

Appeal No. VA94/3/096

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

Jerome Jones

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Car-park at Map Ref: Rere 72, Townland: Merrion Square South, Ward: Mansion House,
County Borough of Dublin
Quantum - Comparisons

B E F O R E

Veronica Gates

Barrister (Acting Chairman)

Brid Mimmagh

Solicitor

Fred Devlin

F.R.I.C.S. A.C.I. Arb.

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 23RD DAY OF AUGUST, 1995

By Notice of Appeal dated the 3rd day of November 1994 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £53 on the above described hereditament.

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

"The NAV adopted by the appeal valuer is excessive and inequitable having regard to the Valuation Acts and for other reasons."

The Property:

The property consists of a tarmac surfaced car parking area with parking for fourteen cars. The property is located at the rear of No. 72 Merrion Square South and has direct access onto Fitzwilliam Lane.

Valuation History:

The property was first valued in 1982 and the valuation was fixed at £27. At that time there was parking accommodation for 9 cars. The property was listed for revision in 1994 and the valuation was increased to £53. At this revision there was accommodation for fourteen cars.

Written Submissions:

A written submission was received on the 8th day of August, 1995 from Mr. Paul McGrath of Messrs. Druker Fanning & Partners on behalf of the appellant.

In his written submission, Mr. McGrath described the property, its accommodation and tenure. He said that the entire property was held in fee simple by Jermone Jones Esq. Mr. McGrath said that the property was acquired in 1989 by Jerome Jones when the passing rent was £5,004 broken down as follows:

11 spaces let on verbal agreement at a rent of £4,904
1 space let on a tenure lease from December 1984 at a rent of £100 per annum.

Mr. Clarke assessed rateable valuation based on the passing rent in respect of the subject property at the relevant date. He said that this suggested a rate of £446 per space let and he set out his calculation of rateable valuation as follows:

13 spaces x IR£445	
Open Market Rental Value when fully let	IR£5,785.00
Less 15% to allow for management and voids	IR£4,917.25
Net Annual Value as at 1st November 1988 =	<u>IR£4,917.25</u>
x 0.63%	= IR£ 30.98
Say	IR£ 31.00

Mr. Clarke said that in assessing the rateable valuation an important factor to consider is that any prospective tenant considering the property would either be doing so to rent on some or all of the spaces and would accordingly adjust his rental bid to allow for the cost of management and a relatively high level of vacancy, or he would require all spaces for his own use, in

which case mindful of market conditions he would be in a position to negotiate a substantial reduction in the rate per space.

Mr. Clarke submitted the following comparisons:

- (1) Site R/O 72 Merrion Square South (the subject property)
Rate per space IR£445.80
- (2) 37 Fitzwilliam Square, Dublin 2.
Rate per space IR£450
- (3) 38/39 Fitzwilliam Square, Dublin 2.
Rent per space IR£500

A written submission was received on the 2nd day of August 1995 from Mr. Tom Cuddihy, District Valuer with 20 years experience in the Valuation Office.

Mr. Cuddihy described the property and its valuation history and set out his calculation of rateable valuation as follows:

14 car spaces @ £600 per space = £8,400

Est. NAV = £8,400 x 0.63% = £52.92

RV = £53.00

He offered comparisons as follows:

- (1) **FAS**
21ABC Lake Street
Car parking containing 17 spaces
Estimated NAV = £10,500 x 0.63% = £66.15
RV = £65
- (2) **Dunsforth Limited**
62.62ab Merrion Square South
93/3 First Appeal
7 car spaces @ £600 per space
- (3) **Phonex Limited**
28c Fitzwilliam Place
6 car spaces at £650 per space

(4) Irish Intercontinental Bank

91/92 Merrion Square South

Included are 17 car spaces @ £550 per space.

In summary Mr. Cuddihy said that the comparative evidence showed that car parking valuation in the area are based on NAV between £550 to £650 per car space. He said that the figure of £600 per car space applied to the subject compares favourably with these figures.

Oral Hearing:

The oral hearing took place on the 14th day of August 1995. The appellant was represented by Mr. Paul McGrath of Messrs. Druker Fanning & Partners and the respondent was represented by Mr. Tom Cuddihy, District Valuer with the Valuation Office.

Both parties relied on their written submissions. In response to a query from the Tribunal, Mr. Cuddihy said, that, as his valuation related to fourteen car spaces and Mr. McGrath's to thirteen car spaces it had been agreed between both parties prior to the hearing that the overall rateable valuation attributed to the subject property by the Tribunal would be apportioned *pro rata*. It transpired that the discrepancy had resulted from one of the lessees namely, **Art Direction Limited** having lodged it's own appeal in relation to one car space only.

Mr. McGrath said that the thirteen parking spaces are let out to six different tenants at varying rates as follows:

- (1) five spaces rented at £500 per annum
- (2) two spaces rented at £1,200 per annum
- (3) six spaces rented at £1,000 per annum

He said that the best evidence of net annual value is the passing rent in respect of the subject property at the relevant date and that this would suggest a rent of £446 per space let. He referred to two comparisons in the Fitzwilliam Square area with lettings very close to the relevant date. The rent achieved for these comparisons is in the region of £450 per space and that this figure should be adjusted downwards in arriving at the net annual value of the subject to allow for the greater number of spaces included in the subject and to allow for the

possibility of vacancies and management difficulties in dealing with letting thirteen spaces to a number of different parties.

Mr. McGrath said that the appellant had experienced difficulties in letting all the parking spaces and that there were considerable periods of vacancy up until approximately May to June 1995. He said that the fact that some of the spaces were let at £500 per annum indicated the difficulties in letting the spaces in this area. He said that there were difficulties in obtaining a single tenant for the entire thirteen spaces which has resulted in extra management costs for the appellant. He said that his estimate of net annual value should be adjusted by 15% to allow for the cost of management and also of a relatively high level of vacancy.

Mr. Cuddihy said that he was relying on four comparisons, all in the immediate vicinity of the subject premises and all being car parking spaces let separately from office accommodation. In his opinion car parking spaces let in conjunction with office accommodation are let at a lower rent as an incentive to a prospective tenant. Mr. Cuddihy said that the parking spaces in all of his comparisons devalue at approximately £600. He contended that there is always a demand for parking spaces in the Fitzwilliam Square and Merrion Square areas and that the fact that the appellant had let two of his spaces at £1,200 per annum each indicates the level of demand in the area. Mr Cuddihy said that his estimate of net annual value per space at £600 was a very fair figure for the particular area.

Determination:

The Tribunal has had regard to all the evidence adduced by the parties both in their written and oral submissions. Having considered the rental evidence adduced by both parties in relation to the comparisons put forward and also the rental evidence of the subject property itself, the Tribunal is of the opinion that £600 per annum per space in the Fitzwilliam Square and Merrion Square vicinity is fair and reasonable and therefore affirms the decision of the Commissioner of Valuation.