

Appeal No. VA14/5/662

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

Audio Visual Services Ltd

APPELLANT

And

Commissioner of Valuation

RESPONDENT

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

Property No. 665955, Warehouse, 2 Richmond Road Industrial Estate, Richmond Road,
County Borough of Dublin.

**JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 18TH DAY OF JULY, 2016**

BEFORE:

Niall O’Hanlon – Barrister-at-Law

- Deputy Chairperson

Michael Lyng – Valuer

- Member

Thomas Collins – PC, FIPAV, NAEA, MCEI, CFO

- Member

By Notice of Appeal received on the 4th day of September, 2014 the Appellant appealed against the determination of the Commissioner of Valuation in fixing a net annual value of €26,000 on the above described relevant property on the grounds as set out in the Notice of Appeal as follows:

"1) The subject property's estimate of net annual value is excessive and inequitable. Sufficient heed has not been paid to the local rental information at or around the valuation date".

“2) The area ‘in progress’ should be subdivided out of the subject’s valuation and struck as Nil as it is incapable of beneficial occupation in its actual state, being subject to a programme of works, as in Rank Audio Visual v Hounslow Borough Council (VO) 1970.”

The valuation presented to the Tribunal by the Respondent was as follows:-

Level 0 Warehouse	383.48 sq.m.	@ €40.00 per m. ²	= €15,339.20
Level 0 Office	156.91 sq.m.	@ €40.00 per m. ²	= €6,276.40
Level 1 Office	20.40 sq.m.	@ €40.00 per m. ²	= €816.00
Mezzanine Office	132.85 sq.m.	@ €16.00 per m. ²	= €2,125.60
Mezzanine Store	187.18 sq.m.	@ €8.00 per m. ²	= €1,497.44

The valuation presented to the Tribunal by the Appellant was as follows:-

Ground Floor Warehouse	343.88 sq.m.	@ €25.00 per m. ²	= €8,597.00
Ground Floor Warehouse (in progress)	39.6 sq.m.	@ €12.50 per m. ²	= €495.00
Ground Floor Office	156.91 sq.m.	@ €25.00 per m. ²	= €3,923.00
1 st Floor Office	20.40 sq.m.	@ €10.00 per m. ²	= €204.00
Mezzanine Office	132.85 sq.m.	@ €10.00 per m. ²	= €1,329.00
Mezzanine Store	187.18 sq. m.	@ €5.00 per m. ²	= €936.00

The figures advanced by the appellant were rounded to the nearest euro.

The Tribunal notes that the following differences arise between the parties. The ground floor area of 540.39 sq. m. is valued at €40 per sq. m. by the respondent. The appellant sub divided this area arguing that the larger component should be valued at €25 per sq. m. and that a smaller component identified as work in progress and measuring 39.6 sq. m. should be valued at €12.50 per sq. m. In respect of the first floor office, the valuation office values at €40 per sq. m. whilst the appellant valued at €10 per sq. m. In respect of the mezzanine office and stores, the valuation office applies a rate of €16 per sq. m. and €8 per sq. m. respectively whilst the appellant seeks a rate of €10 per sq. m. and €5 per sq. m.

Location

The respondent’s précis recites that the subject property is located on the grounds of the Tivoli Centre (industrial enclave currently) locally known as Richmond Road Industrial Estate. Access is via Richmond Road (Fairview end) and Distillery Road (off Clonliffe

Road). The subject property has no profile to the Richmond Road being located behind the Distillery Lofts development and bordered by the Tolka River.

The respondent proffered 4 comparisons in the same area as the subject where the rates per sq. m. varied between €40 and €60 per sq. m. The appellant advanced 6 comparisons in the locality with rates of between €6 and €40 per sq. m.

The overall Distillery Lofts development is unfinished as the developer went into liquidation in or about 2009 and never completed the project. This has resulted in about 40,000 sq. ft. of renovated space in a semi-derelict condition directly opposite the subject property, which is a serious drawback for the scheme as a whole. The lack of management fees in the development has resulted in poor day to day upkeep of the site.

1. The comparisons advanced by the respondent related to buildings, except one (part of comparison 4), constructed post 2000.
2. The subject, which was constructed in the 1960's, is in poor condition overall and is now suffering from water ingress in the mezzanine offices. The location of the appellant's property in the most derelict part of this development overlooking a blocked driveway to the main road and also overlooking a semi-derelict unoccupied distillery building demonstrates poor access and no profile upon entrance to the development.
3. Mr Halpin, having regard to the comparisons he relies upon, argues for a ground floor rate of €25 per sq. m. However, as Mr Gogu points out, these comparisons have eaves heights of 3.5 metres, whereas the subject property has an eaves height of 7m, albeit a major part of the ground floor is located under a mezzanine. In light of the foregoing, the Tribunal is of the view that the rate of €25 per sq. m. sought by Mr Halpin is too low. Having regard to the evidence adduced, the Tribunal finds that the appropriate rate is €30 per sq. m.
4. The Tribunal finds it appropriate that the same rate be applied to the first floor as applies to the ground floor. In reaching this conclusion the Tribunal notes that the

same rate was applied to ground and first floors of two of the comparisons advanced by Mr. Halpin.

5. The Tribunal is not convinced by Mr Halpin's evidence in relation to the area of 39.6 sq. m. on the ground floor which he contends should have a reduced rate per square metre as it is an area "in progress". Both parties agreed that the area had some value but what was at issue was the question of quantum on this section of the property. The Tribunal concurs with the view of Mr Gogu that the subject property should be valued with all its potentialities and disabilities and therefore the Ground Floor retains the same value throughout its entire measurements of 540.39 per sq. m.
6. The Tribunal notes that the Mezzanine Office and the Mezzanine Store were valued by the respondent at 40% and 20% respectively of the rate applied to the Ground Floor. The Tribunal further notes that, leaving aside the reduced rate sought by the appellant in respect of what was contended to be work-in-progress, the appellant also valued the Mezzanine Office and the Mezzanine Store at 40% and 20% respectively of the rate applied to the Ground Floor. Accordingly, the Tribunal is satisfied that it is appropriate to maintain these percentage relativities in respect of the Mezzanine Office and the Mezzanine Store.

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 Mr Eamonn Halpin on behalf of the appellant and Mr Voriel Gogu on behalf of the respondent,

DETERMINES

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

Ground Floor	540.39 sq. m. @ €30 per m. ²	€16,211.70
1 st Floor Office	20.40 sq. m. @ €30 per m. ²	€612.00
Mezzanine Office	132.85 sq. m. @ €12 per m. ²	€1,594.20
Mezzanine Store	187.18 sq. m. @ €6 per m. ²	€1,123.08

Total	880.82 sq. m.	€19,540.98
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Say Net Annual Value of €19,540.