

Appeal No. VA93/1/047

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

Eamonn Davis

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: House and Shop at Map Ref. 24 Main Street, E.D. Dundrum - Sweetmount, Townland of Dundrum, Co. Dublin
Quantum

B E F O R E

Henry Abbott

S.C. Chairman

Veronica Gates

Barrister

Paddy Farry

Solicitor

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 1ST DAY OF DECEMBER, 1993

By Notice of Appeal dated the 1st March, 1993 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £72 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that "the net annual value of the property at the relevant date was not sufficient to justify the level of valuation".

The Property

The premises is located on Main Street, Dundrum one door from the junction of Main Street and Ballinteer Road and a short distance away from the church. The premises has 26 feet frontage to the Main Street and comprises ground floor shop/post office, kitchen, domestic store and w.c., first floor 2 bedrooms.

Valuation History

The premises was revised as part of a general revaluation of commercial property in Dundrum. In July/August, 1991 the valuation was increased from £28 to £72. This valuation of £72 was subsequently appealed by an agent on behalf of the occupier. The result of this appeal was that the Commissioner of Valuation affirmed his determination of £72 rateable valuation. It is against such determination that this appeal lies to the Tribunal.

Written Submissions

A written submission was received on the 22nd July, 1993 from Mr. Desmond J. Boyle of Boyle Drohan & Company on behalf of the appellant. In his written submission, Mr. Boyle stated that the property is situated at the southern end of the village of Dundrum in a short parade of properties known as Maher's Terrace on the west side of Main Street. This end of Main Street is somewhat removed from the main retail area of Dundrum which is centred in the Shopping Centre on one side and on the opposite side in the block starting at Bank of Ireland and finishing at A.I.B.. Mr. Boyle described the property as comprising a two storey terraced property with retail use currently post office at ground level and residential accommodation behind and above, with a very small yard to the rear.

Mr. Boyle submitted that he understands the property to be freehold and in his opinion the rateable valuation of the property should be £52, being £40 for commercial element and £12 for residential. Also in his opinion the rental value of the commercial element at November, 1988 was £6,500 per annum.

Mr. Boyle referred to three properties in his submission as comparative evidence and details of these are set out as under:-

1. **Tax & Finance Shop, 13 Main Street, Dundrum.**

Retail shop in prime situation.

Shop 149 Sq Ft

Office 56 Sq Ft

205 Sq Ft

Rateable Valuation of this retail unit agreed at £35.

2. **Lady in Waiting, 5 Pembroke Cottages, Dundrum.**

This property is in the same block of cottages as the subject property and is in retail use. The floor area is 57% larger, and the first floor is in office use. Rateable Valuation agreed at £62.

3. **Dundrum Travel Limited, 4 Pembroke Cottages, Dundrum.**

Shop 212 Sq Ft

Office 80 Sq Ft

Rateable Valuation agreed at £30.

A written submission was received on the 26th July, 1993 from Mr. Jim Gormley, a District Valuer with 19 years experience in the Valuation Office on behalf of the Respondent. In his submission, Mr. Gormley, set out details of the valuation history and he also gave a brief description of the property and location.

Mr. Gormley submitted that the premises is owned by Bank of Ireland Group and that up to 1985 the premises was held under a lease (term not known) at a rent of £5 per month inclusive of rates. In 1985 the Bank of Ireland agreed to sell the premises for £50,000 or alternatively to lease it to Mr. Davis for £5,000 per annum. Mr. Davis opted to lease the premises but the terms of the lease were never finalised and it is understood that no rent has been paid or demanded since then.

Mr. Gormley set out the basis for his calculation of the rateable valuation as follows:-

Shop	362ft ² (all Zone A) @ £26/ft ²	=	£ 9,412
Residential	789ft ² @ £3/ft ² or £40/wk	=	<u>£ 2,080</u>
			£11,492

Net Annual Value £11,492

Rateable Valuation: £11,492 X 0.63% = £72.40

Say £72

He also submitted details of six comparative properties and these are summarised below:-

1. Roncalli, 15e Main Street.

35 year lease. 5 year reviews from September, 1989.

R.V. £66 (1991 Appeal)

Rent £11,000 pa (Internal Repairing)

Basis of Valuation:

Ground Floor Shop: 315ft² @ £26/ft² = £ 8190

1st Floor Store: 284ft² @ £8/ft² = £ 2272

£10,500

@ 0.63% = £66

2. Bella Donna, 56/1 Main Street.

35 year lease. 3 year reviews from 1st April, 1983.

