

Appeal No. VA96/2/048

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

W.B. Peat & Company Limited

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Shop (ground & 1st floor), Store (basement) and Penthouse Offices at Map Ref: 197, 198,
199 Parnell Street, Ward: Rotunda, County Borough of Dublin
Quantum

B E F O R E

Con Guiney - Barrister at Law

Deputy Chairman

Mary Devins - Solicitor

Deputy Chairman

Brid Mimmagh - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 14TH DAY OF APRIL, 1997

By Notice of Appeal dated the 25th April, 1996 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £435 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that "the valuation is excessive and inequitable in accordance with the provisions of the Valuation Acts, and on other grounds also".

The Property:

The property is located on the north side of Parnell Street close to the intersection of Kings Inn Street. It comprises a modern end of terrace over basement building. The ground floor provides retail accommodation, the basement and first floors are predominantly storage and the third floor is used as offices. The entire is constructed of concrete frame, concrete block infill walls with a red brick facade, cement rendered to the rear and side elevations, concrete floor, aluminium windows and flat asphalt covered roof. A timber and plate glass shop front is provided.

The accommodation agreed between the parties is as follows.

Ground Floor

Retail Area 2,144 sq.ft.

First Floor

Retail/Stores 1,814 sq.ft.

Third Floor

Office 1,226 sq.ft.

Basement

Retail/Stores 1,996 sq.ft.

Total 7,180 sq.ft.

The property is held freehold.

Services:

All main services are connected including water, electricity and drainage. There is a good lift serving all floors and heating is by way of electric storage heaters on the third floor.

Valuation History:

The property was listed by Dublin Corporation for inclusion in the 1987 revision of valuations. It was noted at that revision that the "penthouse" was not developed. A valuation of £90 was placed on the 2nd floor, £435 on the basement, ground floor and first floor with a recommendation that the property be relisted in the 1988 revision to take account of the "penthouse". The 1987 valuation was appealed and the valuation was reduced to £410. The property was duly relisted for revision in 1988 and it was noted that the "penthouse" on the third floor was used as office, canteen and storage. The rateable valuation issued at £460

reduced to £435 at first appeal. In 1993 the property was again listed for revision. No change was made to the valuation at revision nor at first appeal.

Written Submissions:

A written submission was received from Mr. Tom Davenport, ARICS, ASCS, Chartered Surveyor of Lisney on behalf of the Appellant.

In his written submission Mr. Davenport described the subject premises and gave his valuation considerations. He set out his calculation of rateable valuation as follows.

Estimate of Net Annual Value

Ground Floor

Retail	2,144 sq.ft. @ £10 psf	=	£21,440
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First Floor

Retail/Stores	1,814 sq.ft. @ £ 4 psf	=	£ 7,256
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Second Floor

Separately Valued

Third Floor

Offices	1,286 sq.ft. @ £ 3 psf	=	£ 3,858
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Basement/Stores/Retail	2,139 sq.ft. @ £ 4 psf	=	<u>£ 8,556</u>
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Total Net Annual Value			<u>£41,110</u>
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Estimate of Rateable Valuation

Estimate Net Annual Value as at November 1988 = £41,000

Using the factor 0.63% to translate Net Annual Value to Rateable Valuation.

Rateable Valuation - £41,000 x 0.63% = RV £258.

Mr. Davenport also supplied the Tribunal with a schedule of comparisons which he analysed in detail. These were:-

1. Avoca House, 189/193 Parnell Street
2. Stewart House, 185/189 Parnell Street
Occupier: Sound Vision
3. Stewart House, 185/189 Parnell Street
Occupier: Cycle Ways

4. Stewart Hall, Parnell Street
5. 20/21 Moore Street
Occupier: Hanlons Limited
6. 8/9 Moore Street
Occupier: Lorraine Sweeney Restaurant (formerly Shiels Restaurant)
7. 61/62 Mary Street
Occupier: Dodds of Mary Street.

A written submission was received on the 22nd day of November 1996 from Mr. David Walsh, Valuer in the Valuation Office on behalf of the Respondent.

In his written submission, Mr. Walsh set the valuation history of the subject premises and described its accommodation. He set out his valuation as follows.

Valuation

Ground Floor	Shop	2,144 sq.ft. @ £20 psf	=	£42,880
Basement	Shop	276 sq.ft. @ £ 6 psf	=	£ 1,656
	Store	1,720 sq.ft. @ £ 3 psf	=	£ 5,160
First Floor	Shop	1,087 sq.ft. @ £ 8 psf	=	£ 8,696
	Office	351 sq.ft. @ £ 6 psf	=	£ 2,106
	Balance	376 sq.ft. @ £ 3 psf	=	£ 1,128
Third Floor	Offices etc.,	1,226 sq.ft. @ £ 6 psf	=	<u>£ 7,356</u>
				<u>£68,982</u>

£68,982 @ 0.63% = £434.58. Say £435.

