

Appeal No. VA14/5/900

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

Health Escape Ltd T/A One Escape

APPELLANT

and

Commissioner of Valuation

RESPONDENT

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

Property No. 2188795, Sports & Leisure Centre at Gymnasium, Car park, Floor 0,-1,-2 Block G, Unit 29, Smithfield Market, County Borough of Dublin.

**JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 10TH DAY OF APRIL, 2017**

BEFORE:

Rory Lavelle- MA, FRICS, FSCSI, ACI Arb

Deputy Chairperson

Pat Riney – FSCSI, FRICS, ACI Arb

Member

Carol O'Farrell - BL

Member

THE NOTICE OF APPEAL

By Notice of Appeal received on the 4th day of September, 2014 the Appellant appealed against the determination of the Commissioner of Valuation in fixing a Net Annual Value (NAV) of €210,000 on the above described relevant property on the grounds as set out in the Notice of Appeal as set out in **Appendix 1**.

THE HEARING

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 adduced before us by the parties to the appeal,

This Appeal proceeded by way of an Oral Hearing held in the offices of the Tribunal at 10.00 a.m. on the 13th of October 2015 with the Appellant represented by Mr. Eamonn Halpin, B.Sc. (Surveying), M.R.I.C.S, M.S.C.S.I. and the Commissioner represented by Mr. Patrick Nolan, BSC. Hons (Property Valuations and Management).

THE SUBJECT PROPERTY

The subject property is a modern well equipped leisure centre located at the northern end of Smithfield Plaza, Smithfield Dublin 7. The property comprises a ground floor over basement and sub-basement. The agreed total floor area of the property is 2,808.53 m², a substantial portion of which is at basement and sub- basement levels. The breakdown of the floor areas and accommodation is as follows:

Ground Floor – Entrance, fitness studio, treatment rooms - 442.65 m²

Basement 1 – reception, gym, fitness studios and changing rooms - 861.69 m²

Basement 2 – 20 metre swimming pool, jacuzzi, steam room, gym area, fitness studios, changing rooms and plant area 1504.19 m².

APPELLANT’S CASE

This is summarised in the following points:

- 1 The best evidence of the subject’s location at the Valuation date (April 2011) can be found in the Valuation Tribunal’s Judgement (VA 10/3/008 (Fresh Opportunities Ltd) in January 2011, which is directly beside the subject property.
- 2 The Commissioner’s estimate of NAV is excessive in view of the layout of the subject property. Approx. 85 % of the premises has no natural light, being significantly below ground. Indeed, more than 50 % of the accommodation was reclaimed originally from car-parking in order to establish the unit.
- 3 The size of the subject property is extremely large and would undoubtedly demand a significant quantum allowance.
- 4 The swimming pool would be unattractive to the hypothetical tenant in this location.
- 5 Nine Comparisons have been submitted, however, Comparison 2 Ben Dunne Gyms, 57-60 Jervis Street, Dublin 1 and Comparison 6 Sanovitae Ltd., Unit 5 IFSC, Manor Street, Dublin 1 were stated as of most relevance to the subject property, and support the Appellant’s opinion of a NAV of €110,000.

RESPONDENT’S CASE

This is summarised in the following points:

- 1 The valuation of the subject property is to be conducted in accordance with the provisions of the Valuation Act 2001, with the NAV of the property being estimated in accordance with Section 48 of that Act.

- 2 From reviewing the revaluation reports on the subject and the properties referred to, the subject appears to be built to a higher standard, therefore, the comparisons submitted by the Appellant are not considered comparable.
- 3 In regard to Tenure, the Appellant's Agent submits information in relation to the lease on the subject. This is not new information. The current rent is €280,000, which has been abated from €300,000 set in an upward only lease agreement from 2006.
- 4 5 Comparisons have been submitted with valuations assessed at rates from €55-75 per m².
- 5 All of the relevant grounds submitted have been considered. The evidence provided is not deemed sufficient to alter the NAV of €210,000.

FINDINGS

The Tribunal have considered all of the above and evidence adduced during the Hearing and finds as follows:

- 1 The Valuation of the subject property is to be conducted according to the provisions of the Valuation Act 2001. The NAV of the property is to be estimated in accordance with Section 48 of that Act.
- 2 The geographical or locational factors relevant to the subject property at the time of the Valuation Date April 2011 were considered by the Valuation Tribunal in its Judgement VA 10/3/008 (Fresh Opportunities Ltd), dated the 14th of January 2011.
- 3 The Appellant's Submission/ Précis and Evidence given during the Oral Hearing was of most assistance to the Tribunal in arriving at a fair NAV. Comparisons 2 and 6 put forward by the Appellant are in superior locations to the subject property and Comparison 6 has a large basement area. The Tribunal notes that the ground floor and upper floors of Comparison 2 were assessed at the rate per m² of €55 and that the basement of Comparison 6 was assessed at the rate per m² of €45.

DETERMINATION

That the NAV on the subject property be as follows:

Ground Floor—442.65 per m ² @ €75.00 per m ² -----	€33,198.75
Basement (-1) —861.69 per m ² @ €55.00 per m ² -----	€47,392.95
Double Basement (-2)—1504.19 per m ² @ €35.00 per m ² -----	€52,646.65
Total NAV -----	€133,238.35

Say NAV €133,000
(a decrease from €210,000)

And the Tribunal so determines.