

**Appeal No: VA21/4/0049**

**AN BINSE LUACHÁLA  
VALUATION TRIBUNAL**

**NA hACHTANNA LUACHÁLA, 2001 - 2015  
VALUATION ACTS, 2001 - 2015**

**Bupa Global DAC**

**APPELLANT**

**AND**

**COMMISSIONER OF VALUATION**

**RESPONDENT**

**In relation to the valuation of**

Property No. 5024449, Property Type: Office(s),  
2nd Floor, 10 Pembroke Place, Ballsbridge, Dublin 4.  
(the 'Property')

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 17<sup>TH</sup> DAY OF APRIL 2024**

**BEFORE**

**Mr. Fergus Keogh MSCSI MRICS**

**TRIBUNAL MEMBER**

**1. THE APPEAL**

- 1.1 By Notice of Appeal received on the 17<sup>th</sup> day of November 2021 the Appellant appealed against the determination of the Respondent pursuant to which the rateable value of the above relevant Property was fixed in the sum of €162,300.

1.2 The grounds of appeal are set out in the Notice of Appeal and state that that the valuation of the Property is incorrect as it does not accord with that required to be achieved by section 49 of the Act because:

*“(a) The Valuation is incorrect. The NAV proposed at €260 per sq. m. is not fair and reasonable and is not supported by the evidence in the Valuation Report as sourced from the Valuation Office which included the following comparables:*

- 1. 1546038 Embassy House:  
NAV is €240 per sq. m: no justification for a higher NAV to be applied to the subject,*
- 2. 843524 87-89 Pembroke Road:  
NAV is €240 per sq. m: no justification for a higher NAV to be applied to the subject,*
- 3. 5005787 Connaught House:  
NAV is €240 per sq. m: no justification for a higher NAV to be applied to the subject,*

*In addition the comparables listed below provide substantial evidence that superior office space with higher profile is recorded in the valuation list at €240 per sq. m. below that rate of €260 per sq. m. proposed by the Valuation Office for the subject property,*

- 1. (1546043) Ground Floor Office, Embassy House, Ballsbridge, Dublin 4 NAV €240 per sq. m. adjacent office building of similar specification.*
- 2. Ground (5018224), 2nd (5018223), 3rd (5018222), 4th (5018221) & 5th (5018220) Floor, The Exchange, Georges Dock, IFSC, Dublin 1 NAV €240 per sq. m. Similar specification but located in the CBD.*
- 3. (5016875) Number One Ballsbridge, Shelbourne Road, Dublin 4 NAV of €240 per sq. m. Nearby Office Building. Landmark development with high profile with similar specification.”*

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €150,000.

## 2. VALUATION HISTORY

- 2.1 On the 3<sup>rd</sup> day of September 2021 a copy of the proposed valuation certificate issued under section 28(6) of the Act in relation to the Property was sent to the Appellant indicating a valuation of €162,300.
- 2.2 Being dissatisfied with the valuation proposed, representations were made on the 11<sup>th</sup> October 2021 to the valuation manager in relation to the valuation. Following consideration of those representations, the valuation manager did it not consider it appropriate to provide for a lower valuation.
- 2.3 A final valuation certificate issued on the 21<sup>st</sup> day of October 2021 stating a valuation of €162,300.
- 2.4 The date by reference to which the value of the Property, the subject of this appeal, was determined is 7<sup>th</sup> April 2011.

## 3. DOCUMENT BASED APPEAL

- 3.1 The Tribunal considered it appropriate that this appeal be determined on the basis of documents without the need for an oral hearing and on the agreement of the Parties the Chairperson assigned the appeal to one member of the Tribunal for determination.
- 3.2 In accordance with the Tribunal's directions the Parties exchanged their respective summaries of evidence and submitted them to the Tribunal.
- 3.3 In this appeal the Appellant was represented by Mr. James Farrelly Bsc. (Surv) MSCSI MRICS who is a Director of Professional Services with Colliers. The Respondent is represented by Mr. Vasile Goian BEng (Hons) MSCM of Tailte Éireann, ('the Parties').

