

**AN BINSE LUACHÁLA  
VALUATION TRIBUNAL**

**AN tACHTANNA LUACHÁLA, 2001 - 2015  
VALUATION ACTS, 2001 - 2015**

**DECLAN J O' CONNELL SOLICITORS**

**APPELLANT**

**AND**

**COMMISSIONER OF VALUATION**

**RESPONDENT**

**In relation to the valuation of**  
Property No. 2191141, Office at St Mary's, Old Lucan Road, Lucan, County Dublin.

**B E F O R E**

**Dearbhla M. Cunningham – BL**

**Deputy Chairperson**

**Donal Madigan – MRICS, MSCSI**

**Member**

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

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL  
ISSUED ON THE 17<sup>TH</sup> DAY OF OCTOBER, 2018**

**1. THE APPEAL**

1.1 By Notice of Appeal received on the 9<sup>th</sup> day of October, 2017, the Appellant appealed against the determination of the Respondent pursuant to which the net annual value ‘(the NAV)’ of the above relevant Property was fixed in the sum of €19,440.

1.2 The sole ground of appeal as set out in the Notice of Appeal is that the determination of the valuation of the Property is not a determination that accords with that required to be achieved by section 19 (5) of the Act because :

1. *The valuation of the subject property is excessive and inequitable. The property's value as applied by the commissioner is not in line with its potential rental value.*

2. *The value as assessed by the commissioner is higher than 3<sup>rd</sup> generation office levels. The subject property is an office in a former domestic property. It is vastly inferior to modern purpose built offices.*

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €11,160.

## **2. REVALUATION HISTORY**

2.1 On the 13<sup>th</sup> day of April, 2017, a copy of a valuation certificate proposed to be issued under section 24(1) of the Valuation Act 2001 (“the Act”) in relation to the Property was sent to the Appellant indicating a valuation of €19,440.

2.2 Being dissatisfied with the valuation proposed, representations were made to the valuation manager in relation to the valuation. Following consideration of those representations, the valuation manager did not consider it appropriate to provide for a lower valuation.

2.3 A Final Valuation Certificate issued on the 7<sup>th</sup> day of September, 2017, stating a valuation of €19,440.

2.4 The date by reference to which the value of the property, the subject of this appeal, was determined is the 30<sup>th</sup> day of October, 2015.

## **3. THE HEARING**

3.1 The Appeal proceeded by way of an oral hearing held in the offices of the Valuation Tribunal at Holbrook House, Holles Street, Dublin 2, on 25<sup>th</sup> day of April, 2018. At the hearing the Appellant was represented by the Mr Eamonn Halpin B.Sc. (Surveying) M.R.I.C.S. M.S.C.S.I and the Respondent was represented by Neil Corkery B.Sc. (Surveying) of the Valuation Office.

3.2 In accordance with the Rules of the Tribunal, the parties had exchanged their respective reports and précis of evidence prior to the commencement of the hearing and submitted them to the Tribunal. At the oral hearing, each witness, having taken the oath, adopted his précis as his evidence-in-chief in addition to giving oral evidence.

## **4. FACTS**

From the evidence adduced by the parties, the Tribunal finds the following facts:

- (a) The property is situated on the outskirts of Lucan in a predominantly residential area;
- (b) The building is a domestic dormer type bungalow the upper part of which is now excluded, being residential, the ground floor being offices with basic services and Sanitary facilities;
- (c) The ground floor offices comprise an area of 76.21m<sup>2</sup> which is agreed by the parties;
- (d) The property is owner occupied, and
- (e) The ground floor is in use as a Solicitor's office.

## 5. ISSUES

5.1 Before the Tribunal the issues now in dispute are the value attributable to the ground floor offices and whether any additional value attaches to the space to the front which the parties agree could accommodate six parked cars.

