

Appeal No. VA15/4/007

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

AXA Insurance Limited

APPELLANT

And

Commissioner of Valuation

RESPONDENT

In Relation to the Issue of Quantum of Valuation in Respect of:

Property No. 5005983, Car Park (Office) at 39 - 45 Wolf Tone Street (Rear), County Borough of Dublin.

**JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 15th DAY OF JUNE, 2016**

B E F O R E:

John Stewart – FSCSI, FRICS, FIAVI

Deputy Chairperson

Rory Hanniffy - BL

Member

Liam G. Daly - MSCSI, MRICS

Member

By Notice of Appeal received on the 10th day of November, 2015 the Appellant appealed against the determination of the Commissioner of Valuation in fixing a net annual value of €92,500 on the above described relevant property on the grounds as set out in the Notice of Appeal as follows:

“The valuation is excessive and inequitable. The subject property has been over valued in comparison to similar properties in the locality.”

The Tribunal, having examined the particulars of the property the subject of this appeal; having confirmed its valuation history; having examined and considered the written evidence and having heard the oral evidence on the 19th day of May, 2016 adduced before us by Mr Donal O'Donoghue of OMK Property Advisors on behalf of the Appellant, who contended for a net annual value of €37,000, and Mr Karl Gibbons of the Valuation Office on behalf of the Respondent to the appeal,

DETERMINES

That the net annual value of the subject property be as set out below:

€55,500 (Reduced)

AGREED FACTS:

LOCATION: The subject property was located at the rear of 39 – 52 Wolfe Tone Street on Jervis Lane Lower at the rear of various office buildings occupied by AXA Insurance. Access to the premises was off Jervis Lane Lower. The subject property was close to the Jervis Shopping Centre, Mary's Street and Henry Street.

DESCRIPTION: The subject property comprised 37 surface level car parking spaces with a motorised access gate. 14 car spaces are partially below the overhanging office and 23 are uncovered.

APPELLANT'S CASE: The Appellant's case was that the subject property comprised a surface level car park with 37 spaces. That as a surface car park it was not comparable to car parking attached to office accommodation and should be valued at a lower rate per unit and that his comparisons would support this opinion. Further that as the subject property was located in the north side of the City Centre that evidence from premises on the southside of the City was not comparable. Mr O'Donoghue relied on eight comparisons where the car park had been valued separately from any adjoining office buildings:

Comparison 1: The Chapel Building Mary's Abbey Dublin 7-80 basement car spaces at €1,500 each and 20 stackers at €750 each;

Comparison 2: The Distillery Building Church Street Dublin 7-86 basement car spaces at €1,500 each;

Comparison 3: The Law Library Building Dublin 7-42 basement level car spaces at €1,500 each;

Comparison 4: 4 St Michan's Street Dublin 7-142 surface level car spaces at €600 each;

Comparison 5: 62A O'Connell Street Upper Dublin 1-4 surface level car spaces at €1,200 each;

Comparison 6: Park House NCR Dublin 7-5 surface level car spaces at €500 each;

Comparison 7: 1A Arran Street Dublin 7 -6 surface level car spaces at €1,000 each and

Comparison 8: The Distillers Building New Church Road Dublin 7-63 surface level car spaces at €500 each.

Based on this evidence that he was of the opinion that the subject property comprising 37 surface car spaces had a value of €1,000 each that is €37,000.

CROSS EXAMINATION: Mr O'Donoghue responded to questions put to him by Mr Gibbons and agreed that 14 spaces were partially covered with 23 open. He further agreed that the spaces were used by AXA and that the car park was secure, had lighting and was gated. He also confirmed that The Capel Building was a multi tenanted building with up to 165 tenants and may have had higher operating costs. He stated that The Distillery Building was close to residential properties in a mixed use area but had been valued independently of the 3rd generation offices and that it was valued as a stand-alone car park. He confirmed that the Law Library car park was a stand-alone car park approx. 5-7 minutes from the subject property. Mr O'Donoghue agreed that St Michan's was a public car park and had some uneven surfaces and a manned security hut which could have increased costs and that AXA staff was unlikely to use a car park with this specification. He also agreed that the car park in O'Connell Street Upper was a site used as a carpark with limited marked spaces and that while Park House was within the Canal it could reasonably be regarded as an inner suburban location. He confirmed that while the car parking at Arran Street was below the offices that it was not ancillary to them and had been assessed separately to the offices and finally that the Distillers car park was a public car park with pay & display and that spaces could be paid for by the hour or by the day.

RESPONDENT'S CASE: The Respondent's case was that the car park was located at the rear of two 1st and 2nd generation offices which had previously been before the Tribunal VA14/5/148. That photographic evidence showed the car park in relation to the offices occupied by AXA and that secure motorised access was provided to the car park. That 14 spaces were partially covered by an office property number 865440 with the remaining uncovered. That he relied on 7 –Tone of the List comparisons which had similar characteristics and were located in the Dublin City Local Authority Area.

Comparison 1: 55/6 Middle Abbey Street Dublin 1 comprised attached office accommodation and 2 ground floor spaces and 6 basement level car parking spaces both at €2,500 per space.

Comparison 2: 22/26 Talbot Dublin 1 comprised 43 basement car spaces at €2,500 each with attached first generation offices.

