

Appeal No. VA07/2/046

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

Adrian Doyle

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Shop at Lot No. 20/Unit 1, Meakstown, Dublin, Dubber, Airport, County Dublin

B E F O R E

John Kerr - BBS. ASCS. MRICS. FIAVI Chairperson

Aidan McNulty - Solicitor Member

Mairéad Hughes - Hotelier Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 14TH DAY OF DECEMBER, 2007

By Notice of Appeal received on the 21st day of June, 2007 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €460 on the above described relevant property.

The grounds of Appeal as set out in the Notice of Appeal are:

"On the basis that the valuation as assessed is excessive inequitable and out of line with comparable property already contained within the valuation list in Fingal. This is a very moderate commercial location within a small neighbourhood centre and the Commissioners estimated NAV is grossly excessive in view of the actual location and the relative worth of the property."

The appeal proceeded by way of an oral hearing at the Office of the Valuation Tribunal, Ormond House, Ormond Quay Upper, Dublin 7 on the 5th day of September, 2007. At the hearing the appellant was represented by Mr. Eamonn Halpin, Eamonn Halpin & Co. Ltd, 5 Fitzwilliam Terrace, Bray, Co Wicklow. The respondent was represented by Mr. Frank O'Connor, ASCS, MIAVI, a District Valuer in the Valuation Office.

Valuation History

Adrian Doyle had a Valuation Certificate issued on 7th November, 2006 for an RV of €460. The Commissioner of Valuation received an appeal against this valuation in December, 2006. Following consideration of the appeal, no change was made, and the decision was issued on 25th May, 2007. An Appeal to the Valuation Tribunal was lodged on 21st June, 2007.

The Property

The subject property is located off St Margaret's Road in Finglas, and is just north of Finglas Village Centre, and south of the M50 motorway. The surrounding area is densely populated, with many new houses and apartments surrounding the subject and adjoining shops. The property comprises a newly built Spar Supermarket that has a retail area, stores and office, and is within a development that houses a bookmaker, a takeaway, a hairdresser and a crèche. The building is of concrete block, with a brick façade and a slate roof. All mains services are connected. The property is held under a lease.

Accommodation

Floor areas are agreed as follows:

Retail	650 sq. metres
Store	52 sq. metres
1 st Fl Offices/Kitchen/WC/Store	104 sq. metres

The Appellant's Case

Before he gave his evidence, Mr. Halpin made one change to Comparison 1 (Supervalu in Donabate) in his précis. He advised that the retail area for Comparison 1 was 770 square metres, valued @ €61.48 per square metre, while the ground floor stores were 250 square metres valued @ €34.16 per square metre.

Having taken the oath, Mr. Halpin adopted his précis as his evidence-in-chief, and provided the Tribunal with photographs of the subject property. He described the location of the subject property as moderate, being on the edge of the new Meakstown housing development. He said that the surrounding areas are mainly industrial/residential in character. He said that this unit serves the needs of the local residents, and that there was no potential for passing trade. He also said that the subject property was close to the new, as yet unfinished, Charlestown Shopping Centre which is due to open in October 2007, and that this new Shopping Centre will have a Dunnes Stores unit comprising 7,000 square metres approx. He further stated that the subject had significant competition from the Superquinn, Aldi, Lidl and Tesco stores that are located nearby. Mr. Halpin also said that the subject property had suffered considerably from break-ins and vandalism, and that its owners had almost turned it into a fortress in order to withstand the ongoing troubles at the site. This situation invariably leads to difficulties with insuring the premises. Mr. Halpin then proceeded to speak about the 6 Comparisons in his précis as follows:

Comparison 1: Supervalu, Donabate: Valued 2001/2 1st Appeal

This modern shop is part of a commercial development in the centre of Donabate, which is a rapidly expanding residential area.

Shop	770 sq. metres	@	€1.48 per sq. metre
Gr. fl Stores	250 sq. metres	@	€34.16 per sq. metre
1 st fl office etc	68 sq. metres	@	€34.16 per sq. metre
Incomplete store	175 sq. metres	@	€7.40 per sq. metre
RV €374.57			

Comparison 2: Supervalu, Lusk: Valued 2006 1st Appeal

This modern shop is part of a similar small development in the centre of Lusk which is a rapidly expanding residential area.

