

Appeal No. VA14/5/584

**AN BINSE LUACHÁLA**  
**VALUATION TRIBUNAL**  
**AN tACHT LUACHÁLA, 2001**  
**VALUATION ACT, 2001**

**KW Irish Real Estate Fund II**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

**In Relation to the Issue of Quantum of Valuation in Respect of:**

Property No. 1545939, Office(s), 2nd Floor, Block C, Brooklawn House, Crampton Avenue, Shelbourne Road, County Borough of Dublin.

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 28TH DAY OF JULY, 2016**

**B E F O R E:**

**Barry Smyth – FRICS, FSCSI, MCI Arb**

**- Deputy Chairperson**

**Michael Lyng - Valuer**

**- Member**

**James Browne - BL**

**-Member**

By Notice of Appeal received on the 4<sup>th</sup> day of September, 2015 the Appellant appealed against the determination of the Commissioner of Valuation in fixing a net annual value of €213,000 on the above described relevant property on the grounds as set out in the Notice of Appeal as follows:

*"The valuation is incorrect having regard to the available market letting evidence and the valuation of relevant comparable properties on the valuation list."*

*"No allowance has been made for the age and specification of the property versus the properties it is being benchmarked against"*

Before the commencement of the oral hearing, the parties jointly advised the Tribunal that the outcome of this appeal would form the basis of an agreement between the parties in relation to appeals lodged with the Tribunal in respect of three other properties:

VA14/5/321: Property Number 1545937

VA14/5/583: Property Number 2164060

VA14/5/587: Property Number 1545938

The Tribunal, having examined the particulars of the property the subject of this appeal; having confirmed its valuation history; having examined and considered the written evidence and having heard the oral evidence adduced before us by the parties to the appeal,

### **DETERMINES**

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

Total Floor Area 839.33 sq.m. @ €160 sq.m. = €134,292.80

Car Spaces 8 @ €2,500 = €20,000.00

Total €154,292.80

Say: €154,300

### **The reasoning being**

- ⤴ Comparisons of passing rents in this building reflect the actual market view of the building taking into account its age, specification and occupational cost, and the availability of alternative office accommodation in the area.
- ⤴ The appellants interpretation of the rent free period on the 4<sup>th</sup> Floor of the subject building is correct in that the Landlord paid for the fit out of the property which otherwise would have been the responsibility of the Tenant. Therefore the figure of €109,830.88 for the fit out plus a 3 months' rent free period equates to 12 months' rent free.
- ⤴ The respondents' comparison in Embassy House appears an outlier in market terms. It was stated that while the tenant is still in position the terms of the lease may have been changed as the break clause in the lease had been exercised in 2012 and confirmation was not available to the Tribunal to confirm that what changes had been made. This is not an arm's length open market transaction.
- ⤴ The most helpful comparisons proffered were the three at Brooklawn House itself with an average rent of €159 per square meter.