

Appeal No. VA04/1/028 & 035

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

Careworks Ltd. (VA04/1/028 - C, Flr. 0)

&

SDL Ltd. (VA04/1/035 - A, Flr. 3)

APPELLANTS

and

Commissioner of Valuation

RESPONDENT

RE: Offices at Apex Centre, Murphystown, Dundrum Balally, County Dublin

B E F O R E

Fred Devlin - FSCS.FRICS

Deputy Chairperson

Frank O'Donnell - B.Agr.Sc. FIAVI.

Member

Michael F. Lyng - Valuer

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 1ST DAY OF SEPTEMBER, 2004

By Notices of Appeal dated the 2nd day of March, 2004 the appellants appealed against the determination of the Commissioner of Valuation in fixing rateable valuations of €251.00 (Careworks Ltd.) and €93.00 (SDL Ltd.)

The Grounds of Appeal as set out in the Notices of Appeal are:

"On the basis that the RV is excessive inequitable and bad in law."

Introduction

These two appeals, with the agreement of the parties concerned, were heard contemporaneously at the offices of the Tribunal, Ormond House, Ormond Quay Upper, Dublin 7 on the 14th of June 2004. At the hearing both appellants were represented by Mr Eamonn Halpin, B.Sc. (Surveying), M.R.I.C.S., MIAVI and Mr Christopher Hicks, a Valuer in the Valuation Office appeared on behalf of the respondent.

The development known as the Apex Business Centre was listed for revision by Dun Laoghaire-Rathdown County Council and in January, 2003 Mr Hicks was appointed as the revision officer by the Commissioner of Valuation pursuant to Section 28 of the Valuation Act, 2001. In July 2003 certificates of valuation were issued in respect of nineteen properties in the Apex Business Centre Development. In particular, certificates were issued in respect of the two properties the subject of these appeals as follows: VA04/1/028 – Careworks Ltd rateable valuation €251.00 and VA04/1/035 - SDL Ltd. rateable valuation €293.00. An appeal in respect of the two properties concerned was lodged and in each instance the Commissioner of Valuation affirmed the valuation as determined at revision stage. It is against these decisions of the Commissioner of Valuation that the appeals to this Tribunal lie.

The Apex Business Centre

The properties concerned are located in a new office development known as the Apex Business Centre located in the Sandyford Industrial estate at the junction of Blackthorn Avenue and Blackthorn Road directly opposite to another new development known as Beacon Court. Over the past several years, many office development schemes have been built in Sandyford and it is now one of the most important out-of-town office locations in the greater Dublin area.

The Apex Business Centre is a part four-storey and a part five-storey office development with basement car parking. In design the Apex comprises four separate buildings ranged around an enclosed atrium space. The buildings are all built to a high standard of finish and each building has a lift and raised access floors but does not have the benefit of air conditioning. Each individual building is so designed as to be suitable for occupation either on a floor-by-floor basis or alternatively as a single unit for occupation.

The Appellant's Evidence

Mr Halpin having taken the oath adopted his written précis and valuation, which had previously been received by the Tribunal, as being his evidence-in-chief.

In evidence Mr Halpin contended for the rateable valuations as set out below:

1. VA04/1/028 Lot C, Ground Floor - Occupier Careworks Ltd.

Offices 306 sq. metres @ €109.34 = €33,458

Car parking 5 spaces @ €317.43 = €1,587

NAV = €35,045

Say €35,000

Rateable valuation 0.63% = €220.00

2. VA04/10/35 Block A, Third Floor - Occupier SDL Ltd.

Office 349 sq metres @ €109.34 = €38,160

Car parking 9 spaces @ €317.43 = €2,857

NAV = €41,017

Say €41,000

Rateable valuation 0.63% = €258.

In support of his opinions of rateable valuation Mr Halpin introduced thirteen comparisons, details of which are set out in Appendix 1 attached to this judgment. In his evidence Mr Halpin said Mr Hicks' opinions of value were not supported by the prevailing level of values in the Sandyford Industrial Estate. Mr Halpin pointed out that all of Mr Hicks' comparisons were located within the Apex development and had

been valued at the same revision as those on appeal. In the circumstances, Mr Halpin said, little weight should be attached to this evidence and it should be noted that Mr Hicks had also failed to provide any supporting evidence from elsewhere in Sandyford or in the surrounding area.