Shop	967.70 sq. metres	@	€8.09 per sq. metre
Stores	193.24 sq. metres	@	€34.17 per sq. metre
1 st fl office etc	116.50 sq. metres	@	€41.00 per sq. metre
RV €425			

Comparison 3: Supervalu, Skerries:

This modern shop is part of a commercial development in the centre of Skerries, which is a rapidly expanding commuter town.

Shop	1,108 sq. metres	@	€64.91 per sq. metre
Stores	207 sq. metres	@	€34.17 per sq. metre
Office etc	16 sq. metres	@	€54.68 per sq. metre
Cold stores	60 sq. metres	@	€44.31 per sq. metre
1 st fl office	78 sq. metres	@	€41.00 per sq. metre
RV €540.91			

Comparison 4: Euro Spar, Rush: Valued 2004 1st Appeal

This modern shop is in the centre of Rush which has been rapidly expanding over the last number of years.

Shop	1097.00 sq. metres	@	€64.93 per sq. metre
Stores	263.23 sq. metres	@	€41.00 per sq. metre
Office etc	204.48 sq. metres	@	€41.00 per sq. metre
RV €70			

Comparison 5: Spar, Applewood Village, Swords: Valued 3-4 years ago. Not appealed

Shop	646.36 sq. metres	@	€74.48 per sq. metre
Stores	181.18 sq. metres	@	€45.79 per sq. metre
RV €355			

Mr. Halpin said that this comparison is nearest to the subject property. Applewood Village is a new concept built on the edge of Swords, and is a 'self contained' village that has residential houses, apartments, a pub, a gymnasium and a crèche, together with more than 20 retail units and a significant number of offices. This Spar shop is part of a new commercial street within a development that serves the large Applewood local community and surrounding areas.

Mr. Halpin said that he tried, when putting a valuation on the subject, to see where same fitted in to his view of the "Tone of the List" in Fingal. He said that in order to do that he had to weigh up the size of the unit, the size of the development the subject property was situated

in, the potential for business and the lack of passing trade as well as the large amount of competition in the area.

Having taken all of these factors into consideration he put a valuation on the subject property as follows:

Retail	649.69 sq. metres	@	€1.48 per sq. metre	= €9,943
Store	51.66 sq. metres	@	€34.17 per sq. metre	= €1,765
1 st Floor offices etc	100.44 sq. metres	@	€34.17 per sq. metre	= <u>€3,432</u>
Total				€45,140
RV @ 0.63%				= €284.38
Say				€284

Adopting the agreed areas set out at page 2 herein, Mr. Halpin amended his RV to €285.

Summarising his evidence, Mr. Halpin said that the subject property was part of a small neighbourhood commercial centre that serves the local population, and has no passing trade. He also said that the new Charlestown Shopping Centre, which is directly opposite the subject property, is due to open very shortly, and that business in the subject property will suffer, due mainly to the large Dunnes Stores outlet in this new shopping centre. He also said that the subject was inferior to many of the comparisons given here, and has suffered many burglaries and vandalism to its premises.

The Chairperson asked Mr. Halpin to explain what he meant by the subject not having any potential for passing trade. Mr. Halpin referred the Tribunal to a second map in his précis to explain that the subject has access off St. Margaret's Road and that this access does not go anywhere beyond the subject location, except on into the housing development in the area.

When asked by the Chairperson to state his primary comparison, if he were to set aside the values per square metre, and look at the most suitable comparator in terms of like for like store, Mr. Halpin said that he did not have a comparator for this. However if he were to look partly at the size, and partly at the location, then Applewood Village, his Comparison No. 5 would be a good comparison. However, he said that this comparison is a much more

substantial development, while at the same time he had reservations about the valuation, as it was the only one of his comparisons that was not appealed.

Cross examination

Under cross examination by Mr. O'Connor, Mr. Halpin was asked to explain what he meant when he stated under the "Grounds for Appeal" that the subject was in a moderate location, while at the same time conceding that the Applewood premises was also in a moderate location, given that this latter premises has substantial competition from 5 other supermarkets in the general area. Mr. Halpin replied that he accepted that there was a good range of competition to the Applewood premises, with good footfall in the development as a whole, however he stated that with the subject property this was not the case, as the only people to visit the subject property were those from the immediate area. He also said that the scale of the subject development with only 4 units was quite different to the Applewood situation which was part of a whole new street with 20+ units. Mr. O'Connor then said that the subject property was on the fringe of the Dublin City boundary, even though it was in Fingal, and in a densely populated urban area and inside the M50, while the comparisons used by Mr. Halpin were 8-9 miles from the GPO for the nearest one, while the others were in largely agricultural areas. Mr. Halpin replied that he believed that the subject property was situated in a difficult area with its customers enjoying a vast choice of shopping destinations, which none of the comparisons suffered from.

