

**Appeal Number: DS16/0/006**

**AN BINSE LUACHÁLA  
VALUATION TRIBUNAL**

**AN tACHT UM LAITHREAIN TREIGHTE, 1990  
DERELICT SITES ACT, 1990**

**FRANK SHEAHAN & JOSEPH CAREY**

**APPELLANT**

**AND**

**CORK CITY COUNCIL**

**RESPONDENT**

RE: Derelict Site at 7 Shandon Villas, Pope Road, Cork City, County Cork

**B E F O R E**

**Barry Smyth – FRICS, FSCSI, MCI Arb**

**Deputy Chairperson**

**Frank Walsh – QFA, Valuer**

**Member**

**Rory Hanniffy - BL**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL  
ISSUED ON THE 26<sup>TH</sup> DAY OF SEPTEMBER, 2018**

By Notice of Appeal received on the 17<sup>th</sup> day of August, 2016, the appellant appealed against the determination of Cork City Council in fixing a market value of €270,000 on the above described subject property.

The grounds of Appeal are set out in the Notice of Appeal, a copy of which is attached at the Appendix to this Judgment (N/A to public).

This appeal proceeded by way of an oral hearing held in the offices of the Tribunal, Holbrook House, Holles Street, Dublin 2 on 28<sup>th</sup> of February, 2018. At the hearing the appellants were represented by Mr Seamus Costello BSc, FSCSI, MRICS of Cushman & Wakefield. The respondent, Cork City Council, was represented by Mr Nicholas O’Connell BSc (Surv) of Lisney.

In accordance with the requirements of the Tribunal both parties exchanged their respective précis of evidence which were subsequently received into evidence at the oral hearing.

## **INTRODUCTION**

This appeal arises under the terms of the Derelict Site Act 1990 and an assessment by Cork City Council of a Valuation of €270,000 on the site.

Subsequent to the initial assessment the Valuation was amended to €195,000.

## **THE APPELLANT'S CASE**

Mr. Seamus Costello, on behalf of the Appellant, in his Précis and oral evidence described the location of the property at the junction of Assumption Road and Popes Hill, just off the Blackpool Bypass (N20), one kilometre approximately North of Cork City Centre. He noted that the immediate surrounding areas are mixed in nature with residential, both new and old format, offices, Cork Prison, Army Barracks and some local workshop businesses. The subject property is located at the entrance to the Avenue, Ard Patrick, which comprises 40 residential units, a mixture of detached, semi-detached and terraced housing developed in the early to mid 2000's.

He described the site as comprising a derelict single storey dwelling house and surrounding site occupying an elevated position and noted that the levels of the site fall sharply downwards from East to West but particularly at the Western end. The site is covered by the derelict building, mature trees and overgrown areas and part embankment. There is a closed up entrance directly on to Popes Road.

The site area comprises of:

|                                 |                            |
|---------------------------------|----------------------------|
| Main site                       | 7, 150 sq. ft.,            |
| Steeply sloping embankment area | 2,250 sq. ft.,             |
| Total                           | 9,370 sq. ft (0.21 acres). |

He noted the zoning in the Cork City Development Plan, 2015-2021, as being within a Residential, Local Services and Institutional Use Zoning and that there is currently planning permission for a development as follows:

Application number 15-36492 – for demolition of the existing dwelling and construction of four no., 4 bedroomed houses with 8 car parking spaces and that planning permission was

granted, on the 12<sup>th</sup> February 2016, conditioned effectively to permission being for 3 houses and 4 car parking spaces.

In his opinion Blackpool is a tertiary City location from a residential property value perspective, that there is a high proportion of private rented accommodation as opposed to owner occupied private dwellings in the locality and that there is a broad mix of housing stock some of which is in poor quality.

In relation to the site he noted its topography and the restrictive development height potential and that the adjoining three storey houses on the Avenue overlook the subject property which compromises its privacy. In his view there would be high development costs in relation to the development of the site. He also noted that the entrance roadway of the Avenue is not yet taken in charge by the Local Authority. He opined that the proposed development is completely financially unviable as the gross development value is substantially less than development costs and although not contained in his written Précis he gave verbal information in relation to a residual Valuation which provided for a negative value of the site but emphasised that he had not utilised this in assessing the value of the property.

Mr. Costello relied on the comparative method of Valuation and provided one comparison, namely a site at Alexandra Road, St. Luke's, Cork, of 0.163 acres with full planning permission for 3 town houses and 3 car spaces and which had sold in Quarter 1, 2016 for €100,000.

He noted that the property was of similar size to the subject and a similar nature site with development challenges. He noted however that Alexandra Road is a far superior, long established, and more desirable location than the subject location on Popes Road and he provided information on house prices in the two locations to illustrate the difference.

