

Appeal No. VA95/6/019

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

Borland Technologies Limited

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Factory and land at Map Reference 1L, Balheary Demesne, ED: Swords Lissenhall, Co. Dublin

Quantum - Agreement at previous appeal

B E F O R E

Liam McKechnie

S.C. Chairman

Fred Devlin

FRICS.ACI Arb.

Patrick Riney

FSCS.FRICS.MIAVI

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 8TH DAY OF NOVEMBER, 1996

1. By Notice of Appeal dated the 7th day of November 1995 the ratepayer namely Borland Technologies Limited appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £1,200 on the above described hereditament. The grounds of appeal in the said Notice relied upon were "the valuation is excessive and inequitable when rental levels and other factors are taken into consideration".

2. This appeal proceeded by way of an oral hearing which took place in Dublin on the 7th day of June 1996. Mr. Tadhg Donnelly, MIAVI, of Brian Bagnall & Associates appeared on behalf of the appellant. Mr. Malachy Oakes, a District Valuer with twenty years experience in the Valuation Office appeared on behalf of the respondent. Having taken the oath, both Valuers adopted as their evidence in chief their respective written submissions which had previously been exchanged and received by this Tribunal.

3. The property in question consists of a factory unit of modern design, located in the Balheary Industrial Park which is located on the northern side of Swords Village just west of the main Dublin/Belfast Road. The building comprises a steel portal frame supporting a steel deck insulated roof with concrete block infill walls and with an

eaves

height of between 18ft to 20ft approximately. The floor areas agreed are as follows:-

| | |
|--------------|--------------|
| Offices | 24,416 sq.ft |
| Factory | 24,416 sq.ft |
| Boiler house | 2,500 sq.ft |
| Spray Booth | 1,114 sq.ft |

4. The property was valued at 1983 First Appeal at £1,390 and on 1989 First Appeal the rateable valuation was agreed at £1,200. The property was listed for Revision at the request of the ratepayer in 1994/2 but no change was made at Revision or First

Appeal

Stage. It is therefore against the figure of £1,200 that the ratepayer is appealing to this Tribunal.

5. **Mr. Tadhg Donnelly** in support of his valuation referred to his comparisons as follows:-

(a) Amdahl Ireland Limited

This premises comprises a substantially greater floor area (i.e. c.253,000 sq.ft.) than the subject property and is a state-of-the-art computer manufacturing facility. It was built in 1990 with a further extension some years later of

c.106,049 sq.ft. The extension devalues at a cost of approximately £160 psf.
(b) Motorola Ireland Limited

£7.8 This also is a state-of-the-art manufacturing facility. It cost approximately million in 1992, with a total floor area of c.105,000 sq.ft. The construction cost here devalues at approximately £75 psf. This property was agreed at first appeal stage for a rateable valuation of £2,200. The rates per square foot used for the factory and office areas were £3.50 psf, with shipping and plant areas valued at £2 psf.

(c) Organon Teknika, Pharmaceutical Manufacturers

The Mr. Donnelly pointed out that this is a very impressive facility which cost approximately £7.5 million to build in 1991. The total floor area is c.66,000 sq.ft, which would indicate a construction cost of approximately £113 psf. office was analysed at £4.50 psf, with a factory area being analysed at £3 psf.

6. He also stated in relation to the subject property that it was sold in 1989 to Borland Technologies Limited for a reported £1.57 million and that it had recently been sold on to Madge Network Limited for £1.85 million. The sale price devalues at £30 psf, however, he did point out that this would not represent the construction costs, but it should give an indication as to the overall standard of finish and general construction of the building.

Mr. Donnelly pointed out that the subject property was not of a similar standard to the state-of-the-art buildings of the adjoining properties being submitted by the Valuation Office as suitable comparisons. In his opinion, the correct rateable valuation should be £865.

7. **Mr. Malachy Oakes**, questioned the relevance of some of the comparisons used by the appellant. In particular, he referred to comparisons no.1 to 6 in the Clonshaugh Industrial Estate, which were submitted by Mr. Donnelly. He stated that these properties were not of a similar standard of finish and in particular pointed out that the location was entirely different to that occupied by the subject property. He also questioned whether there was air conditioning and sprinkler systems in most of these

comparisons. Mr. Donnelly stated that to his knowledge, these facilities were also in most of his comparisons and that they were also built to a similar standard of construction to the subject.

8. Mr. Oakes emphasised the rateable valuation of £1,200 had been fixed on this property during the 1989 first appeal stage by the agreement between the agent for the occupier (Messrs. Druker Fanning & Partners) and the Commissioner. He also pointed out that the adjoining factory Amdahl Ireland Limited had also been agreed at 1989 first appeal stage by the agent for the occupier (Frank O'Donnell & Company) and the Commissioner, and that both factories were agreed at similar levels notwithstanding the fact that it was a substantially larger property.
9. In regard to comparison no. 2, Organon Ireland Limited, which had also been supplied by the appellant's agent as a suitable comparison, he pointed out that this rateable valuation had also been agreed at first appeal stage with Messrs. Lisney & Son, agent for the occupiers. The same rates per square foot were applied here as had been applied to the subject property.
10. In conclusion, Mr. Oakes pointed out that in his opinion the comparisons submitted by him were the most relevant as they were of a similar location and construction to the subject property. In his opinion, the correct rateable valuation should remain at £1,200.

Determination:

The Tribunal have considered all the evidence submitted and further detailed evidence given during the oral hearing. We are of the opinion that the most suitable comparisons submitted are those which are of a similar type of construction to the subject property and located nearby. We consider that the appellant's comparisons from the Clonshaugh Industrial Estate, which is located about five miles from the subject property are of little relevance given the comparative evidence available nearby. We consider that the following comparisons adduced by both parties in evidence are very relevant:-

- (a) Amdahl Ireland Limited

- (b) Motorola Ireland Limited
- (c) Organon Teknika, Pharmaceutical Manufacturers.

We are also of the opinion that in view of the fact that an agreement was reached at first appeal stage in 1989, with the appellant's agent, for a rateable valuation of £1,200, that in the normal course considerable negotiations would have been entered into between the parties at this time and detailed representations made.

The Tribunal are of the opinion, in the light of the foregoing, and in particular taking into account comparison no.3 which is of a similar size and nature to the subject property, that the correct rateable valuation for the hereditament should be affirmed at £1,200 and so determines.