Respondent's Evidence

Mr. Frank O'Connor having taken the oath adopted his précis as his evidence-in-chief. Mr. O'Connor stated that the differences between himself and Mr. Halpin were about the term 'location of the property' in that the location of the subject is indeed a neighbourhood centre serving the local community about half a mile north of Finglas inside the M50, and that all of his Comparisons are close to the M50 in densely populated areas. He said that Mr. Halpin's comparisons are situated in Skerries, Donabate, Lusk and Rush, with his prime comparison in the outskirts of Swords. Mr. O'Connor contended for the following valuation:

Shop	650 sq. metres	@ €100 per sq. metre	= €65,000
Store	52 sq. metres	@ €54.66 per sq. metre	= €2,842
1 st Floor offices/ Kitchen/WCs/store	104 sq. metres	@ €54.66 per sq. metre	= €5,685

NAV €73,527 @ 0.63% = RV €463.00 Say €460

Mr. O'Connor then offered the following comparisons:

Comparison 1: Spar, Mulhuddart Village: Valued 2004 Revision. No appeal

Shop 283 sq. metres @ €64 per sq. metre
 NAV €46,412
 RV €92

Comparison 2: Spar, Carpenterstown: Valued 2005 Revision. No appeal

Shop 322 sq. metres @ €20 per sq. metre €8,640
 Store 63 sq. metres @ €54.66 per sq. metre €3,433
 NAV €42,083
 RV €65

Comparison 3: Lidl, Blanchardstown: Valued 2004 Revision. Agreed prior to Hearing

Shop 1031 sq. metres @ €3.62 per sq. metre €6,522
 Store 247 sq. metres @ €46.47 per sq. metre €11,478
 Open Bay 65 sq. metres @ €68.33 per sq. metre €435
 NAV €108,435
 RV €83

Comparison 4: Lidl, Baldoyle: Valued 2002 Appeal

Shop 770 sq. metres @ €106.06 per sq. metre €81,666
 Store 245 sq. metres @ €3.03 per sq. metre €744
 NAV €4,658
 RV €96

Comparison 5: Lidl, Tyrellstown: Valued 2006 Appeal

Shop 1,406 sq. metres @ €102.51 per sq. metre €144,129
 Office 36 sq. metres @ €5.67 per sq. metre €204
 Store 251 sq. metres @ €47.83 per sq. metre €12,005
 NAV €159,578
 RV €1,000

Comparison 6: Superquinn, Sutton Cross: Valued 1990. Extra o/head offices added 1993, RV increased to €2533.

Shop	2437 sq. metres	@	€105.91 per sq. metre	€248,571
1 st Floor Office	479 sq. metres	@	€54.66 per sq. metre	€26,182
2 nd Floor stores	17 sq. metres	@	€27.33 per sq. metre	€464
External Store	134 sq. metres	@	€41.00 per sq. metre	€5,494
Canopy	60 sq. metres	@	€27.33 per sq. metre	€1,640
NAV	€82,351			
RV	€1,778			

Mr. O'Connor finished his evidence by saying that he had given comparable properties in similar locations to the subject, while Mr. Halpin's comparisons were supermarkets that were not in a similar location to the subject, but rather in locations 'out in the sticks' as he put it.

Mr. Halpin then asked Mr. O'Connor to state his primary comparison, and he replied that it was Lidl in Baldoyle, because it was a similar size to the subject property as well as being located in a neighbourhood centre.

Findings and Determination

The Tribunal has carefully considered all the evidence and arguments adduced by the parties and finds as follows:

1. The Tribunal considers the Respondent's comparisons may be similarly circumstanced in terms of location, access, local population, catchment area and competing market forces to the subject property.
2. From the evidence provided it would appear that a supermarket in Skerries or Rush may not be comparable to the subject relevant property at Meakstown Finglas. Variables such as location with regards to centres of population, access, and competing services should be considered when properties are introduced as comparisons.
3. The Appellant did not provide sufficient evidence to the Tribunal to indicate that the Respondent had failed to consider Section 49 of the Valuation Act 2001 and, accordingly, the Tribunal affirms the decision of the Respondent and determines that no change should be made to the rateable valuation.

And the Tribunal so determines.