

Appeal No. VA94/3/077

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

Dr. Paul W. Murphy

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Offices (2nd & 3rd floors) at Map Ref: 10, William Street South, Ward: Royal Exchange,
County Borough of Dublin
Quantum - Tone of the list

B E F O R E

Mary Devins

Solicitor (Acting Chairman)

Veronica Gates

Barrister

Joe Carey

P.C. D.D.Sc D.B.Adm M.I.A.V.I.

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 19TH DAY OF OCTOBER, 1995

By Notice of Appeal dated the 28th day of October 1994 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £40 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that:-

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

The Property:

The subject premises comprises offices on the second and third floors of 10, South William Street, Dublin. South William Street lies parallel with Clarendon Street and Grafton Street and carries traffic in a one way direction from Exchequer Street/Wicklow Street to the north via Lower Stephen Street/South King Street to the south.

There are a limited number of on-street car parking facilities available. The premises occupy the second and top floors of a mid-terrace four storey structure over basement fronting directly onto pavement together with a single storey return.

The building is constructed of brick masonry and concrete block walls, mainly suspended timber boarded floors, timber framed sliding sash and casement windows and parapeted natural slate and flat asphalt on timber roofs. The front elevation is finished in pointed brickwork outer-leaf and has a built frontage of 19'8" (6 metres).

Access is by way of hall door and stairs at ground level separate from the retail premises.

The first floor comprises one room of 496 square feet and toilet. The top floor consists of two rooms totalling 496 square feet and toilet also. Giving total square footage of 992.

Valuation History:

Following 1994 Revision the valuation was fixed at £40 and no change was made to this rateable valuation at First Appeal. It is against this figure of £40 that the subject appeal lies to the Tribunal.

Written Submissions:

A written submission was received on the 29th June, 1995 from Mr. John C. Elliott of Messrs. Elliott & Fitzgerald, Auctioneers, Estate Agents, Valuation Surveyors and Property Consultants acting on behalf of the appellant.

In his written submission, Mr. Elliott set out details of the location and the description of the property together with accommodation areas and services available within the building.

By way of general commentary about the premises Mr. Elliott said that the hereditament provides a basic standard of office accommodation only and that it is adversely affected by a number of factors vis-à-vis:

- 1) poor access by way of steep stair case
- 2) head room restricted on first flight to 5'10"
- 3) the accommodation is not self contained
- 4) the toilet facilities are primitive
- 5) the standard of decorative order and repair is fair only
- 6) the absence of permanent fixed heating.

He submitted that in his estimation a fair rateable valuation for the premises would be £20 made up as follows:

"Offices (second floor) =	496 sq.ft.	@	£3.50 p.s.f.	=	£1,736.00
Offices (top floor) =	496 sq.ft.	@	£3.00 p.s.f.	=	<u>£1,488.00</u>
			Net Annual Value		£3,224.00
			Say		3,200.00

Rateable Valuation:

£3,200 x 0.63% = R.V.	£20.16
Say	£20.00."

Mr. Elliott gave details of four comparable properties summarised below:-

- (1) **Frank Dowie at 29, Drury Street, Dublin 2**
Rent: £4,000p.a. Property on a 35 year FRI lease from 30th June, 1987 with 5 year rent reviews.
Devalues at: 1,172 sq.ft. @ £3.41psf
- (2) **Dannimac (Ireland) Limited at 10/12, Exchequer Street, Dublin 2 (Rooms 17, 20 - 22)**
Rent: £5,250p.a. Property on a 20 year FRI lease from 1st July, 1978 with 5 year rent reviews.
Devalues at: 1,484 sq.ft. @ £3.54psf
- (3) **Mark Lawlor at 16B, Fade Street, Dublin 2**
Rent: £2,500p.a. Property on 35 year FRI lease from 31st December, 1987 with 5 year rent reviews.
Devalues at: 785 sq.ft. @ £3.18psf
- (4) **Alwright & Marshell Limited, Manufacturing Silversmiths, 14 Fade Street, Dublin 2**
Rent: £7,000p.a. Property on a 20 year FRI lease from 30th September, 1974 with 5 year rent reviews.

Devalues at: 1,571 sq.ft. @ £4.45psf

A written submission was received on the 10th July, 1995 from Mr. Patrick M. Deegan, Barrister-at-Law and a Valuer with over 18 years experience in the Valuation Office on behalf of the respondent.

In his written submission, Mr. Deegan reiterated the grounds of appeal and described the property and its valuation history as set out above. He also set out his calculation of the rateable valuation as follows:-

"1,044 sq.ft	@	£6.00	=	£6,264
		Say	=	£6,000
Est. NAV:		£6,000 x 0.63%	=	£37.80
		R.V.	=	£40.00."

Mr. Deegan referred to numerous comparisons and included a location map in his submission.

Oral Hearing:

The oral hearing took place in Dublin on the 14th day of July 1995. The appellant was represented by Mr. John Elliott of Messrs. Elliott & Fitzgerald and Mr. Patrick Deegan appeared on behalf of the respondent.

Mr. Elliott referred to his written submission and submitted that the subject hereditament was disadvantaged in many ways. He said that access to the second and third floors were shared by other users of the building and he further pointed out that there was no form of fixed heating and no hot water.

Mr. Elliott said that the subject premises had now been vacant for some considerable length of time and were proving difficult to let.

Replying to Mr. Deegan, Mr. Elliott said that the tone of the list as it applied in relation to other properties in the same street was not his basis of assessment of the subject but that rather, having regard to Section 11 of the 1852 Act and to the judgement of Barron J. in the *VA88/0/101 - Irish Management Institute (IMI)* case he had regard primarily to the net annual value of the subject hereditament and to that of his comparisons.

Mr. Deegan submitted that the top two floors of most of the buildings in South William Street were similar to the subject. He described the street as being in a state of transition and said that the respondent had correctly valued the subject by reference to the net annual values and rateable valuations of a similar property in the same street and in the immediate vicinity.

Determination:

The parties disagreed as to whether their calculations in arriving at net annual value should be based on gross areas or net areas. The Tribunal is satisfied that the comparative net annual values as used by the respondent have been based on gross area calculations and it has considered the subject property in similar terms.

Since the introduction of the Valuation Act, 1986 regard must be had to the "tone of the list" and to the relationship of rateable valuation to net annual value of similar comparable properties which have been recently revised. It would seem that in the instant case relatively few comparable properties in the immediate vicinity have been recently revised. However, in the absence of a substantial and compelling body of contradictory comparative evidence the Tribunal is bound to take cognisance of the existing rents and rateable valuations in the immediate area.

It does seem that the subject property suffers from some deficiencies but these would not appear to affect the letting value to any major extent.

In the circumstances and in the light of all of the evidence adduced, the Tribunal is of the opinion that the correct rateable valuation of the subject hereditament is £35 and so determines.