

Appeal No. VA95/1/102

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

Mount Salus Press Limited

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Printing Works (part of) at Map Ref: 52, Lower Kevin Street, Ward: Royal Exchange A2,
County Borough of Dublin

Quantum - Whether subject to be treated as adjunct to adjoining premises or on its own merits

B E F O R E

Liam McKechnie

S.C. Chairman

Con Guiney

Barrister

Barry Smyth

FRICS.FSCS

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 26TH DAY OF APRIL, 1996

By Notice of Appeal dated the 26th day of April, 1995 against the determination of the
Commissioner of Valuation in fixing a rateable valuation of £190 on the above described
hereditament.

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

- "(1) The said assessment is grossly excessive and inequitable relevant to assessments on
other industrial/commercial properties in the administrative area of Dublin Corporation
and in particular relative to the assessment on the neighbouring hereditament also
occupied by Mount Salus Press Limited and dealt with on Appeal in 1993.

- (2) The assessment is bad in law in that it does not comply with the provisions of the Valuation Acts 1852 to 1988 and in particular with the provisions of Section 5 of the Valuation Act, 1986.
- (3) Additional grounds of appeal will be outlined at the oral hearing and in the précis of evidence."

The Property:

The property is located on the north side of Kevin Street Lower west of the junction with Wexford Street. Neighbouring properties on this side of the street comprise an ESB substation and the loading bay or rear entrance to other premises of the Mount Salus Press whose main frontage is on Bishops Street. On the south side of the street there are a number of retail units. This is a tertiary retail area. The property comprises a single storey and part two storey building, at present used as a printing works and ancillary staff accommodation. Originally the property comprised a showroom fronting Kevin Street Lower with ancillary accommodation. The original ground floor level has been raised approximately three feet to bring it to the same level as the neighbouring property in the same ownership.

Valuation History:

Following a request from Dublin Corporation to revise as necessary the rateable valuation was reduced from £235 to £190. An appeal was lodged with the Commissioner of Valuation and no change was made to the rateable valuation of £190 at First Appeal. It is against this determination of the Commissioner of Valuation that an appeal lies to the Tribunal.

Written Submissions:

A written submission was received on the 15th March, 1996 from Mr. William A. Tuite, FRICS, a Chartered Surveyor and partner in Jones Lang Wootton on behalf of the appellant.

In his written submission, Mr. Tuite set out the location and description of the premises and his valuation considerations.

He provided an estimate of rateable valuation calculated as follows:-

"Ground Floor - Front	1,265 sq.ft
Offices/Canteen/workshop	<u>2,690</u> sq.ft.

	3,955 sq.ft.	@ £2.00	=	£7,910
First Floor - Mezzanine	2,497 sq.ft.	@ 75p	=	<u>£1,873</u>
				£9,783
To include HP (HP = 19) - Say	£10,000			
				RV £63.00

OR

Purchase Price 1988	-	£90,000		
Devalue	@ 11%		=	£9,900p.a
				Say £10,000p.a.

RV £63.00"

Mr. Tuite stated that the expenditure incurred on the premises had not enhanced the rental value.

A written submission was received on the 30th January, 1996 from Mr. Patrick Deegan, BA Barrister-at-Law, a Valuer with over 19 years experience in the Valuation Office on behalf of the respondent.

In his written submission, Mr. Deegan also set out the valuation history, location and description of the premises itself. He gave details of one comparison and set out his assessment of the fair rateable valuation as follows:-

"Front:	1,265 sq.ft.	@ £6.00	=	£ 7,590
Rear:	2,690 sq.ft.	@ £5.00	=	£13,450
Rear (1st Floor)	2,497 sq.ft.	@ £3.00	=	<u>£ 7,491</u>
				£28,531
		@ .63%	=	£179.70
		Say	=	£180.00
		Add for HP	=	<u>£ 10.00</u>
				£190.00"

Oral Hearing:

The oral hearing took place in Dublin on the 22nd day of March, 1996. Mr. William Tuite of Jones Lang Wootton appeared on behalf of the appellant. Mr. Patrick Deegan of the Valuation Office appeared for the respondent.

The parties were agreed as to where the property was located with Mr. Tuite arguing that the premises had no retail potential and Mr. Deegan arguing that it had. It was obvious that the difference between the parties was whether the property was to be treated as an adjunct to the adjoining and larger Mount Salus Press premises with access in Bishops Street or as a premises with frontage to Kevin Street Lower in its own right with potential retail use and this was the reason that the two valuers were so far apart in their estimates.

Mr. Tuite queried Mr. Deegan's estimate of rental value at £28,531 in relation to the known purchase price of the property of £90,000. In response Mr. Deegan inquired if there was any hidden element in the purchase price, for example, the undertaking by the purchaser of company debts. Mr. Tuite confirmed that there were no hidden elements and that £90,000 was the full purchase price for the property.

Findings:

In the Tribunal's view the premises must be treated on their own and not as part of an adjoining property. This is at best a tertiary retail or service location. The net annual value of the adjoining Mount Salus Press property is relevant but it is much larger and an adjustment must be made for quantum. The price paid for the property in 1988 is of considerable relevance. In addition to the purchase price the purchaser would have incurred stamp duty and other costs. The Tribunal is not in agreement with Mr. Tuite's devaluation of the purchase price at 11% given the nature of the property. The Tribunal is of the view that the property has some limited showroom or retail potential in relation to part of the Kevin Street Lower frontage.

Having regard to the foregoing and the evidence adduced by the parties the Tribunal determines a rateable valuation of £96.00.

This is calculated as follows:-

Ground Floor (front)	1,265 sq.ft.	@	£5.00	=	£6,325
Offices/Canteen/Workshop	2,690 sq.ft.	@	£2.50	=	£6,725
	2,497 sq.ft.	@	£1.00	=	<u>£2,497</u>
					£15,547

Say = £15,000

OR

Purchase Price:	£90,000	
Plus 8½% Costs:	£97,650	
Devalue at 14.25%	£13,915	Say £14,000p.a.

NAV	£15,000
@ .63%	£94.50

Allow for HP

RV £96.00.