#### 4. **FACTS**

- 4.1 From the evidence adduced by the Parties the Tribunal finds the following facts.
- 4.2 The Property comprises the 2<sup>nd</sup> floor of a 4-storey modern office building with basement car parking which was constructed in 2018. The building in total extends to approximately 2,200 m<sup>2</sup> (23,680 sq. ft.) with 17 no. basement car parking spaces and 36 no. bicycle parking spaces.
- 4.3 The building has been constructed to modern specifications. The lower ground floor is constructed in a concrete frame while the upper floors are constructed with a structural steel frame. A Comflor metal deck and concrete system and a Comflor structural roof have been used in the upper floors. The external walls are of masonry block construction with a rendered insulation boards. Elevations comprise an aluminium curtain walling system incorporating glazed panels and stone infill panels. There is a Sedum green roof. There are raised access floors, suspended ceilings and a floor to ceiling height of 2.7 m. Heating is by means of a 4-pipe fan coil system. There are 2 no. 800 kg passenger lifts.
- 4.4 The area and accommodation of the subject Property has been agreed by the Parties to comprise 586 m<sup>2</sup> (6,308 sq. ft.) of office space with 4 no. dedicated basement car parking spaces.
- 4.5 The Parties agree that the car parking spaces are to be valued at the rate of €2,500 per space (€10,000 in total).
- 4.6 The building is centrally located in Ballsbridge adjacent to the Herbert Park Hotel and benefits from its proximity to local services and amenities.
- 4.7 The building has a BER Rating of B1 and LEED Gold Accreditation.

## **5. ISSUES**

5.1 The issue in the Appeal is one of the quantum of the valuation and more particularly the euro price per square metre (€ per m<sup>2</sup>) to be applied to the office accommodation. The Appellant contended for the NAV to be reduced to €150,000 by applying a rate of €240 per m<sup>2</sup> to the office area whereas the Respondent requested the Tribunal to affirm a valuation of €162,300 being €260 per m<sup>2</sup>.

## **6. RELEVANT STATUTORY PROVISIONS:**

6.1 All references to a particular section of the Valuation Act 2001 ('the Act') refer to that section as amended, extended, modified or re-enacted by the Valuation (Amendment) Act, 2015.

6.2 Section 3(1) of the Act, so far as material to this appeal, defines "material change of circumstances" as meaning a change of circumstances that consists of:

- (a) the coming into being of a newly erected or newly constructed relevant property or of a relevant property,

6.3 If a revision manager is satisfied that a material change of circumstances as defined by section 3 of the Act has occurred since a valuation under section 19 of the Act was last carried out in the rating authority area in which the Property is situated, the revision manager has power under section 28(4) of the Act, if the property does not appear on the List and is relevant property, to do both of the following:

- (i) carry out a valuation of that property, and
- (ii) include the property on the List together with its value as determined on foot of that valuation.

6.4 Where a property falls to be valued for the purpose of section 28(4) of the Act that value is ascertained in accordance with the provisions of section 49 (1) of the Act which provides:

*“(1) If the value of a relevant property (in subsection (2) referred to as the “first-mentioned property”) falls to be determined for the purpose of section 28(4), (or of an appeal from a decision under that section) that determination shall be made by reference to the values, as appearing on the valuation list relating to the same rating authority area as that property is situate in, of other properties comparable to that property.”*

## **7. APPELLANT’S CASE**

7.1 Mr. Farrelly stated that he is a Director of Professional Services with Colliers and has 20 years of experience in the commercial property industry specialising in Advisory Services with a particular focus on rating and valuation.

7.2 In his précis, Mr. Farrelly outlined the location, description, size and characteristics of the subject Property and confirmed the basis and the date of valuation. He supplemented his text with maps, photographs and an outline of the specification of the Property.

7.3 Mr. Farrelly contended for a valuation of €150,000 which he arrived at by applying a rate of €240 per m<sup>2</sup> to the floor area as agreed by the Parties and the non-contested rate of €2,500 per parking space.

7.4 Mr. Farrelly said that he relied on the following valuation considerations and factors in arriving at his opinion of value of the subject Property;

- (i) He said that the Property was located outside of the city centre and away from the more typical location of large occupiers and landmark headquarters buildings including those of Grand Canal Dock, North Docklands and Molesworth Street. He considered the location to be a secondary macro location and that the Property was located off-pitch on a back street laneway.

He said that the Property was of a size that may appeal to medium sized corporates given the size of the floor space available.

