rateable Valuation for the subject premises is £420 and so determines.