Mr. Walsh also supplied the Tribunal with nine comparisons in detail. These comparisons comprised:-

1. 2nd floor workshop at 197, 198, 199 Parnell Street
2. 2nd floor office suite at 1e Granby Row
3. 3 storey office suite at 1b Granby Row
4. Five units at Cathal Brugha Street
5. 60.61 Moore Street

6. 71.71A Parnell Street
7. GPO Buildings, Henry Street
8. 41.42 Ormond Quay Lower
9. Pt. 107, 108, 109 Talbot Street.

Oral Hearing:

At the oral hearing which took place in the Tribunal Offices in Dublin on the 29th day of November 1996 Mr. Davenport appeared on behalf of the Appellant and was accompanied by the owner and occupier, Mr. Ben Peat.

Having been sworn in, Mr. Davenport indicated to the Tribunal that agreement had been reached with the Commissioner of Valuation that the rateable valuation of the subject premises should be arrived at by estimating the NAV of the property as of November, 1988 and using the factor 0.63%. He then indicated that up until 1993, the location of the subject property was in decline and the retailers in this area were of a specialist nature and the recent developments were post-valuation date.

He further indicated that the northern side of Parnell Street was not a great position, in particular because the road widening had the effect of isolating the premises. There had been a service car park near the property, but with re-development this has now gone and, as a result pedestrian traffic has moved away from the north side of Parnell Street.

The building itself is of mid 1980's design and the ground floor has been refurbished, but the remainder is of basic construction with no great internal finish.

In dealing with his comparisons, Mr. Davenport indicated that location was important with retail premises and he referred in particular to his following comparisons.

1. Comparison no. 1 - Avoca House - which has an average valuation of £10 psf. He indicated that rental levels in this location were low.
2. Comparison no. 2 - Also owned by Peats, was valued at £12 psf.

He also referred to comparison No. 3, Cycle Ways, and referred to his valuation as set out in his précis of evidence.

Mr. Davenport was anxious to point out that rental evidence on Parnell Street is extremely important and that it is Peat's building, and not their name, which should be valued. In cross examination Mr. Walsh referred to Mr. Davenport's comparison No. 6, 8/9 Moore Street and suggested that the rateable valuation of £335 reflected the letting value of £53,000 in November, 1988. Mr. Davenport indicated that that may have been the case in 1990, but the rents as he had set out in his précis were as intimated to him.

Mr. Walsh, having taken the oath, adopted his submission as his evidence in chief. He referred to his valuation and indicated that there was no comparable property on Parnell Street. However, in referring to his own comparisons, he used as his first comparison, the second floor of the subject premises (which is not the subject of this appeal) as a comparison to the top floor of the subject premises, which would suggest a rental value of £12.50 psf. His next comparisons were also, he indicated, referable to the top floor of the subject, suggesting a rental value of £7.66 psf and £6.84 psf respectively. In his view, he felt that comparison No. 8, which is 41/42 Ormond Quay Lower, known as the Woollen Mills, was his best comparison. He set out a valuation for the ground floor of this premises at £24 psf, £5 psf on the first floor and £3 psf on the second floor. Under cross examination by Mr. Davenport, he agreed that rental value was important in establishing the valuation, but that evidence was not the only consideration and he would be conscious of comparable properties. In referring to the £435 rateable valuation agreed in 1988, he indicated that the Valuer at the time valued the premises on an NAV basis but that he was not aware of which method he used in assessing the rateable valuation and accepted that the 0.63% was not established at that time. Mr. Walsh disagreed with the suggestion by Mr. Davenport that the NAV estimate allowing for a factor reduction of 0.63% was estimated to keep the same level of value in place.

In regard to the second floor of the property, which was his comparison No. 1, Mr. Walsh pointed out that the RV of £70 was agreed on the new system, that is, £7,800 x 0.9% giving an RV of £70. He further accepted that his comparisons No. 2 and 3 were two units in a six unit development. In the conclusion, Mr. Walsh submitted that the number of retail units on a street is an important consideration in assessing the rateable valuation. Finally, Mr. Walsh confirmed that his comparison No. 8, the Woollen Mills, was his best comparison and Mr. Davenport indicated that his first comparison would be his first comparison, being Avoca House at 189/193 Parnell Street.

Determination:

In consideration of the evidence put before the Tribunal by way of the oral hearing and the written submissions, the Tribunal consider that the valuation of the subject premises, particularly in view of its location and the relevant comparisons offered by both parties should be £360