

Appeal No. VA93/1/048

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

**Denis S. Drum Limited**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Offices Showroom, Stores and Yard at Map Ref: 11.12 New Street, Townland 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 1st day of March, 1993 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £50 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that "the new rate is excessive in the extreme and that a 100% increase will not be possible to meet". A 10 to 15% increase was suggested.

The subject hereditament consists of an office fronting New Street in the centre of Malahide and a range of auction rooms, stores and yard to the rear of the office. The buildings generally are built around the perimeter walls and enclose a yard. One store has a lofted area. The stores and the yard are used for the storage of furniture awaiting auction on the premises. The measurements of the premises are set out in the table below:

			m m	m <sup>2</sup>	m <sup>2</sup>	sq.ft.
	(6)	Office	4.6 X 2.8		12.9	139
	(n)	Store	1.5 X 2.7		4.05	44
rm.c.sl.	(i)	Store	9.4 X 4.4	Nett	41.4	445
rm.sl.	(j)	Store	4.3 X 6.1	Nett	26.2	282
rm.sl.	(k)	Store	4.1 X 8.4	Nett	34.4	371
		Loft	3.3 X 4.4	Nett	14.5	156
c.f.	(f & g)	Store	4.3 X 5.3	Gross	22.8	245
c & sl	(1)	Store	5.1 X 4.3	Nett	21.9	236
c.ci	(2)	Store	4.8 X 2.9	Gross	13.9	150

### **Title**

The hereditament is held on a 35 year lease with 5-yearly reviews at £10,500 per annum commencing on the 18th March, 1990. The occupier previously held the property on a shorter lease.

A precis of evidence was submitted by the Respondent setting out the basis of valuation, two bases were suggested and are set out below as Basis A and Basis B:-

### **Basis A:**

Rental 18/3/1990 £10,000

Allow 15% (10% pa) for November, 1988 £8,500

Rent/Rates Allowance N.A.V. + (R.I.P. x A.O.V.)

$$1 + (\text{R.I.P.} \times \text{Ratio})$$

R.I.P. = Rate in the £ for 1988 = £32

A.O.V. = Adjusted old valuation = £8500 @ .5% = £42.50 R.V.

1988 1st Appeals were based on .5% of N.A.V. - published 2/5/1989

Applying Formula  $\frac{\pounds 8500 + (\pounds 42.50 \times \pounds 32)}{1.2}$

1.2

= £8217 N.A.V.

@ .63% = £51.76

Say £50

### **Basis B:**

(6) Office 139sq.ft. @ £20 psf = £2780

(n) Store 44sq.ft. @ £ 6 psf = £ 264

(i) Store 445sq.ft. @ £ 3 psf = £1335

(j) Store 282sq.ft. @ £ 3 psf = £ 846

(k) Store 371sq.ft. @ £ 3 psf = £1113

Loft 156sq.ft. @ £ 2 psf = £ 312

(f & g) Store 245sq.ft. @ £ 2 psf = £ 490

(1) Store 236sq.ft. @ £ 3 psf = £ 708

(2) Store 150sq.ft. @ £ 2 psf = £ 300

N.A.V. £8148 @ .63% = £51.33

Say £50

The outbuildings devalue mostly here at £3 psf.

The Appellant did not furnish any precis and indicated from the outset that he would rely on the grounds set out in the Notice of Appeal.

The precis of evidence by the Respondent is annexed hereto.

### **Oral Hearing**

The oral hearing took place in the Tribunal Offices in Dublin on the 30th day of June, 1993.

The appellant represented himself and the respondent was represented by Mr. Frank Gregg, a District Valuer in the Valuation Office with 24 years experience, who has a Bachelor of Commerce Honours Degree and an Honours Higher Diploma in Education.

Mr. Drum put forward the proposition that the rent which he stated was £10,500 in respect of the premises was too high. On enquiry by the Tribunal it transpired that the rent was agreed with the landlord by Mr. Drum without resort to proceedings under the Landlord and Tenant (Amendment) Act, 1980. Mr. Drum expressed concern that Malahide was somewhat out of the way and also was pessimistic about the impact of the proposed redundancies in Aer Lingus. The Tribunal debated with the parties the adjustment to the passing rent from March, 1990 back to November, 1988 which would be required to achieve uniformity for the application of the agreed ratio of 0.63%. In that debate Mr. Gregg advanced reasons to show why his discount of 10% per annum was realistic if not generous. No particular attention was given in the arguments in relation to the comparisons as they were not directly comparable to the premises and as the discussion centred round the passing rent of the subject. The Tribunal noted that in his calculation, Mr. Gregg, allowed for a rates impact factor. The Tribunal finds that the passing rent is a fair assessment of the N.A.V. once the adjustments as suggested by Mr. Gregg had been made and accordingly, confirms the valuation of the premises as found by Mr. Gregg to be £50.