

Appeal No. VA94/3/078

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

Fashion Traders Limited

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Showrooms (ground floor and basement and first floor) Map Ref: 10, Townland: South William Street, Ward: Royal Exchange, County Borough of Dublin
Quantum - Measuring practice, 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 £185 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 a showroom, ground floor, first floor and basement. The ground floor has been refurbished. The property is located on the west side of William Street South, mid-way between its junction with Castle Market and Exchequer Street. There are a limited number of on-street car parking facilities available. The building is variously constructed of brick masonry and concrete block walls, mainly suspended timber boarded floors, timber fronted 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). Accommodation comprises:-

Ground Floor	Sq.Ft.
Entrance Lobby and Reception	122
Showrooms	1,630
Toilet/w.c.	
Basement	
Showrooms and Stores	942
First Floor	
Showrooms and Offices	<u>1,638</u>
Total	4,332

Tenure:

Leased for a term of 35 years from 24th August 1992 incorporating a five year rent review pattern lessee paying rates and being responsible for interior repairs and insurance, subject to the rent of £28,000 per annum.

Services:

All main services are available including mains water and electricity.

Valuation History:

The property was valued following a request from the Local Authority at 1993 Revision to value "basement, ground floor, first floor in full together". The valuation was issued at £185. At first appeal no change was made to the valuation and it is against this determination of £185 that an appeal lies to the Valuation Tribunal.

Written Submissions:

A written submission was received on the 29th day of June 1995 from Mr. John C. Elliott, FSVA, FIAVI, ACI, Arb on behalf of the appellant.

In his written submission Mr. Elliott described the property, its accommodation, tenancy and services. He set out the valuation history. Mr. Elliott said that in assessing net annual value on the subject premises he had had regard to a number of factors:

- 1) The nature, age and location of the premises and the condition thereof.
- 2) The comparative evidence of tenements of a similar function.
- 3) The open market letting value as at November 1988.
- 4) The layout of the ground floor with its restrictive access and different floor levels.

In view of these facts he had estimated the rateable valuation on the subject premises as follows:-

Showrooms (Ground Floor) =	1,752 sq.ft. @ £5.39 psf =	£ 9,443.28
Showrooms/Stores (Basement) =	942 sq.ft. @ £3.00 psf =	£ 2,826.00
Showrooms/Offices (First Floor) =	1,638 sq.ft. @ £3.50 psf =	<u>£ 5,733.00</u>
	Net annual value =	£18,002.28
	Say =	£18,000.00

Mr. Elliott submitted four comparisons which are summarised below:-

- (1) **41 A/B Drury Street, Dublin 2**
Comprising a modern three storey mid-terrace building situated on the east side of Drury Street.

Accommodation & Analysis:

Ground Floor - Retail	996 sq.ft. @ £6.29 psf
- Stores	696 sq.ft. @ £4.00 psf
Offices/Showrooms	1,426 sq.ft. @ £3.50 psf
Top Floor	784 sq.ft. @ £2.50 psf

- (2) **50 South William Street, Dublin 2**
Comprising portion of ground floor and entire basement of a four storey over basement building situated on the east side of South William Street.

Accommodation & Analysis:

Ground Floor - Showrooms	1,143 sq.ft. @ £5.56 psf
Basement - Stores	945 sq.ft. @ £2.00 psf

- (3) **6/7 South William Street, Dublin 2**

Comprising a mid-terrace four storey over basement building situated on the west side of South William Street.

Analysis:

Assuming 11% yield.

Retail £7.00 psf

Upper Floors £1.60 psf

(4) 10 South William Street, Dublin 2

Comprising a ground floor, basement and first floor of a mid-terrace four storey structure over basement building, situated on the west side of South William Street.

Analysis:

Ground Floor

Entrance/Reception area 122 sq.ft.

Showrooms 1,630 sq.ft.

Total @ £5.39 psf

Basement

Showrooms & Stores 942 sq.ft. @ £3.00 psf

First Floor

Showrooms & Offices 1,638 sq.ft. @ £3.50 psf

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

In his written submission, Mr. Deegan set out the valuation history of the subject premises.

Mr. Deegan assessed rateable valuation of the subject premises as follows:-

Ground Floor	1,980 sq.ft. @ £9.00 =	£17,820
First Floor	1,674 sq.ft. @ £6.00 =	£10,044
Basement	1,035 sq.ft. @ £3.00 =	<u>£ 3,105</u>
		£30,969
	Say	£30,000
Est. net annual value	£30,000 x 0.63%	= £189.00
	Rateable valuation	= £185.00.

He also gave details of three comparisons which are summarised below:-

(1) 7 South William Street

Wholesale showrooms

Rateable valuation = £110.00

(2) 6/7 South William Street

Warehouse

3rd floor: 1,436 sq.ft. @ £5.00

Rateable valuation = £40.00

(3) 49 South William Street

Showrooms

Ground Floor, 1st Floor, Basement, Refurbished

1,980 sq.ft. @ £9.00

1,674 sq.ft. @ £6.00

1,035 sq.ft. @ £3.00

Rateable valuation = £189.00.

Mr. Deegan also gave a summary of details of a number of other comparisons which are attached as Appendix A and were considered by the Tribunal.

Oral Hearing:

The oral hearing took place on the 14th day of July 1995. Mr. John Elliott appeared on behalf of the appellant and Mr. Patrick Deegan, Valuer represented the respondent.

Mr. Elliott referred to his written submissions and described the subject premises as comprising a showroom, ground floor, first floor and basement areas of a mid-terrace four storey building over basement fronting directly onto South William Street. He said that South William Street is regarded as the centre of the wholesale fashion trade in Dublin and adjoining properties comprise mainly four storey buildings in showroom use. In arriving at his assessment of net annual value Mr. Elliott said that he had regard to a number of factors, namely:-

- 1) the nature, age and location of the premises and the condition thereof.
- 2) the comparative evidence of tenements of a similar function.
- 3) the open market letting value of the subject premises as of November 1988.
- 4) the restricted access and varying floor levels of the ground floor area.

Mr. Deegan contended that the tone of the list in the South William Street area was correct. He said that the rateable valuation on the subject was fair and reasonable and had been correctly arrived at by reference to the net annual value and rateable valuations of similar properties on the same street and in adjoining streets.

Determination:

There was disagreement between the parties as to whether their calculations in arriving at net annual value should be based on gross or net area. The Tribunal is satisfied that the comparative net annual values used by the respondent have been based on gross area calculations and that this is the appropriate method with which to deal with the subject premises.

In applying the provisions of Valuation Act 1986, it is necessary to have regard to the tone of the list and to the relationship of rateable valuation to net annual value of similar properties which have also been recently revised. Although there are few properties in the immediate vicinity which are both comparable and have been recently revised the Tribunal is bound to take cognisance of the existing rents and rateable valuations in the immediate area.

The Tribunal has had regard to the evidence adduced by the parties both in their written and oral submissions and is of the opinion that the assessment of rateable valuation by the Commissioner is fair and reasonable in all the circumstances and therefore affirms his decision.