

Appeal No. VA15/4/070

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

**Aldi Stores (Ireland) Ltd**

**APPELLANT**

**And**

**Commissioner of Valuation**

**RESPONDENT**

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

Property No. 5006067, Supermarket At Lot No. (2B, PT 8), Albert Quay, Sundry Townlands,  
City Hall A, City Hall, County Cork,

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 31<sup>ST</sup> OF JANUARY, 2017**

BEFORE:

**Majella Twomey – BL**

**Deputy Chairperson**

**Thomas Collins – PC, FIPAV, NAEA, MCEI, CFO**

**Member**

**Dairine Mac Fadden - Solicitor**

**Member**

The subject property is located on the ground floor of the Elysian Tower, a multi storey mixed use development on Albert Street, Cork City.

By Notice of Appeal received on the 21<sup>st</sup> day of December, 2015 the Appellant appealed against the determination of the Commissioner of Valuation in fixing a net annual value of €1,639 on the above described relevant property on the grounds as set out in the Notice of Appeal as follows:

*"The valuation is excessive based on the levels appearing on the list for similar supermarkets. There is also a dispute regarding the breakdown of the floor area – namely the retail element which at present includes the main retail area, circulation space and trolley bay. We are of the opinion that the trolley bay and circulation space should be valued at a lower rate as they are not retail space."*

The parties agreed that the property be valued on a Gross Internal Area (GIA) basis.

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 28/09/2016 and 9/11/2016 adduced before us by Mr. John Algar on behalf of the Appellant, who contended for a net annual value of €812, and Mr. Neil Corkery on behalf of the Respondent to the appeal, who contended for a net annual value of €1,510.

**DETERMINES**

That the Net Annual Value of the subject property be valued at €221,755, calculated as follows:

Supermarket	900 Sq.m @ €170.85	NAV €153,765 (Same)
Supermarket (packing area)	86 Sq.m @ €170.85	NAV €14,693 (Same)
Supermarket (entrance corridor)	80 Sq.m @ €68.37	NAV €5,469.60 (Decrease)
Supermarket (trolley bay)	95 Sq.m @ €68.37	NAV €6,495.15 (Decrease)
Store	343 Sq.m @ €81.00	NAV €27,783 (Same)
Office	105 Sq.m @ €100.00	NAV €10,500 (Same)
Plant Room	61 Sq.m @ €50.00	NAV €3,050 (Same)
<b>Say</b>	<b>€ 221,755</b>	<b>Reduction</b>

Reducing factor 0.63%

**RV (Rounded to) €1,397**

## **The reasoning being**

1. The appellant produced nine comparisons and the Valuation Office produced two comparisons, all of which have been assessed and taken into account in reaching our decision.
2. The Tribunal finds that a number of the comparator properties which were submitted by the appellant, are stand-alone supermarkets (comparators 3,4,5,6 and 7) and are therefore, not direct comparators with the subject property, but are nonetheless useful when assessing areas such as trolley bays.
3. In terms of location, office /store room areas and frontage, the Tribunal finds that the two comparators submitted by the Valuation Office are comparable, to a large degree, with that of the subject property.
4. In terms of use and structure, the Tribunal finds that comparators 1, 2, 8 and 9 of the appellant's comparators are comparable in many ways to the subject property. For example, these comparators are all integrated stores and/or are part of larger retail outlets.
5. The appellant argued that the valuation of the supermarket area and the packing area (retail area) should be reduced to €90.00 per Sq.m. The Valuation Office argued that it should remain at €170.85. The Tribunal must assess 'comparable' properties in 'the rating authority area'. The Tribunal finds that while there are no supermarkets in the Elysian Building, there are other business units and these were put forward by the Valuation Office as being comparable. The Tribunal notes that in comparator 1 of the appellant's comparators, that part of the retail area of Dunnes Stores, Patrick Street, is valued at €177.61. The Tribunal finds that as The Euromedic Centre and ACC Bank are in the same building as the subject property, and closest in location, these can be deemed as valid comparators in terms of the rate of €170.85 per Sq.m, for the supermarket and packing area, as put forward by The Valuation Office.

6. In relation to the entrance corridor, the Tribunal finds that this is not a retail area and not used as such and, therefore, cannot be valued in the same way. The appellant put forward a rate of €68.37 per Sq.m for this area. No clear and coherent evidence was put before the Tribunal as to why this should not be accepted, apart from a claim that the area was a retail area. It is clear to the Tribunal, from hearing the evidence and from evaluating the photographs before it, that it is not a retail area nor could it be used as such. In circumstances where the comparator properties supplied by the Valuation Office do not possess a similar comparator area in terms of the entrance corridor and where no clear evidence was adduced as to why the rate should be set at the same rate as the retail area, the Tribunal accepts the proposed rate put forward by the appellant.
  
7. In relation to the trolley bay, the Valuation Office proposed a rate of €170.85 per Sq.m. The appellant proposed a rate of €90.00 per Sq.m. The Tribunal finds that this area does not constitute retail area and that it is similar to the entrance corridor area. The Tribunal note that the comparators provided by the Valuation Office do not possess trolley areas and are, therefore, not useful, in this context. The Tribunal has assessed the comparators submitted by the appellant and finds that the trolley bay in comparator 4 is €6.37 per Sq.m and comparators 6 and 7 have a rate of €6.38 per Sq.m, which is significantly lower than that put forward by the Valuation Office, in this case. However, the Tribunal notes that the trolley bays in the comparator properties are all external. The trolley bay of the subject property is internal. The Tribunal finds that it is similar in features to the entrance corridor and therefore, applies a value of €68.37 per Sq.m to this also.
  
8. The value for the store, as put forward by The Valuation Office is €81.00 per Sq.m. The appellant put forward a rate of €47.82 per Sq.m. The Valuation Office did not provide any clear evidence as to why the store was rated in this manner. The Tribunal has assessed the comparators of the appellant and notes that in comparators 3,4,5 and 6 the stores were rated at €47.82 per Sq.m., where the supermarket areas were €81.97. This indicates that the stores were rated at over half of the sum applied to the supermarket area. Taking into account that the supermarket area in the subject property is rated at €170.85, the rate of €81 is less than half of that and, therefore, fair and equitable. The Tribunal, therefore, accepts the rate applied by The Valuation Office in relation to the store.

9. The appellant sought to reduce the rates applied to the office from €100.00 to €68.37. The Tribunal notes that the office in Dunnes Stores (Comparator 1) is €61.47. However, the offices in The Euromedic Centre and ACC Bank are valued at €126.38. Taking into account the uncontradicted evidence from the appellant that the offices in the subject property are of a lesser specification than the two comparators offered by The Valuation Office, but are still in the same building and location, we find that the rate of €100 per Sq.m to be fair and equitable.

10. No clear evidence was put before the Tribunal to support a claim that the rate of €50.00, which was applied to the plant room, should be reduced. In the circumstances, the Tribunal does not make any changes to same.

And the Tribunal so determines.