- (ii) Referring to the age and specification of the Property he said that it was important to note that as the building was constructed in 2018 that it is of a fundamental specification and structure that is inferior to the majority of comparables constructed in the 2000's.
- (iii) Mr. Farrelly said that the Respondent places much emphasis on the sub-categorisation of offices which in this instance is Fourth Generation and relies upon an undefined sub-category that does not have an industry definition to inflate the NAV's of recently constructed office buildings.
- (iv) Mr. Farrelly did not provide details or information on the Property's green credentials and said that they were broadly similar to his comparison properties

7.5 In support of his opinion of value of €240 per m<sup>2</sup> to be applied to the subject Property, Mr. Farrelly provided details of five comparison properties and an analysis of their NAV valuations as follows;

- (i) NAV Comparison No. 1 is the development known as Number 1 Ballsbridge, Shelbourne Road, Dublin 4. Mr. Farrelly provided details of three buildings (Buildings 1, 2 & 3). Building 1 is identified as PN. 5016875 where six floors of offices with floor plates ranging in size from 112.57 m<sup>2</sup> to 1,186 m<sup>2</sup> which are

categorised as 3<sup>rd</sup> generation offices and valued at €240 per m<sup>2</sup>. Building 2 is identified as PN. 5022919 where 4 floors of offices with floor plates ranging in size from 253.00 m<sup>2</sup> to 1,293.58 m<sup>2</sup> are categorised as 3<sup>rd</sup> generation offices and valued at €240 per m<sup>2</sup>. Building Number 3 is identified as having six floors of offices with floor plates ranging in size from 189.61 m<sup>2</sup> to 275.04 m<sup>2</sup>. Each floor was identified by an individual and separate PN number. Four of the six floors are categorised as being 3<sup>rd</sup> generation offices and two others as being 4<sup>th</sup> generation offices. All floors are valued at €240 per m<sup>2</sup>. Mr. Farrelly described this property as having a similar specification as the subject Property.

- (ii) NAV Comparison No. 2 - PN Number 1546043, comprises the ground Floor of Embassy House Ballsbridge, Dublin 4 and was described by Mr. Farrelly as being located very close to the subject Property within the same estate and with a similar specification as the subject Property though with a better profile. The identified accommodation of 321 m<sup>2</sup> was described as being 3<sup>rd</sup> Generation offices and valued €240 per m<sup>2</sup>.
- (iii) NAV Comparison No. 3 - PN Number 843524, 87-89 Pembroke Road, Dublin 4 was described by Mr. Farrelly as being located very close to and with a similar specification as the subject Property though with a marginally better profile. The identified accommodation comprises two floors of 143 m<sup>2</sup> and 793.67 m<sup>2</sup> described as being 3<sup>rd</sup> Generation offices and valued at €240 per m<sup>2</sup>.
- (iv) NAV Comparison No. 4 - PN Number 5005787, Connaught House, 1 Burlington Road, Dublin 4 was described by Mr. Farrelly as being located closer to the CBD than the subject Property and with a similar specification though with a significantly better profile. The identified accommodation comprises offices of 796.50 m<sup>2</sup> located at second floor level and is described as being 3<sup>rd</sup> Generation offices valued at €240 per m<sup>2</sup>.



- (v) NAV Comparison No. 5 - PN Number 5010921, LinkedIn, Lad Lane, Dublin 2 was described by Mr. Farrelly as being a prominent headquarters building the construction of which was completed in 2017 and in a vastly superior location. The accommodation comprises offices of approximately 11,935.80 m<sup>2</sup> located over seven floors and described as being 3<sup>rd</sup> Generation offices valued at €240 per m<sup>2</sup>

