

AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tAcht LUACHÁLA, 2001
VALUATION ACT, 2001

Lise Underwood

APPELLANT

and

Commissioner of Valuation

RESPONDENT

In relation to the issue of quantum of valuation in respect of:

Property No. 747147, Office (Georgian/Victorian) at Floors -1,0,1,2,3, 70 Eccles Street, County Borough of Dublin.

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 2nd DAY OF MARCH, 2017

BEFORE:

Stephen J. Byrne - BL

Chairperson

Rory Hanniffy - BL

Member

Dolores Power – MSCSI, MRICS

Member

By Notice of Appeal received on the 3rd day of September 2014 the Appellant appealed against the determination of the Commissioner of Valuation in fixing a net annual value of €51,900 on the above described relevant property on the grounds as set out in the Notice of Appeal as follows:

“Pursuant to Sections 35(a)(i)&(ii) and Section 48 & 49 Valuation Act, 2001 the valuation is incorrect having regard to the size and nature of the accommodation, the absence of car parking spaces, the historical rental evidence from the building and market rents / Net Annual Value assessments of other comparable properties in the locality.”

“ “without prejudice” (sic) €32,800 pursuant to section 35 (a)(ii) and Section 48 & 49 of the Valuation Act, 2001. ”

“Total Internal areas are incorrect”

The Tribunal having examined the property details; having confirmed the valuation history; having heard and examined both the Appellant's and Respondent's evidence; having considered the evidence adduced and submissions made at a hearing at the Tribunal offices at Holbrook House, Holles Street, Dublin 2 on the 18th day of November 2015 by Conor O'Cléirigh Chartered Surveyor for the Appellant and by Mr Liam Diskin, BSc (Hons) Property Management & Investment, BSc (Hons) Property Valuation & Estate Agency, a Valuer in the Valuation Office for the Respondent,

DETERMINES

That the net annual value of the subject property be as set out below:

Level	Use	Area (sq.m.)	NAV (per sq.m)	NAV
-1	Office	55.90	110	€ 6,149.00
0	Office	55.49	140	€ 7,768.60
1	Office	77.10	120	€ 9,252.00
2	Office	65.38	110	€ 7,191.80
3	Office	78.10	100	€ 7,810.00
				€38,171.40
Total			Say	€38,170.00 (decrease)

The reasons being as follows:

1. The Appellant has provided details in respect of seven comparison properties. The first is the subject property and specifically the details of a 2015 lease relating to same. The remaining comparison properties are comprised of three north inner city Georgian properties and three Georgian properties situate on Eccles Street. With the exception of the 2015 lease relating to the subject property, no other rental information was provided.
2. The Respondent has relied upon four comparison properties all of which are located on Eccles Street.
3. The Tribunal notes that in arriving at the approximate valuation for Georgian properties situate on Eccles Street, the Respondent had available to it only two pieces of market information, one of which was an April 2011 lease relating to the subject property.

4. The Tribunal notes the Respondent's four comparison properties relate to two structures namely 66 and 67 Eccles Street, with all four properties sharing the same occupier. The said occupier has chosen not to appeal to the Tribunal.
5. The Tribunal accepts that the NAV/sqm applied to the Appellant's comparison property number 7, 72 Eccles Street (No. 747148), were those initially applied by the Respondent to all Georgian properties on Eccles Street and that at first appeal stage same were reduced to the levels now contended for by the Respondent. As such, the levels applied to comparison property number 7 arise by virtue of the fact that same were not appealed and are not, as was contended for by the Appellant, due to the fact that the property is used for medical purposes.
6. The Tribunal notes that the subject property was on the rental market without success from 2012 to 2015.
7. The Tribunal does not accept the Appellant's contention that in circumstances where the subject property is not being used for medical purposes, it must not be considered in the same context as properties which are being used for medical purposes. Indeed Mr Niall Phelan, Architect, who gave evidence on behalf of the Appellant accepted under cross-examination that the relevant planning and zoning which applied to the subject property was also applicable to all other properties on the street. He also accepted that there was nothing unique about the subject property.
8. The Tribunal does not accept Mr Diskin's characterisation of the 2011 lease as the most relevant factor in considering the appropriate valuation.
9. Whilst the Respondent has placed great emphasis upon the April 2011 lease, the Tribunal is of the view that same is not representative of the then rental market in circumstances where same was entered into for a period of one year and five months by parties who had been engaged in a leasehold arrangement for the previous 11 years. This extension of the lease for a short period was to coincide with the delayed completion of the Mater Hospital development adjacent to the subject property, to where it is assumed the then tenant was relocating.
10. The Tribunal does not share the Respondent's opinion that the 2015 lease relating to the subject property is irrelevant. Whilst rental information closer in time to the valuation date is

always preferable, the distinct lack of rental information on Eccles Street necessitates that the 2015 lease be considered by the Tribunal.

11. The Tribunal notes Mr O’Cleirigh accepted in cross-examination that the Respondent’s comparison properties 1- 4 (all of which are located on Eccles Street) were similarly circumstanced to the subject property. Mr O’Cleirigh did however argue that the “jury was out” on valuation levels for office space located on a street.
12. The Tribunal accepts that properties situate on Eccles Street were as of the valuation date uniquely circumstanced, most likely as a result of the close proximity of the Mater Hospital and the resulting demand for office space. However, the Tribunal is satisfied that although uniquely circumstanced, the available rental information and comparison properties points to the fact that there is an excessive gulf between the rates applied to properties situate on Eccles Street and that applied to Georgian properties in the wider north inner city.

AND THE TRIBUNAL SO DETERMINES