The Respondent's Evidence

Mr Christopher Hicks, having taken the oath, adopted his précis of evidence which had previously been received by the Tribunal as being his evidence-in-chief.

In his evidence, Mr Hicks contended for the rateable valuations as set out below:

1. VA04/1/028 – Block C, Ground Floor, Occupier Careworks Ltd.

Offices	306 Sq. metres @ €125 per sq. metre	= €8,250
Car parking	5 spaces @ €17.43 each	= <u>€1,587</u>
NAV		€9,837
RV	@ 0.63%	= €251

2. VA04/1/035 – Block A, Third Floor, Occupier SDL Ltd.

Offices	349 sq. metres @ €125 per sq. metre	= €43,625
Car parking	9 spaces @ €17.43 each	= <u>€2,857</u>
NAV		€46,482
RV	@ 0.63%	= €293

In support of his opinions of value, Mr Hicks put forward details of seventeen other assessments in the Apex development which were valued at the same revision as those under appeal. Mr Hicks said he had discussed three of these assessments with other rating consultants who expressed their satisfaction with the level of value determined at revision stage. Mr Hicks went on to say that since seventeen out of the nineteen assessments in Apex had not been challenged it was a clear indication that the level of values applied was fair and reasonable. In the circumstances, Mr Hicks said, the unchallenged assessments were now part and parcel of the tone of the list for office accommodation in Sandyford Industrial Estate. Details of Mr Hicks' comparisons are set out in Appendix 2 attached to this judgment.

Findings

The Tribunal has carefully considered all the evidence proffered and argument adduced by the parties and finds as follows:

1. The Apex Business Centre is a well-located development within the Sandyford Industrial Estate and by common consent has been constructed and finished to a high standard.

2. Both parties in arriving at their respective opinions of value have relied upon the comparative method. Such an approach is in accordance with section 49(1) of the Valuation Act, 2001 which *inter alia* states:

“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”.

3. Obviously what constitutes relevant evidence is a matter of opinion but having regard to the scale and variety of office developments in the Sandyford Industrial Estate, the Tribunal attaches most weight to the evidence drawn from within the estate than that drawn from elsewhere. In relation to the evidence about assessments in the Apex scheme, the Tribunal is of the opinion that Mr Hicks was entitled to put it forward for consideration by the Tribunal. Nonetheless given the fact that the properties were valued at the same time as those under appeal this evidence must be treated with some degree of caution and critically examined to see if it fits in with the prevailing pattern of values for office developments established in the Sandyford Industrial Estate.

4. The Tribunal has carefully considered all the evidence of other assessments in Sandyford and has come to the conclusion that the rate per square metre adopted by the respondent is on the high side notwithstanding the fact that the Apex Business

Centre is a well-designed and constructed office development with a high standard of finish.

Determination

1. Having regard to the foregoing the Tribunal has come to the conclusion that the valuations of the properties concerned, are €241 and €280, calculated as set out below:

1. VA04/1/028 – Block C, Ground Floor, Occupier Careworks Ltd.

Offices	306 Sq. metres @ €120 per sq. metre	=	€36,720
Car parking	5 spaces @ €317.43 each	=	<u>€1,587</u>
NAV			€38,307
RV	@ 0.63%	=	€241

2. VA04/1/035 – Block A, Third Floor, Occupier SDL Ltd.

Offices	349 sq. metres @ €120 per sq. metre	=	€41,880
Car parking	9 spaces @ €317.43 each	=	<u>€2,857</u>
NAV			€44,737
Say	€44500		
RV	@ 0.63%	=	€280

2. Having regard to the determination of the Tribunal in relation to these two appeals, it appears to the Tribunal that in equity the Commissioner of Valuation should exercise his power under Section 40 of the Valuation Act, 2001 in relation to those properties in the Apex Business Centre that were not appealed.