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

- 8.1 Mr. Goian is a valuer with Tailte Éireann, is a representative of the Respondent and sought confirmation of the valuation of the Property as it appears on the Valuation List in the amount of €162,300 equivalent to the rate of €260 per m<sup>2</sup> being applied to the agreed office area.
- 8.2 In his précis Mr. Goian outlined a brief description of the physical attributes of the subject Property. He said that the construction of the building was completed in 2018 and he considered it to be of excellent quality and design with a floor to ceiling height of 2.7 m. He said that the building had achieved LEED Gold accreditation and a BER Rating of B1. He supplemented his text with a location map, a selection of internal and external photographs and floor layout plans. He also included a link to the letting brochure of the building which provided additional details as to the technical specification of the building.
- 8.3 In his précis Mr. Goian considered the five comparisons as submitted by Mr. Farrelly and commented as follows;
- (i) *Comparison one submitted by the Appellant was built in 2017 and has been valued in line other standard 3rd generation offices at the level of €240 per sq m while the subject property has been built later in 2018 and valued as 4th Generation / Grade (as listed in the brochure) and considered superior having the Gold LEED accreditation.*

- (ii) *Comparison two was built in 1998 and refurbished to the 3rd Generation Offices standards, while the subject property was built in 2018. The year the property was constructed, and its specifications must be considered and an add-on of €20/m2 has been added to the subject property to reflect that. The same principle was described in the determination of the VA 18/3/0042 Google Ireland vs Commissioner of Valuation: “ However, the Tribunal considers that the enhanced specification and age of building of the subject Property must be reflected but a somewhat higher unit value per square metre than these two leading comparisons”.*
- (iii) *Comparison three was built in 2008 and classified as 3rd Generation Offices, while the subject property was built in 2018. The year the property was constructed, and its specifications must be considered and an add-on of €20/m2 has been added to the subject property to reflect that.*
- (iv) *Comparison four was built in 2014-2015 and classified as 3rd Generation Offices, while the subject property was built in 2018. The year the property was constructed, and its specifications must be considered and an add-on of €20/m2 has been added to the subject property to reflect that.*
- (v) *Comparison five is classified as 3rd Generation Office and was built in 2017 and valued in line with other standard 3rd generation offices at a level of €240 per m2. Subject property was finished in 2018 and classified as 4th Generation/ Grade A Offices based on its age, specifications and LEED accreditations*

8.4 Mr. Goian also said that;

*The tone of the list for the new-build Grade A offices in the proximity of the subject property is €260 per m2, and in support of this opinion submitted twelve NAV comparisons.*

*The subject property relates to the second floor of the building and it's the only one that has been appealed. However, four other occupiers didn't submit any representations or made any appeals to the Valuation Tribunal.*

*All comparisons submitted by the Appellant are built before 2017, while the subject property was built in 2018 and as stated in the Valuation Tribunal's decision in VA 18/3/0042 Google Ireland vs Commissioner of Valuation:*

*“ However, the Tribunal considers that the enhanced specification and age of building of the subject Property must be reflected but a somewhat higher unit value per square metre than these two leading comparisons’’, the age of the building has to be taken into account.*

8.5 Mr. Goian submitted the following NAV comparisons;

- (i) NAV Comparison No. 1 - PN Number 5025092, Kildress House, Pembroke Row, Dublin 2 was described as comprising 270.43 m<sup>2</sup> of 4<sup>th</sup> Generation Grade A office accommodation at 5<sup>th</sup> floor level in a building completed in Q4 2019. The building has LEED Gold accreditation and is valued at €260 per m<sup>2</sup>.
- (ii) NAV Comparison No. 2 - PN Number 5027052, No. 2 Cumberland Place, Fenian Street, Dublin 2 was described as comprising 790.00 m<sup>2</sup> of 4<sup>th</sup> Generation Grade A office accommodation at 2<sup>nd</sup> floor level in a building completed in 2020. The building has LEED Platinum accreditation, Nearly Zero Energy Building Standards, WiredScore Platinum, a BER A3 Rating and is value at €260 per m<sup>2</sup>.
- (iii) NAV Comparison No. 3 - PN Number 5023285, Scotch House, Burgh Quay, Dublin 2 was described as comprising 598.00 m<sup>2</sup> of 4<sup>th</sup> Generation Grade A office accommodation at 4<sup>th</sup> floor level in a building completed in 2019. The building has LEED Gold accreditation, WiredScore Platinum and is valued at €260 per m<sup>2</sup>.
- (iv) NAV Comparison No. 4 - PN Number 5026650, One Wilton Park, Wilton Terrace, Dublin 2 was described as comprising 11,456.00 m<sup>2</sup> of 4<sup>th</sup> Generation Grade A office accommodation over seven floors in a building completed in 2022. The building has LEED Platinum & Gold accreditation, WiredScore Platinum and is valued at €260 per m<sup>2</sup>.

