

Appeal No. VA97/6/058

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

Maxtor (Ireland) Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Warehouse at Map Reference 1E Irishtown, U.D. Bray, Co. Wicklow
Quantum - Weight to be attached to an industrial index of rental growth

B E F O R E

Liam McKechnie - Senior Counsel

Chairman

Barry Smyth - FRICS.FSCS

Member

Finian Brannigan - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 22ND DAY OF MAY, 1998

1. By Notice of Appeal dated the 17th day of October 1997, the appellant company appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £450 on the above described hereditament.

The Grounds of Appeal as set out in the Notice of Appeal are "that the R.V. is excessive and inequitable when compared to other recently revised and appealed valuations of similar type properties in the area."

2. This appeal proceeded by way of an oral hearing which took place in Dublin on 18th day of May 1998. Present and appearing on behalf of the appellant was Mr. Eamonn Halpin B.Sc. (Surveying) A.R.I.C.S. M.I.A.V.I. Mr. Joseph McBride B.Agr.Sc. M.I.A.V.I., a Valuer in the Valuation Office, with 17 years experience, appeared on behalf of the Commissioner. As is required by the rules of this Tribunal written précis of the evidence intended to be given on behalf of each party were, prior to the hearing, exchanged between them and submitted to us. Having taken the oath both valuers adopted their respective précis as their evidence in chief. From the evidence so given the following have emerged, either agreed or so found, as being the material facts relevant for the purposes of this appeal;-

(a) the property, the subject matter of this appeal is located in a new industrial park known as "The Bray Business Park", this park is situated about one and a half miles from the centre of Bray and about a half a mile from the N11 which in a southerly direction leads to Wicklow, Wexford and the South East and in a northerly direction to Dublin and beyond. Furthermore the actual location of the Park is on the Bray Southern Cross Route and therefore has available to it an excellent network of roads for the purposes of access thereto and needless to say therefrom.

(b) The said park, which is a Forfás development, is laid out to cater for about twelve sites. The development is now nearing completion. The subject premises is located on a site of 3.44 acres. The building and site are held by way of Lease commencing in July 1996 for a term of 20 years with the lessee being responsible for full repairing and insuring covenants. The rent as reserved is £114,400 per annum.

(c) The subject property comprises a computer facility with office and warehouse accommodation. Within the warehouse area is a section of almost 6,000 sq.ft. which has a suspended ceiling. This is mainly an enclosed working area with two small bays used for storage. There is also a loading bay sealed off by a wall to the ceiling. A small office and plant area is located above the E.S.B. substation and kitchen, which is accessed via the loading bay. A circulation area exists for loading to the side.

(d) The building is constructed of concrete block walls to about 6 feet (internally) and PVC coated insulated steel clad walls to an eaves height of about 20 feet. The offices have glazed walls with red brick walls around the stairway. The roof is PVC coated insulated steel clad, with clear sheets for natural lighting. The building has available to it all other and necessary services.

(e) The areas of this hereditament have been agreed as follows;-

Offices	7,852 sq.ft.
Warehouse	22,400 sq.ft. (5,991 sq.ft. - suspended ceiling)
Plant Room (1st flr)	301 sq.ft.
Standby Generator	300 HP

(f) In November 1996 a revised valuation list issued for the first time in respect of this property. Buildings had an R.V. of £450 placed thereon. In November/December of that year Mr. Halpin, on behalf of his client, appealed this to the Commissioner. On the 19th September 1997 the result of the first appeal procedure issued with the R.V. remaining unchanged. On the 17th October 1997 Mr. Halpin appealed to this Tribunal.

3. There is no issue on the question of rateability in this case. Therefore the only question for our consideration is one of quantum. On behalf of Maxtor (Ireland) Ltd. Mr. Halpin suggests that a rate of £2.00 p.s.f. should be placed on the warehousing area and a rate of £3.00 p.s.f. on the offices. The appeal valuer's comparable figures are £2.75 and £3.50 respectively.

4. In support of his suggested valuation Mr. Halpin referred us to three comparisons details of which are contained in Appendix One to this judgment. The three properties are;-

(a) Industrial Packaging Ltd. - situated at Old Court, off the Killarney Road, in Bray.

(b) A.O. Smith Electric Motors - located on the Boghall Road in Bray.

- (c) Marks & Spencer Distribution Warehouse - at Tallaght in the City of Dublin.

On behalf of the Commissioner two comparisons, strictly speaking, have been referred to, namely;

- (a) The former 'Sagami' Factory now occupied by Alert Packaging Ltd.
- (b) Oriflame Manufacturing Ltd.

Mr. McBride also referred us to comparisons Nos. 1 and No. 2 of the appellant. He did so primarily for the purposes of indicating the differing and distinguishing features of those properties when compared with the subject property. The others were located within the confines of Bray Business Park.

5. The parties will now be aware that this Tribunal has in the recent past dealt with a number of appeals arising out of this new industrial park. Judgment has already been given in two such appeals, namely the *Oriflame Manufacturing Ltd. case (VA97/2/042)* - judgment delivered on 8th May 1998 and the *Lithographic Universal Ltd. case (VA97/6/057)* - judgment given on 22nd May 1998. In the latter case Mr. Halpin also appeared on behalf of the ratepayer. In support of his appeal in that case he referred us to all of the comparisons which he again outlined in the instant appeal as did the appeal valuer. For the reasons therein given we are of the view that Mr. McBride's evidence is more relevant and material, is more direct and pertinent and is more persuasive than that offered on behalf of the appellant. We would therefore adopt, for the purposes of this judgment, the same reasoning as we did and as is set out in the other two decisions hereinbefore mentioned.
5. There is one further matter that requires comment. Mr. Halpin has suggested that the N.A.V. in this case is excessive and in support thereof has referred us to an Industrial index issued by the Society of chartered surveyors IPD. This document was relied upon as suggesting that, for the specified period, a rental growth of 40% would be appropriate. Whilst we appreciate that indices can be beneficial and can in some circumstances be useful, nevertheless any such resulting analysis should

always be treated with caution as the same must inevitably, be comprised of a multitude of different factors and constituents, many of which are undoubtedly irrelevant to the statutory function imposed upon us. In addition the motivating factor and the directional focus of such documents are usually for purposes wholly unrelated to rateable valuation. Finally, and in any event in this case, we could not possibly, in the face of the other evidence available, give any preference to the information derived from such a survey.

In conclusion therefore we determine that the rateable valuation, as fixed by the Commissioner, should be affirmed.