Comparison 3: 2-/23 Lower Abbey Street Dublin 1 comprised an office building with 6 basement car spaces at €2,500 each.

Comparison 4: Jervis House at 21/23 Abbey Street Upper Dublin 1 comprised an attached 3rd generation office and 2 basement car spaces at €2,500 each.

Comparison 5: Chapel House 21/6 Parnell Street comprised a 3rd generation office and 50 basement car spaces at €2,500 each.

Comparison 6: Findlater House O'Connell Street Dublin comprised an attached 1st generation office and 51 basement offices at €2,500 each and

Comparison 7: comprised 51 basement car spaces at €2,500 each and with no attached offices.

Mr Gibbons confirmed that his case was based on the above evidence and that car spaces associated with 1st, 2nd and 3rd generation offices were valued at €2,500 per space and comparison 7 was valued at €2,500 per space on a stand-alone basis without any attached offices and in his opinion the car parking spaces should be valued at €2,500 each that is €92,500.

CROSS EXAMINATION: Mr Gibbons responded to questions put to him by Mr O'Donoghue and agreed that there were no offices attached to the subject property but stated that the car park was used by AXA staff. He stated that his comparisons had similar characteristics to the subject property. He agreed that in his first six comparisons that offices

were ancillary to and attached to the car parking spaces. He confirmed that his final comparison was located on the south side of the City in Dublin 2 and that the car parking was at basement level but approached at street level off Townsend Street. He agreed that in 6 out of his 7 comparisons car parking spaces were ancillary to the offices and that they were not stand-alone car parks. He stated that in his opinion the car parking spaces in the subject property could and should be viewed as favourably to the comparisons that he had provided. He agreed that basement car spaces could be regarded as superior to surface level spaces but maintained that 14 of the subject spaces were covered. He agreed that there were only 2 surface spaces in Middle Abbey Street and 51 in Townsend Street whereas the remainder of his comparisons referred to basement level car parking.

He also confirmed to the Tribunal that generally Dublin 2 accommodation would be regarded as stronger than Dublin 1 equivalent accommodation.

SUMMARY:

In his closing comments Mr O'Donoghue reiterated that the subject property comprises a stand-alone car park and should be valued accordingly based on his comparisons. He did not regard a Dublin 2 car park analysis as comparable to a Dublin 1 car park and that those car spaces that were attached and or ancillary to office buildings were not appropriate as comparables.

Mr Gibbons stated that in his opinion the subject car park could and should be compared reasonably with the comparisons provided by him as in essence the car park was ancillary to the AXA offices. That his comparisons essentially reflected the value for such spaces.

FINDINGS:

The Tribunal did not hear any direct evidence as to why the car park was separate from the adjoining office buildings however there was no dispute between the parties as to the fact that the car park was not included in the valuations of the adjacent office buildings. There was agreement between the parties regarding the location and description of the subject property however they differed materially on the approach to the valuation of the car parking spaces.

The approach adopted by the respective parties did not fully convince the Tribunal as to the merits of their respective cases however we have determined that the car parking spaces are associated with the offices but that as a matter of fact the subject property had to be treated as a stand-alone car park.

Both parties provided a number of comparisons none of which were directly comparable to the subject property however the Appellant's comparisons 1 to 3 - The Capel Building Mary's Abbey Dublin 7, The Distillery Building Church Street Dublin 7 and The Law Library Building Dublin 7 were the most persuasive. They comprised better quality accommodation being purpose built and at a basement level which the Tribunal finds are superior to a surface car park however they are in poorer locations. No discount for quantum applied to these comparisons even though the numbers varied from 42 to 80 to 86. Consequently we find that a rate of €1,500 per space is fair and equitable following a complete review of the submissions and direct evidence.

The Tribunal have disregarded comparison no. 4 - 4A B St. Michan's as it comprised a public car park with a compromised surface. No 5. 62A O'Connell Street comprised a small site with only four spaces and appeared to have been converted to use as a car park and was not of assistance to the Tribunal. No 6 Park House was in the opinion of the Tribunal too removed from Jervis Lane and of little assistance. No. 7 1A Arran Street was of some assistance but only comprised 6 spaces. The appellant's final comparison refers to a public car park and was disregarded.

The Respondent relied on seven comparisons, six of which were ancillary and attached to various office buildings. The subject property is adjacent to AXA offices but as a matter of fact is not ancillary to or attached to any office accommodation. Mr Gibbons in his evidence confirmed that he relied "...on 7 properties that share similar characteristics and are located in the Dublin City Local Authority Area. The Tribunal finds that as the first six were located at basement level except for two spaces and more particularly were attached to office buildings that the first six comparisons do not share similar characteristics and consequently they are of limited assistance to the Tribunal.

While the Townsend Street comparison does not have any attached or ancillary offices it is located in Dublin 2. The Tribunal following careful consideration of the evidence and cross examination in relation to Dublin 1 and Dublin 2 comparisons finds that the Dublin 2 comparison would generally be regarded as providing stronger values and consequently is of limited assistance.

No evidence was adduced to show any difference in value between covered and uncovered car parking spaces.

DETERMINATION:

Having regard to the forgoing the Tribunal determines that the Valuation of the Subject Property be as set out below:

Number of Car Parking Spaces		€ per car space	Total
37	x	1,500	€55,500