- (v) NAV Comparison No. 5 - PN Number 5022312, 10-11 Molesworth Street, Dublin 2 was described as comprising 10,728.76 m<sup>2</sup> of 4<sup>th</sup> Generation Grade A office accommodation over seven floors in a building completed in 2022. The building has LEED Platinum & Gold accreditation and a BER A3 Rating. Office levels 0-5 are valued at €260 per m<sup>2</sup>.
- (vi) NAV Comparison No. 6 - PN Number 5024442, 10 Pembroke Place, Dublin 4 was described as comprising 264.77 m<sup>2</sup> of 4<sup>th</sup> Generation Grade A office accommodation over ground and first floor levels located in the same building as the subject Property and valued at €260 per m<sup>2</sup>.
- (vii) NAV Comparison No. 7 - PN Number 5024450, 10 Pembroke Place, Dublin 4 was described as comprising 552.00 m<sup>2</sup> of 4<sup>th</sup> Generation Grade A office accommodation at 3<sup>rd</sup> floor level located in the same building as the subject Property and valued at €260 per m<sup>2</sup>.
- (viii) NAV Comparison No. 8 - PN Number 5018738, 10 Pembroke Place, Dublin 4 was described as comprising 586.00 m<sup>2</sup> of 4<sup>th</sup> Generation Grade A office accommodation at 1<sup>st</sup> floor level located in the same building as the subject Property and valued at €260 per m<sup>2</sup>.
- (ix) NAV Comparison No. 9 - PN Number 5024441, 10 Pembroke Place, Dublin 4 was described as comprising 193.00 m<sup>2</sup> of 4<sup>th</sup> Generation Grade A office accommodation at floor level zero located in the same building as the subject Property and valued at €260 per m<sup>2</sup>.
- (x) NAV Comparison No. 10 - PN Number 1546038, Embassy House, Ballsbridge, Dublin 4 was described as comprising 529.36 m<sup>2</sup> of 3<sup>rd</sup> Generation office accommodation at 2<sup>nd</sup> floor level in a building constructed in 1998 and located adjacent to the subject Property and valued at €240 per m<sup>2</sup>.

- (xi) NAV Comparison No. 11 - PN Number 843524, 87-89 Pembroke Road, Dublin 4 was described as comprising 936.67 m<sup>2</sup> of 3<sup>rd</sup> Generation office accommodation over two floors in a building constructed in 2008 and located 350 m north of the subject Property and valued at €240 per m<sup>2</sup>.
  
- (xii) NAV Comparison No. 12 - PN Number 5005787, Connaught House, Burlington Road, Dublin 4 was described as comprising 796.50 m<sup>2</sup> of 3<sup>rd</sup> Generation office accommodation at 2<sup>nd</sup> floor level in a building constructed in 2015 and located 1.4 km northwest of the subject Property and valued at €240 per m<sup>2</sup>.

## **9. APPELLANT'S COMMENTS ON RESPONDENT'S PRÉCIS**

9.1 Mr. Farrelly submitted a further document replying to the Respondent's submission with ten headed comments as follows;

- (i) Comment No. 1 related to correcting a statement in the Respondent's précis that no other occupiers of 10 Pembroke Place made Representations or Appeals in relation to the valuation assessment of their accommodation. Mr. Farrelly stated that the occupier of the ground & lower ground floor accommodation made Representations on the assessment of €80,800 and this was reduced to €68,100. Mr. Farrelly said that €5,000 of the assessment related to car parking spaces with the remaining €63,100 relating to 264.77 m<sup>2</sup> of office space which he said equated to €238.32 per m<sup>2</sup>.
  
- (ii) Comment No. 2 related to the manner of the Respondent's summary of the Grounds of Appeal.
  
- (iii) Comment No. 3 related to the Respondent describing the subject Property as being superior to the Appellant's NAV Comparison No. 1 and the use of the 4<sup>th</sup> Generation office classification by the Respondent.

