

Appeal No. VA11/3/037 & 038

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

**Philip Manzor**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Property No. 2208219, Office(s) at Lot No.51a, Moydorewell Lane, Tralee Urban, Tralee UD, County Kerry and Property No. 2208220, Office(s) at Lot No. 52b First Floor, Moydorewell Lane, Tralee Urban, Tralee UD, County Kerry.

**B E F O R E**

**John F Kerr - BBS, FSCSI, FRICS, ACI Arb**

**Deputy Chairperson**

**Michael F Lyng - Valuer**

**Member**

**Tony Taaffe - Solicitor**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**

**ISSUED ON THE 1ST DAY OF MARCH, 2012**

By Notices of Appeal received on the 2nd day of September, 2011 the appellant appealed against the determinations of the Commissioner of Valuation in fixing rateable valuations of €6 and €26 on the above described relevant properties.

The grounds of appeal as set out in a schedule accompanying the Notices of Appeal are as follows:

"I submit that the NAV/RV prepared by the Valuation Office is excessive, having regard to other comparable properties within the Rating Authority area, with particular reference to the very poor location of my property. I submit also that the measurements used in the valuation calculation are incorrect and I wish to have this factual detail agreed with the Valuation Office prior to the tribunal hearing."

The appeals proceeded by way of an oral hearing held in the offices of the Valuation Tribunal, located at Ormond House, Ormond Quay, Dublin 7, on the 27<sup>th</sup> day of January, 2012. The appellant represented himself and the respondent was represented by Mr. David Molony, BSc, MRICS, valuer at the Valuation Office.

In accordance with the Rules of the Tribunal, the parties had exchanged their respective précis of evidence prior to the commencement of the hearing and submitted same to this Tribunal. At the oral hearing, both parties, having taken the oath, adopted their précis as being their evidence-in-chief. This evidence was supplemented by additional evidence given either directly or via cross-examination. From the evidence so tendered, the following emerged as being the facts relevant and material to these appeals, which with the consent of the parties were held contemporaneously.

### **At Issue**

Quantum.

### **The Properties**

The subject relevant properties comprise:-

- (a) Ground and second floor offices (VA11/3/037);
- (b) First floor offices (VA11/3/038).

The offices are open plan layout, contained within a newly built, end of row three-storey building constructed of concrete block walls with smooth plaster rendering and a pitched slate roof. Access to the upper floors is by means of an internal stairwell.

### **Location**

The properties are located in Moydorewell (a.k.a. Moyderwell) which is situated off Upper Castle Street and Boherboy in the town of Tralee. On-street parking facilities front the subject, which is situated at what is considered a secondary commercial location within a short distance of Tralee town centre.

### **Services**

The subject relevant properties are understood to be served with mains power, water, telephone, storm and foul sewer.

**Tenure**

The properties are understood to be held on a freehold basis. The ground and second floors are owner occupied and the first floor is vacant.

**Floor Areas**

The agreed floor areas, measured on a Net Internal Area (NIA) basis, are as follows:-

**VA11/3/037**

<b>Level</b>	<b>Use</b>	<b>Area sq. metres</b>
Ground	Office	71.5
Second	Office	75.0
	<b>Total:</b>	<b>146.5</b>

**Total area: 146.5 sq. metres**

**VA11/3/038**

<b>Level</b>	<b>Use</b>	<b>Area sq. metres</b>
First	Office	74.75
	<b>Total:</b>	<b>74.75</b>

**Total area: 74.75 sq. metres**

**Valuation Histories**

November 2010: Valuation certificates (proposed) were issued with RVs of €65 (VA11/3/037) and €32 (VA11/3/038).

December 2010: Representations on both valuations were lodged with the Revision Officer by GVA Donal O Buachalla on behalf of the appellant.

December 2010: The Revision Officer issued his decisions. The valuations remained unchanged.

- February 2011: Appeals were lodged with the Commissioner of Valuation by the appellant's agent.
- July 2011: The valuations were amended to €56 and €26 respectively.
- September 2011: The appellant lodged appeals with the Valuation Tribunal in respect of both valuations.

### **Appellant's Case**

Mr. Philip Manzor took the oath, adopted his précis as his evidence-in-chief and provided the Tribunal with a review of his submission. The appellant made the following points:-

- The location of the property is somewhat removed from the main town core which, he stated, is around Bridge Street and Abbey Street, including The Square, extending to Ivy Terrace. He added that the prime office area in Tralee town is located on Denny Street.
- He explained that the property is located in an area of very little commercial activity, characterised by poor quality housing, a few small commercial enterprises and, accordingly, property values and their rental values are substantially lower than other commercial areas of the town.
- He contended that the Moydorewell area of Tralee would be perceived as a tertiary area when compared with the locations of the comparison properties, which are noted below.
- He referred to copy correspondence dated 11<sup>th</sup> January, 2012, from a local Estate Agent in Tralee, enclosed with his précis, which suggested limited commercial activity in the Moydorewell area and concluded that the latter would be not be considered a prime commercial centre.

