

Appeal No. VA89/0/031

AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tACHT LUACHÁLA, 1988
VALUATION ACT, 1988

Intertool Ireland Limited

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Lot No. 10b (part of) Russel Street, Ballybough B Ward, County Borough of Dublin
Quantum - Designated area adjacent

B E F O R E

Paul Butler

Barrister (Acting Chairman)

Mary Devins

Solicitor

Brian O'Farrell

Valuer

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 22ND DAY OF JANUARY, 1990

By notice of appeal dated the 3rd day of August 1989, the appellant appealed against the determination of the Commissioner of Valuation in setting a rateable valuation of £48 on the subject property.

Description of Property

The property consists of a small ground floor over basement building which fronts onto Russel Street. The ground floor is used as offices and the basement as storage and canteen. It is constructed of brick walls and a slated roof. It is on the site of the old Mountjoy Brewery.

The grounds of appeal are that:-

Valuation is excessive, inequitable and bad in law. Levels of valuation have not increased since 1985 when these premises were revised but the present valuation nevertheless represents a very substantial increase on the previous level despite no change in the premises nor any increase in net annual value or rental value.

A written submission was received on the 18th September, 1989 from Mr William M Walsh B.Agr.Sc. F.R.I.C.S. a Chartered Valuation Surveyor and District Valuer in the Valuation Office. Mr Walsh states that the property is in reasonable condition but is old and in need of repainting. He accepts that the insurance premium is very high and that the property is subject to vandalism. He says that the accommodation occupied by Intertool is:-

Gr. fl. 93 m² (1,000 sq. ft.)

Bst. 58 m² (624 sq. ft.)

In accordance with accepted letting and commercial practice he used net internal area as follows:

Gr. fl. 85 m² (915 sq. ft.)

Bst. 37 m² (398 sq. ft.)

He says that he understood that the lease is subject to £5,980 per annum on full repairing and insuring terms. He therefore relied on the comparative method of valuation and also gave a list of comparisons which are attached at Appendix "A".

A written submission was received from Mr Patrick J Nerney B.E. Chtd. Eng. MIEI. MIAVI Rateable Valuation Consultant. He said that it is a very old building with upper ground floor at street level and a lower ground floor or semi-basement.

The premises were used for a number of years by the Westward Garage as offices, flat, canteen, etc. in connection with their vehicle sales and servicing operations in adjacent buildings.

Intertool Ltd leased the premises excluding the flat on a full repairing and insuring lease for 5 years from 1/10/85 at £4,160 p.a.

The portion leased by Intertool was separately valued for the first time on 1985 first appeal. The company did not accept the appeal valuer's proposal for settlement of the valuation at that time and in the circumstances an assessment of £30 was placed on the premises against which occupiers failed to lodge notice of appeal to the Circuit Court within the specified time period.

Intertool subsequently leased the former flat for office use at a rent of £1,820 p.a. for the balance of the five years period on the main part of the premises.

Current total rent is £5,980.

Mr Nerney estimates this rent breaks down at £5.50 to £6 per sq ft for the upper ground floor offices and £1 to £2 for the semi- basement stores etc. The higher figure of £6 is on a par with the rent on the ground floor of the new office building as between Westward and James Scott Ltd. It is in his estimation also on a par with the overall average rental levels of the sublettings on the ground floor when allowance is made for the inclusive factors in these such as rates, insurance and such.

Having regard to the fact that the subject offices are not purpose built, are very old in terms of the building, are taken on a relatively short lease with lessee liable for all maintenance external and internal which is an onerous undertaking in the case of an aged building Mr Nerney is of the opinion that the net annual value of these premises is less than the current rent.

He estimates the net annual value as follows:-

Offices - gr. fl.	930 sq. ft. @ £4.50 =	£4,185
Semi-basement stores etc	400 sq. ft say	= <u>£ 415</u>
		£4,600

At the oral hearing which took place on the 22nd September, 1989 Mr Pdraig Kelly Solicitor and Commissioner for Oaths represented the appellant. Mr William Walsh represented the respondent.

Mr Fintan Lawlor, General Manager, Intertool (Ireland) Ltd gave evidence as to the nature of the operation, the poor condition of the building and the problem with vandalism in the area. He said that he found it necessary for security reasons to procure the flat which is now used as an office. Other locations bordering the property are designated areas and exempt from rates.

The Tribunal accepts the evidence given in relation to the location of the premises and in particular its proximity to designated areas with their resultant financial incentives. In view of all the circumstances the Tribunal is of the opinion that the actual rent passing is a reasonable one and accordingly, fixes the rateable valuation at £37.