- (iv) Comment No. 4 related to the Respondent's inclusion of Case Law in its précis which Mr. Farrelly considered to be of little relevance or need as the appeal involves a simple assessment.
- (v) Comment No. 5 related to a '€20 per m<sup>2</sup> add-on' referenced in the Respondent's comments on the Appellant's NAV Comparison No. 2 referencing its adoption in an earlier Tribunal Decision VA18/3/0042. Mr. Farrelly said that there was no justification for this 'add-on'.
- (vi) Comments No. 6 repeated the issue outlined in Comment No. 1 above.
- (vii) Comment No. 7 related to Mr. Farrelly's confirmation that he had acted on behalf of the tenant in the Respondent's NAV Comparison No. 4 which he considered to be vastly superior to the subject Property. Mr. Farrelly noted that Mr. Goian also acted in the case.
- (viii) Comment No. 8 - Mr. Farrelly considered that the Respondent's NAV Comparison No. 4 is located in the CBD in Dublin and is a superior property to the subject Property.
- (ix) Comment No. 9 related to a comment upon and the correction of the information contained in Mr. Goian's NAV Comparison No. 6 and its analysis. Mr. Farrelly submitted a print-out extract from the Valuation List indicating an total NAV assessment of €68,100 based upon €221 per m<sup>2</sup> being applied to a lower ground floor office area of 146.78 m<sup>2</sup>, €260 per m<sup>2</sup> being applied to an office area of 117.99 m<sup>2</sup> at ground floor level and 2 no. car parking spaces each valued at €2,500.
- (x) Comment No 10 related to Mr. Farrelly's opinion that unchallenged assessments do not necessarily imply an occupier's agreement with the assessment.

## **10. SUBMISSIONS**

**10.1** The Parties did not make any legal submission.

## **11. FINDINGS AND CONCLUSIONS**

- 11.1 On this appeal the Tribunal has to determine whether the value of the Property accords with that which is required to be achieved by section 49 of the Act, namely a value that is relative to the value of other properties on the valuation list of the Dublin City Council rating authority area.
- 11.2 This determination can only set out a summary of the evidence before it. The précis, appendices and commentaries submitted by the Parties have all been considered by the Tribunal in arriving at this Decision
- 11.3 The Tribunal relies upon and decides on Appeals based on the evidence placed before it. It is a well-established principle that the onus rests with the Appellant to prove his / her case and provide evidence to the Tribunal that the Respondent's valuation of the property in question is incorrect and that the valuation should be amended. It follows that the Tribunal must consider the nature of the comparative evidence submitted to determine whether it supports the argument advanced on behalf of the Appellant.
- 11.4 Much emphasis was placed by the Parties on the fact that the Property is categorised on the Valuation List as a Fourth Generation Office/Grade A and valued at the rate of €260 per m<sup>2</sup> in circumstances where it is contended that other similarly circumstanced office buildings are entered on the List as Third Generation offices and valued at the rate of €240 per m<sup>2</sup>.

There is no industry definition of a 4<sup>th</sup> Generation / Grade A office building, but from the evidence adduced many buildings that are considered to fall within this category, share some or all of the following characteristics, having been constructed within the past 10 years, possess outstanding architectural interior and exterior design, large and well-designed office lobbies, mechanical systems and technology incorporating latest design efficiency standards, green building certification and accreditations, large floor plates, raised column free flooring, floor to ceiling windows, floor to ceiling heights

of between 2.7 m and 2.8 m, panoramic views, green roofs and ancillary facilities such as canteen, gym, bicycle racks and car spaces.

Though categorised as a Fourth Generation/Grade A Office it does not necessarily follow that the subject Property merely on that account was valued incorrectly or unfairly. The characteristics of the Property must be looked at and if, after each property on the List which is said to be comparable to it is examined, the right conclusion is that it should be valued at the rate of €260 per m<sup>2</sup> the label or categorisation applied to it is irrelevant.