## 6. RELEVANT STATUTORY PROVISIONS:

6.1 The net annual value of the Property has to be determined in accordance with the provisions of section 48 (1) of the Act which provides as follows:

*"The value of a relevant property shall be determined under this Act by estimating the net annual value of the property and the amount so estimated to be the net annual value of the property shall, accordingly, be its value."*

6.2 Section 48(3) of the Act as amended by section 27 of the Valuation (Amendment) Act 2015 provides for the factors to be taken into account in calculating the net annual value:

*"Subject to Section 50, for the purposes of this Act, "net annual value" means, in relation to a property, the rent for which, one year with another, the property might, in its actual state, be reasonably be expected to let from year to year, on the assumption that the probable annual cost of repairs, insurance and other expenses (if any) that would be necessary to maintain the property in that state, and all rates and other taxes in respect of the property, are borne by the tenant."*

## 7. APPELLANT'S CASE

7.1 At the hearing, Mr Halpin, for the Appellant, submitted a valuation of €7,620 which he calculated as follows:

Ground Floor Offices 76.21m<sup>2</sup> @ €100.00 per m<sup>2</sup> = 7,621

6 unmarked car spaces at no additional value Total, say, €7,620.

7.2 In support of his valuation Mr. Halpin put forward 13 comparables as set out in the Section A of the Appendix.

7.3 Mr. Halpin contended that the property would not be immediately attractive to the hypothetical tenant being some 1.5kms from the town centre of Lucan.

7.4 He further submitted that the property being shared with domestic upstairs would be a limiting factor as the hypothetical tenant would have to work with this arrangement and cited the Valuation Tribunal decision in VA14/5/927 (Brian Crowe) as endorsement of this view.

7.5 He submitted that the rental evidence from the centre of Lucan indicated a range of € 90-125 per m<sup>2</sup> whereas the NAV levels applied by the Commissioner of Valuation were at € 180.00 per m<sup>2</sup> and, that, even if this level could be substantiated for the centre of Lucan, that level could not be substantiated for the subject property on account of its location, type and nature. He pointed to the levels of € 120.00-130.00 per m<sup>2</sup> being applied by the Commissioner to 3<sup>rd</sup> generation offices in the South County Dublin area which suggests the subject property cannot be worth more than this-even if there was exclusive occupation.

7.6 He submitted that the car spaces were not rateable as they were not exclusive in occupation, were unmarked, and like the comparables referred to, did not attract an additional value. He submitted that if the Tribunal found these spaces rateable that their value should not exceed € 250 per space [not per m<sup>2</sup>] as applied by the Commissioner for car spaces attaching to 3<sup>rd</sup> generation offices.

## **8. RESPONDENT'S CASE**

8.1 At the hearing, Mr. Corkery, for the Respondent, contended for a lower valuation than the figure of €19,440 appearing in the Valuation List because of the deletion of the value of the upper part being classified, now, as residential. The Respondent contends for a valuation of €16,400 which is calculated as follows:

Ground Floor Offices	76.21m <sup>2</sup>	@ € 180.00 per m <sup>2</sup>	= 13,717
Car spaces	6 at	€ 450.00	= 2,700
Total:			16,417 say, € 16,400.

8.2 In support of his valuation, Mr. Corkery put forward six comparables as set out in Section B of the Appendix.

## **9. SUBMISSIONS**

9.1 There were no legal submissions in this case.

## **10. FINDINGS AND CONCLUSIONS**

10.1 On this appeal the Tribunal has to determine the value of the Property so as to achieve, insofar as is reasonably practical, a valuation that is correct and equitable so that the valuation of the Property as determined by the Tribunal is relative to the value of other comparable properties on the valuation list in the rating authority area of South Dublin County Council.

10.2 The Tribunal considers there to be a wide disparity in the levels indicated from the rental analysis, from both parties, and this is due to differing dates of transaction, rents fixed many years ago in very different market conditions, building type and location. Consequently, it is not clear from the Respondent's rental evidence that a tone NAV of € 180.00 per m<sup>2</sup> is substantiated for ground floor offices in older domestic "type" buildings.

10.3 Taking account of the shared nature of the building, its type and age, and the peripheral location in a mainly residential area, the Tribunal feels that a level of NAV of € 120.00 per m<sup>2</sup> is more appropriate in the particular circumstances of this case.

10.4 The Tribunal further considers that, in tandem with several of the Appellant's comparables, no additional value attaches to the car parking facilities in this case.

## **DETERMINATION**

Accordingly, for the above reasons, the Tribunal allows the appeal and decreases the valuation of the Property as stated in the valuation certificate, to € **9,145**.

This is calculated as follows:

Ground Floor Office 76.21m<sup>2</sup> @ € 120.00 = € 9,145.20 say, € 9,145.

And the Tribunal so determines.