### **Appellant's Comparison Properties**

Mr. Manzor referred to two comparison properties listed in his précis in support of his evidence.

The first is an office premises located on the first floor of a building located at Ivy Terrace and occupied by an architectural practice.

The second property comprises both a medical surgery and offices over three floors at the nearby Greenview Terrace.

Both Ivy Terrace and Greenview Terrace are in close proximity to the car park on Princes Quay, opposite The Brandon Hotel in the town core.

Mr. Manzor noted that the net annual value applied per sq. metre on the former is €54.65 in common with the first floor of the second comparison property. He added that both properties are in close proximity to many commercial and retail facilities including individual shops, restaurants and offices, as well as the major shopping centre in the town centre anchored by a national branded multiple retailer. He added that his second comparison property is within a development scheme of modern office buildings and is fronted by the Tralee UDC complex and is just a few metres from the main hotel in Tralee known as The Brandon. He also stated that the ground and second floor areas of the latter are valued at €68.31 per sq. metres and €41 per sq. metres respectively.

Based on the foregoing, Mr. Manzor concluded that the subject properties should be valued as follows:-

**VA11/3/037**

<b>Level</b>	<b>Use</b>	<b>Area sq. metres</b>	<b>€per sq. metres</b>	<b>NAV</b>
Ground	Office	71.5	68.31	€4,884.17
Second	Office	75.0	41.00	€3,075.00
			<b>Total NAV:</b>	<b>€7,959.17</b>

**NAV: €7,959.17 @ 0.50% = €39.79 say €40.00**

**VA11/3/038**

<b>Level</b>	<b>Use</b>	<b>Area sq. metres</b>	<b>€per sq. metres</b>	<b>NAV</b>
First	Office	74.75	€54.65	€4,085.09
			<b>Total NAV:</b>	<b>€4,085.09</b>

**NAV: €4,085.09 @ 0.50% = €20.42 say €20**

### **Cross-examination of the Appellant**

In response to questions put by Mr. Molony and the Tribunal, Mr. Manzor stated that:-

- i. The site was acquired with a derelict building in 2006 and the planning permission required the retention of the front façade of the building.
- ii. The cost of developing the building was in the region of €300,000.
- iii. The location of the subject relevant properties, in his view, should be considered tertiary.
- iv. The design of the properties is compatible with others on the street, with good natural lighting and open plan office layouts on each floor.
- v. Street-side metered parking is available.
- vi. An architectural firm occupies his comparison no. 1, which has no perimeter wall windows on the top floor, though is served with roof lights overhead. Mr. Manzor did not consider this a disadvantage or an impairment to value and added that the top floor of that particular premises is served with dedicated own-door access, in contrast with the access facility to the top floor of the subject.
- vii. A chartered physiotherapist occupies his second comparison property, which is described on the Valuation List as a surgery. In reply to a question from Mr. Molony, the appellant acknowledged that a surgery on the Valuation List is a separate classification to the subject offices and accordingly that property may not be considered as a valid comparator in the instant case.

### **Respondent's Case**

Mr. David Molony then took the oath and adopted his précis as his evidence-in-chief.

The location, description, accommodation, floor areas and tenure details provided by the respondent were common case to those provided above by the appellant. His evidence was supported with separate précis' for each of the two subject relevant properties.

He also confirmed the valuation history for each, as set out above. Each of his written submissions contained a copy location map and copies of the following:-

- (1) Revision Report,
- (2) Representations to the Revision Officer
- (3) Consideration of Representations by the Revision Officer
- (4) Appeal application
- (5) Consideration of Appeal
- (6) Notice of Appeal to the Tribunal
- (7) Confirmation of agreed floor areas
- (8) Photographs of the subject
- (9) Copy certified extracts from the Valuation List.

Mr. Molony noted at the outset that the certified extract from the Valuation List on VA11/3/037 (ground and second floors) incorrectly stated an RV of €6 and confirmed that the correct figure should read €1 calculated by applying €5.40 per sq. metre on the ground floor and €4.65 per sq. metre on the second floor.

### **Respondent's Comparison Properties for VA11/3/037**

#### Comparison No. 1

Property: Property no. 71405, Moyderwell, Tralee, Co. Kerry.  
 Description: Ground floor offices and canteen.  
 Ground floor offices: 29.83 sq. metres @ €5.67 per sq. metre.

#### Comparison No. 2

Property: Property no. 2180454, Moyderwell, Tralee, Co. Kerry  
 Description: Second floor offices.  
 Second Floor: 29.32 sq. metres @ €4.65 per sq. metre.