- 11.5 Many factors influence valuation and no single factor is conclusive. All the characteristics of a property have to be evaluated and the eventual answer depends on the nature, age, location and quality of the property. There is a perennial difficulty in seeking to achieve precision in the criteria to be applied to each sub-category of office. This difficulty is exacerbated by the absence of a clear and coherent classification system that differentiates between the quality of different office buildings according to location as well as building specifics such as construction age, materials, finishes, layout, aesthetics, energy efficiency rating, amenities, access, physical site and transport links. This appeal clearly adds to the need to formulate clear and practical guidance on the criteria by which modern offices are to be valued.
- 11.6 The subject Property comprises the second floor of a modern conveniently located office building constructed in 2018. The agreed accommodation extends to 586 m<sup>2</sup> (6,308 sq. ft.) of office space with 4 no. dedicated basement car parking spaces. There are raised access floors, suspended ceilings, a floor to ceiling height of 2.7m and floor to ceiling glazing. Lighting is provided by energy efficient LED lights. Heating is by way of a 4-Pipe Fan Coil System. The building has a LEED Gold accreditation an overall BER Rating of B1 and benefits from views of Herbert Park.
- 11.7 Before looking at the comparative evidence the Tribunal considers that it should take the opportunity to make some general observations on the evaluation of comparative evidence when determining value in accordance with section 49 of the Act and on the presentation of comparative evidence by the witnesses.



In assessing the NAV the Property it should be compared with similarly sized and circumstanced office properties. Whilst a comparable property is seldom identical to the property that is the subject of an appeal, the closer a comparable is in nature having regard to asset type and quality, age, size, method of construction, condition, location, specification and green accreditations the more appropriate it will be. Comparables have to be suitable as the valuer's duty is to compare 'like with like'. The more unlike a comparable is, the less useful it will be.

On this appeal, there are several office properties which have reasonably similar characteristics to the subject Property. In principle, similarly circumstanced office properties in the same general locality as the subject Property should carry more weight than those further away but that does not mean that the latter should be disregarded because nearby properties may be of a lesser weight for one reason or another and so it may be necessary to consider similar properties elsewhere.

Both expert witnesses presented examples of office properties which they deemed to be comparable to the subject of the Appeal. The accuracy of some information was questioned. In presenting their comparable evidence it would have been of assistance to the Tribunal if both witnesses had provided greater and more accurate detail and information on each comparison offered and considered how it compared to or differed from the subject Property taking into account the nature of the comparison having regard to its age, year of construction / refurbishment, its size, condition, mechanical & technical specifications, design efficiency standards and green accreditations.

11.8 Both valuers relied upon the following common comparisons and each valuer offered opposing views and interpretations as to their relevance;

- (i) Embassy House, Dublin 4.
- (ii) 87- 89 Pembroke Road, Dublin 4.
- (iii) Connaught House, Burlington Road, Dublin 4.

Embassy House, an adjacent office building to the subject Property is classified as a 3<sup>rd</sup> Generation office building and is valued at €240 per m<sup>2</sup>. Mr. Farrelly contended that its specification was similar to the subject Property and therefore no justification should arise for a higher NAV rate. Mr Goian contended that its valuation reflected its 3<sup>rd</sup> Generation categorisation being a refurbished property originally constructed in 1998 some 20 years prior to the construction of the subject Property.

87-89 Pembroke Road, Dublin 4, is classified as a 3<sup>rd</sup> Generation office building and is valued at €240 per m<sup>2</sup>. Mr. Farrelly contended that its specification was similar to the subject Property. Mr. Goian contended that its classification and valuation reflected the fact that the building was constructed in 2008 and refurbished in 2018 to 3<sup>rd</sup> Generation standards. The date of the construction of this building was incorrectly identified by Mr. Goian as this building was originally constructed in the 1970's.

Connaught House, 1 Burlington Road, Dublin 4 is classified as a 3<sup>rd</sup> Generation office building and is valued at €240 per m<sup>2</sup>. Mr. Farrelly contended that its specification was similar to the subject Property. Mr Goian contended that its specification and valuation reflected the fact that the building was constructed in 2014-2015. The construction date of this building was incorrectly identified by Mr Goian as the building dates from 2005.

In relation to these three common comparisons Mr. Farrelly in his précis described the specification of each as being similar to the subject Property and did not provide any further detail or comment as to the technical attributes of each in support of this statement. Having regard to their individual dates of construction, the fact that both the Embassy House and Pembroke Road buildings are refurbished buildings and all three have inferior BER ratings and accreditations the Tribunal considers these buildings to be inferior to the subject Property.