R.V. £85 (1991 Appeal)

Rent £12,000 pa fixed 1/4/1986. Rent unchanged 1989. 1992 review not finalised.

Basis of Valuation:

Shop: Zone A 325ft² @ £25/ft² = £ 8450

Zone B 234ft² @ £13/ft² = £ 3042

Stores (poor) 552ft² @ £4/ft² = £ 2216

£13708

@ 0.63% = £85

3. IPBS, 83 Main Street.

Freehold.

R.V. £117 (1991 Appeal).

Rent unit as Building Society Office.

Frontage 16½ft²

Basis of Valuation:

Ground Floor: Zone A 330ft² @ £30/ft² = £ 9900

Zone B 330ft² @ £15/ft² = £ 4950

1st Floor 500ft² @ £8/ft² = £ 4000

£18850

@ 0.63% = £118

4. Oxfam, 92ab/3 Main Street.

35 year lease, 5 year reviews from 20/5/88

R.V. £95 (1991 Revision)

Rent £16,000 pa (Internal Repairing)

Frontage 14.4ft²

Basis of Valuation:

Shop:	Zone A	288ft ²	@ £30/ft ²	=	£ 8640
Shop:	Zone B	288ft ²	@ £15/ft ²	=	£ 4320
Remainder		134ft ²	@ £7.50/ft ²	=	£ 1005
Tea Room		69ft ²	@ £3/ft ²	=	<u>£ 207</u>
					£14,172

Say £14,500

@ 0.63% = £90

5. Ashtrim Limited, 92ab/3 Main Street.
35 year lease, 5 year reviews from 4/5/88.
R.V. £95 (1991 Revision).
Rent £16,000 pa (Internal Repairing Lease).

Basis of Valuation:

Shop:	Zone A	302ft ²	@ £30	=	£ 9060
Shop:	Zone B	302ft ²	@ £15	=	£ 4530
	Zone C	160ft ²	@ £ 7.50	=	£ 1200
Store		78ft ²	@ £ 3.75	=	<u>£ 292</u>
					£15082

@ 0.63% = £95

6. Other Premises.
(a) Action Alarms, 15cd Main Street,
R.V. £60 (1991 Appeal)
309 ft² @ £26/ft²
109 ft² @ £13/ft²

(b) Russell Kane & Company, 15/1 Main Street.
R.V. £72 (1991 Appeal)
Rent £10,500 pa Jan. '89
Shop 207ft² @ £26
Basement 476ft² @ £6

1st Floor 276ft² @ £8

Oral Hearing

At the oral hearing of this appeal which took place on the 6th August, 1993 it was agreed between the parties that **Appeal No. VA/93/1/032 - Dr. Ciaran Bent -V- Commissioner of Valuation** would be heard simultaneously with this appeal.

Mr. Boyle said that the subject premises was in Maher's Terrace almost at the crossroads of Ballinteer, that it was a retail premises with residential accommodation. Mr. Boyle said that the same factors applying to Dundrum as stated in the previous appeal applied in this instance including a heavy volume of traffic and limited on-street carparking.

Mr. Boyle referred to his comparisons and said that £40 for the commercial element in the subject premises was more than reasonable.

Mr. Gormley said in relation to the subject premises that it was a substantial premises with a street frontage of 26 feet and much more substantial than any of the comparable properties.

Mr. Gormley said that a rate of £26 per square foot had been applied which was the lower end of the retail range and that rental evidence, in particular his Comparison No. 1, a shoe shop, Roncalli, just the other side of the church supported the valuation applied on the subject premises.

Mr. Boyle accepted that a considerable rent had been achieved for the premises, Roncalli, but maintained that in the last 10 years Dundrum had steadily gone down and that such a rent would be difficult to obtain nowadays.

Mr. Boyle submitted that the rental which he had applied to the subject premises at £6,500 was correct and that the prime evidence available is the letting of the adjoining shop in 1988 of 920 square feet plus a store upstairs at £12,500 per annum. A shop, he said, which was actually twice the size of the subject premises.

Determination:

The Tribunal has considered the evidence adduced in relation to the situation pertaining in Dundrum Village and in particular to the subject premises.

In line with its consideration the Tribunal has taken into account the decline in Dundrum as a retail centre and the exacerbating factors of the traffic and carparking problems. On this basis while accepting the rationale of Mr. Gormley's N.A.V., the Tribunal feels it may be a little too high on the subject premises and determines therefore the R.V. at £65.