#### Comparison No. 3

Property: Property no. 2200365, Mounthawk, Tralee, Co. Kerry.  
 Description: First and second floor offices.  
 Second Floor: 11.47 sq. metres @ €4.65 per sq. metre.

**Respondent's Comparison Properties for VA11/3/038**Comparison No. 1

Property: Property no. 71404, Moyderwell, Tralee, Co. Kerry.  
 Description: First floor offices.  
 First floor: 42.69 sq. metres @ €68.31 per sq. metre.

Comparison No. 2

Property: Property no. 2193388, Manor West (part of), Tralee, Co. Kerry.  
 Description: First floor offices.  
 First Floor: 89.68 sq. metres @ €82 per sq. metre.

Comparison No. 3

Property: Property no. 2200365, Mounthawk, Tralee, Co. Kerry.  
 Description: First floor and second floor offices.  
 First Floor: 20.64 sq. metres @ €68.31 per sq. metre.

Mr. Molony addressed details on the foregoing comparison properties and considered that comparisons nos. 1 and 2 in both cases to be particularly relevant, adding that his comparisons no.1 in respect of each appeal are adjacent to the subject and that comparison no. 2 in VA11/3/037 was also close to the subject. He further noted that his common comparison no. 3 is well removed from the town centre and away from much of the commercial activity of the town core of Tralee. He argued that the features of all of those properties made them comparable to the subject in many respects and when all such matters were considered, he believed that the rateable valuations calculated on the subject properties were fair and reasonable.

**Valuation by the Respondent**

Based on the foregoing, the following represents the valuation details of the subject properties computed by the respondent:

**VA11/3/037**

<b>Floor</b>	<b>Use</b>	<b>Area sq. metres</b>	<b>€per sq. metres</b>	<b>NAV</b>
<i>Ground</i>	<i>Office</i>	<i>71.5</i>	<i>85.40</i>	<i>€6,106.10</i>

<i>Second</i>	<i>Office</i>	<i>75.0</i>	<i>54.65</i>	<i>€4,098.75</i>
			<b><i>Total NAV:</i></b>	<b><i>€10,204.85</i></b>

**NAV: €10,204.85 @ 0.50% = €51.02 say €51.00**

### **VA11/3/038**

<b>Floor</b>	<b>Use</b>	<b>Area sq. metres</b>	<b>€per sq. metres</b>	<b>NAV</b>
<i>First</i>	<i>Office</i>	<i>74.75</i>	<i>68.31</i>	<i>€5,105.42</i> [sic]
			<b><i>Total NAV:</i></b>	<b><i>€5,105.42</i></b> [sic]

**NAV: €5,105.42 @ 0.50% = €25.52 say €26.00**

### **Cross-examination of the Respondent**

In reply to various questions asked by the Tribunal and the appellant, Mr. Molony responded that:-

- (i) The subject is in a reasonably poor area;
- (ii) His comparison properties were valid;
- (iii) The ceiling height of VA11/3/037 on the second floor may be compromised by reason of the design of the building;
- (iv) A quantum area allowance was neither merited nor warranted with or without regard to the areas of the respondent's and appellant's comparison properties.

### **Summations**

Both the appellant and the respondent availed of the opportunity to provide summation statements which were a synopsis of the foregoing arguments and positions adopted by them in both their précis of evidence and adduced at hearing.

## Findings

The Valuation Tribunal thanks the parties for their efforts, their written submissions, arguments and contributions at hearing.

The Tribunal finds as follows:-

1. With reference to VA11/3/037, namely the ground and second floors, the arguments proffered by the appellant did not, in the opinion of the Tribunal, support an argument for a reduction of the NAV.
2. With reference to VA11/3/038, having regard to:
  - a) the location of the property the subject of VA11/3/038; and
  - b) dedicated access provided to the first floor of the appellant's comparison property no.1, together with the level established there at €54.65 per sq. metre;
 the Tribunal was satisfied that a reduction should apply in this circumstance, and the NAV calculated as outlined below.

## Determinations

Taking account of the foregoing, the Tribunal considers that fair and reasonable valuations on the subject units should be computed as follows:

### VA11/3/037

Ground Floor Office	71.5 sq. metres @ €85.40 per sq. metre	= €6,106.10
Second Floor Office	75.0 sq. metres @ €54.65 per sq. metre	= €4,098.75
	Total NAV	= €10,204.85

NAV: €10,204.85 @ 0.50% = RV €51.02

Say RV €51. Valuation affirmed.

### VA11/3/038

First Floor Office	74.75 sq. metres @ €60 per sq. metre	= €4,485
	Total NAV	= €4,485

NAV: €4,485 @ 0.50% = RV €22.43

Say RV €22

And the Tribunal so determines.