- 11.9 Mr. Farrelly said that his NAV Comparison No. 1, Number One Ballsbridge, Shelbourne Road comprised three buildings with a similar specification to the subject Property. The development was constructed in 2017 and is predominantly classed as 3<sup>rd</sup> Generation offices with two floors of five in Building Three being classed as 4<sup>th</sup> Generation offices. The entire development is valued at €240 per m<sup>2</sup> throughout. Mr. Goian commented that the difference in categorisation related to in the year of construction of the subject Property being 2018. The unexplained mixed categorisation within this development confirm the need to formulate clear and practical guidance on the criteria by which modern Grade A offices are to be valued.
- 11.10 The Tribunal does not consider Mr. Farrelly's NAV Comparison No. 1, LinkedIn, Lad Lane, Dublin 2 to be a comparable property to the subject Property having regard to its size of approximately 11,935.80 m<sup>2</sup> and its single occupation.
- 11.11 Mr Goian submitted details of 12 no. NAV Comparisons which he said reflected the Tone of the List. Three of these properties are common comparisons and have been considered in paragraph 11.8 above. The Tribunal does not consider Mr. Goian's NAV Comparison No. 3, Scotch House, Burgh Quay to be comparable to the subject Property having regard to its location nor NAV Comparison No 4, One Wilton Park and NAV Comparison No. 5, 10-11 Molesworth Street having regard to their respective sizes of 13,456 m<sup>2</sup> and 10,729 m<sup>2</sup> and their single occupation.
- 11.12 The Tribunal considers Mr. Goian's NAV Comparisons No. 1, Kildress House, Pembroke Row and NAV Comparison No. 2, 2 Cumberland Place, Fenian Street each valued at €260 per m<sup>2</sup> to be comparable to the subject Property having regard to their locations, dates of construction, specifications, BER Ratings and green accreditations.

11.13 Mr. Goian included four NAV Comparisons of other floors within 10 Pembroke Place three of which are assessed at the rate of €260 per m<sup>2</sup> being NAV Comparisons Nos. 7, 8 and 9, PN 5024450, PN 5018738 PN 5024441 respectively.

NAV Comparison No 6. PN 502442 is assessed at the rate of €260 per m<sup>2</sup> in respect of the ground floor section of 117.9 m<sup>2</sup> and €221 per m<sup>2</sup> in respect of the lower ground floor section of 146.78 m<sup>2</sup>. The lower ground floor section was reduced at Representations Stage from €260 per m<sup>2</sup>.

The Tribunal notes Mr. Farrelly's correction of the error in Mr. Goian précis where it was stated that no other occupier in the building had made representations or appeals in respect of their assessments. Mr. Farrelly submitted an extract print-out from the List in respect of PN 5024442 confirming the assessment and which confirms the lower ground floor reduction from €260 per m<sup>2</sup> to €221 per m<sup>2</sup>.

Mr. Farrelly contended that the unchallenged assessments should not be assumed to be an agreement with an assessment. The Tribunal notes that a reduction in the lower ground floor assessment of PN 5024442 was agreed by the occupier at Representation Stage with the benefit of professional representation. No reduction was applied to the ground floor section assessment and the Tribunal notes that the occupier did not proceed further with an appeal to the Tribunal in respect of the €260 per m<sup>2</sup> assessment applied to the ground floor section.

11.14 The onus is on the Appellant to show that the valuation rate of €260 per m<sup>2</sup> is too high. In the Tribunal's view the Appellant has not discharged the burden of proving that the valuation is incorrect. The Tribunal is satisfied that the Respondent has demonstrated that the weight of comparable evidence is against the Appellant and that the Tone of the List supports the Respondent's decision to value the subject Property at €162,300

## **DETERMINATION**

The Tribunal disallows the appeal and confirms the decision of the Respondent.

**RIGHT OF APPEAL:**

In accordance with section 39 of the Valuation Act 2001 any party who is dissatisfied with the Tribunal's determination as being erroneous in point of law may declare such dissatisfaction and require the Tribunal to state and sign a case for the opinion of the High Court. This right of appeal may be exercised only if a party makes a declaration of dissatisfaction in writing to the Tribunal so that it is received within 21 days from the date of the Tribunal's Determination and having declared dissatisfaction, by notice in writing addressed to the Chairperson of the Tribunal within 28 days from the date of the said Determination, requires the Tribunal to state and sign a case for the opinion of the High Court thereon within 3 months from the date of receipt of such notice.