In cross examination he accepted that there would be a demand from owner occupiers and investors for the end product on the subject site but at a level to reflect the neighbouring values. He also said that the sloping nature of the site meant that any housing development will require to have its entrance at ground level and the further floors at lower levels. He confirmed that his Valuation was based on the comparison site at Alexandra Road with a 30% reduction to reflect the difference in status of the two locations.

## **THE RESPONDENT'S SUBMISSION**

Mr. O'Connell outlined the location of the property and stated that it is in an established residential location within walking distance of Blackpool Village and the City Centre.

He noted that it was an irregularly shaped sloping site of approximately 0.22 acres. He stated the site is secured by steel wire and post fencing and stone block wall and contains a derelict house of concrete block construction with partially demolished timber and slate roof.

He concurred with the Town Planning information provided by the Appellant, including noting that the planning permission, 15-36492, had been conditioned to reduce the number of houses to 3.

In support of his Valuation of the property at €195,000 he provided 3 comparisons as follows: 7-12 Gerald Griffin St., Blackpool – Site of 0.21 acres with planning permission for 12 Apartments and 1 Town House under offer Quarter 2, 2016 at €400,000. (Tribunal analysis equivalent to €32,500 per site.)

184b Lower Glanmire Rd., Tivoli, Cork – Planning permission for 4no. Apartments, 1no. Commercial Unit and 8 car spaces. Sale agreed Quarter 2, 2016, €135,000 (Tribunal analysis equivalent to €27,000 per site including the Commercial Section.)

7-8 Quaker Road, Cork City, Cork – 0.24 acres with planning permission for one 4 bedroom and two 3 bedroomed houses. Sale agreed Quarter 2, 2016, €246,000. (Tribunal analysis equivalent to €82,000 per site.)

In cross examination he acknowledged that the site at Gerald Griffin St. had been withdrawn from the market and therefore was not a sale and that 184b Lower Glanmire Rd. did not have any development issues and was a more urban location but he did not accept that it was a more valuable location and responded that it was a busy road with the apartments right on the road. He accepted that it was a level site covered by buildings and that the car parking for 8no cars was located on an adjacent site.

In relation to 7-8 Quaker Road he accepted that it was on the South Side of the City and the sale price of neighbouring properties was superior, but noted that it backs on to the telephone exchange.

In relation to questions on the subject property's original entry on the Derelict Site Register at €270,000, he said that this was on the basis of 4 houses before they were aware that the

permission was conditioned to 3 and therefore the figure was adjusted to €195,000 or €65,000 per site. He proffered the view that the site would not be subject to normal large development costs but would be developed by direct labour.

In summing up Mr. Costello, for the Appellant, stated that he believed his evidence was a fair assessment of the value as at June 2016; that there would be high construction costs on this site and he had included the best comparison he could find. He noted that it is an inferior residential location and therefore confirmed his Valuation of €70,000.

Mr. O'Connell in summing up said that this was an attractive site close to the City Centre and would appeal to smaller builders who have few opportunities for small sites. He noted that he did not have the development costs for the subject or for the comparisons. He felt that there would be a good appetite in the market for a site of this size and felt that €65,000 per site for 4 bedroom detached houses giving a Valuation of €195,000 was reasonable.

## **ISSUES**

This appeal raised the sole issue as to whether the Valuation of the property determined by the Respondent was correct.

## **RELEVANT PROVISIONS**

The Market Value of the site has to be determined in accordance with the provisions of the Derelict Sites Act 1990.

## **FINDINGS AND CONCLUSIONS**

On this Appeal the Tribunal has to determine the Market Value of the property at July 2016.

1. Both parties utilised the Comparative Method of Valuation and provided comparisons to support their opinions. Neither party introduced a formal residual Valuation although the Appellant did outline in his oral evidence a residual approach but there was no evidence available as to where various figures, particularly in relation to costs, arose from.
2. The existing planning permission does not give a positive site value on a residual basis at the Valuation date even if the construction cost is much reduced, when weighed against the likely sale prices of the end product at the valuation date

3. The Site is handicapped because of its topography.
4. There is a question mark over access to the site from the adjoining Avenue, Ard Patrick, as it is not yet taken in charge and is the access shown on the planning application.
5. The Tribunal finds that the comparative method as utilised by both parties is the appropriate one in this instance and that the most useful comparison is the site at Alexandra Rd. which is, based on the evidence, a marginally better location. It is a site of not dissimilar size and has full planning permission for 3 town houses and car parking and sold in Quarter 1, 2016, at €100,000 or €33,333 per site.
6. Of the other comparisons, that at Gerald Griffin Road was withdrawn from the market and therefore is not a transaction that can be relied upon; that at Lower Glanmire Road is better located and is effectively larger because of the location of the car parking spaces on an adjacent site of which no other information was supplied and analyses at €27,000 per site; Quaker Road is a more valuable residential property location.

#### **DETERMINATION**

For the above reasons and in particular the Alexandra Road site information the Tribunal determines the value of this site at July 2016 at

€80,000

(Eighty Thousand Euro)

And the Tribunal so determines.