

Update Note 11 October 2018

VALUATION OF HAROLD'S CROSS GREYHOUND STADIUM – MV136740

VALUATION CONSIDERATIONS

In carrying out the valuation the following matters were considered:

- The valuation of the Harold's Cross site was carried out by the Valuation Office in accordance with the RICS Valuation – Professional Standards ('The Red Book', effective January 2014) and the International Valuation Standards as issued by the International Valuation Standards Council which are eminent international standards in this area.
- This standard is mandated in Circular 11/15 and is an internationally recognised approach to conducting such valuations.
- This requires the Valuation Office to collect, collate and analyse relevant market transactions and monitor market activity on an ongoing basis in order to provide informed professional opinions of value to public bodies requesting same.
- 'Red Book' valuations require a chartered surveyor in the Valuation Office to undertake the necessary analysis of market transactions and market activity in order to provide professional opinions of value.
- At the time of the valuation, April 2017, there was increasing activity in the development land market especially for centrally located sites in Dublin. Participants in the market were actively purchasing sites at the time both for immediate and later development.
- Prices for land with development potential, especially centrally located sites in Dublin continued to rise. At the time of the valuation the Valuation Office were aware of a number of transactions for sites in excess of 3 acres with development potential at between €3.8m to €12.4m per acre.
- As a centrally located site – approx. 2km from St. Stephen's Green - the Harold's Cross site also had advantages of size – in excess of 6 acres.

Since the valuation was carried out in April 2017, pressures in the housing market have continued to place upward pressure on the value of land with development potential.

- As a result, land prices have continued to rise. The Valuation Office is aware of a number of transactions that have taken place in the last year in the Dublin 6 and Dublin 8 areas for in excess of €6m per acre.
- In many instances, the eventual sale price appears to have been significantly in excess of the original asking/guide price.
- Market commentary accords with this view. The Society of Chartered Surveyors in Ireland (SCSI) in their *Residential and Commercial Property Review and Outlook 2017* stated that: *Nationally, chartered surveyors reported a sustained increase in transactional activity within the development land sector compared to 2015... In terms of the development land values, growth was recorded across all sectors in the Dublin Region in 2016.*
- The SCSI outlook for 2017 reached a similar conclusion.... *"In all regions, chartered surveyors forecast the highest growth in development land values to occur in the residential sector. The Dublin Region is projected to experience double digit growth in development land values across all sectors....."*
- The Society of Chartered Surveyors in Ireland in their *Residential and Commercial Property Review and Outlook 2018* indicated that there were increases across all development land categories in 2017:
"There has been sustained growth in the demand and value of development land in 2017. 57% of Chartered Surveyors consider that the supply of development land has remained the same throughout the year. As a result, it is expected that demand for adequately serviced development land will outstrip supply in 2018".