

Appeal No. VA93/1/039

**AN BINSE LUACHÁLA**  
**VALUATION TRIBUNAL**  
**AN tACHT LUACHÁLA, 1988**  
**VALUATION ACT, 1988**

**Dunnes Stores Limited**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Supermarket and carpark at Map Ref: 10B/1, Townland: Carrickhill, E.D. Portmarnock  
North, R.D. Dublin-Fingal, Co. Dublin  
Quantum

**B E F O R E**  
**Henry Abbott**

**S.C. Chairman**

**Veronica Gates**

**Barrister**

**Joe Carey**

**P.C. M.I.A.V.I.**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 30TH DAY OF SEPTEMBER, 1993**

By Notice of Appeal dated the 25th day of February, 1993 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £590 on the above described hereditament.

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

"The Net Annual Value adapted by the Appeal Valuer is excessive and inequitable having regard to the Valuation Acts of 1986 and 1988."

**The Property:**

The subject is the anchor tenant in the small Dunnes Stores Shopping Centre in Portmarnock. It is situated in the large Mortello/St. Helen's housing estate and consists of a modern single storey supermarket erected in the late 1970's with a floor area of 13,346 square feet. There are ample carparking facilities.

**Valuation History:**

At 1980 Revision the premises was valued as a new supermarket at R.V. £720. This was reduced to £650 at 1980 First Appeal. At 1990 Revision the R.V. remained unchanged at £650. It was appealed by Druker Fanning & Partners, acting on behalf of the appellants, and the Commissioner of Valuation reduced the valuation to £590 at First Appeal. It is against this determination that the subject appeal has come before the Tribunal with Druker Fanning & Partners again acting on behalf of the appellant.

**Written Submissions:**

A written submission was received on the 6th August, 1993 from Mr. Peter G. O'Flynn of Druker Fanning & Partners acting for Dunnes Stores Limited.

Mr. O'Flynn described the premises as comprising the area at ground floor level occupied by Dunnes Stores Limited, Portmarnock Shopping Centre and stated that the centre is located off Strand Road in Portmarnock, approximately 5 miles north of the city centre and within Carrickhill Housing Estate. He said that generally residential development within the area comprised medium density working/middle class housing, mainly in extensive estates which have been constructed in recent years.

He also submitted that Portmarnock itself has limited retail facilities, but there is a substantial number of alternative retail centres within the immediate vicinity. The development, he said, originally comprised the Dunnes Stores anchor unit, together with five individual units, but that due to the fact that some of the individual units have clearly not been able to sustain profitable margins, Dunnes Stores have been forced to take over their units and try to incorporate them into their own area with the effect of reducing tenant mix in the centre.

Mr. O'Flynn understands that the premises are held in fee simple free of ground rent and he submitted that Portmarnock Shopping Centre has never traded successfully and none of the original traders within the shop units remain. There are neither public telephones nor public toilets in the centre.

In his submission, Mr. O'Flynn stated that his estimate of a fair rateable valuation for the subject premises, in accordance with Section 5 of the Valuation Act, 1986, is £360 and an analysis of his estimate of this is as follows:-

Ground Floor

Agreed Area 13,346 sq.ft. at IR£4.30 = IR£57,387.80

Say IR£57,000

In accepting the general ratio applied by the Commissioner of Valuation, i.e. .63%, his calculation of rateable valuation is  $IR£57,000 \times .63\% = IR£359.10$

Say IR£360.00

Mr. O'Flynn opined, in his submission, that the Appeal Valuer had ignored the valuations of the standard units and had not looked at similar relationships in other shopping centres where the trend is that the anchor unit is valued at roughly 25% - 30% of the standard units.

By way of comparative evidence, Mr. O'Flynn gave details of five other shopping centres in the Dublin area, mainly on the North side of the city and these are attached as Appendix A to this judgment.

A written submission was also received on the 28th July, 1993 from Mr. Desmond Doyle, a District Valuer with 22 years experience in the Valuation Office, on behalf of the respondent.

Mr. Doyle's submission included details of the valuation history of the property as set out above and he also gave a description of the property and its location. Commenting on the grounds of appeal, Mr. Doyle said that the valuation on this property was fixed at .63% of the Net Annual Value and that when computing the Net Annual Value, regard was had to properties of similar function in the North Dublin area. He said that the conversion factor of .63% is now well established and has been accepted by the Valuation Tribunal in **Appeal No: VA/92/3/24 - Tom Higgins & Company Limited, Sutton** and also, **Appeal No: VA/92/1/23 - John Taylor t/a Swords Hardware, Main Street Swords.**

Mr. Doyle also gave a breakdown of the basis of his valuation of £590 and this is set out as follows:-

N.A.V. 13,346 sq.ft. @ £7.00/sq.ft. = £93,422

R.V. @ 0.63% = £588.55

Say = £590.00

By way of comparisons, Mr. Doyle relied on Dunnes Stores, Donaghmede and Superquinn, Sutton Cross, of which details were included in his submission and these are attached to this judgment as Appendix B.

**Oral Hearing:**

The oral hearing was held in Dublin on 13th August, 1993. At the oral hearing, Dunnes Stores, the appellants, were represented by Mr. Peter G. O'Flynn, M.I.A.V.I. of Druker Fanning & Partners, and the Commissioner of Valuation was represented by Mr. Desmond Doyle, B.Comm., a District Valuer.

The relevant area of Dunnes Stores at Dunnes Stores Shopping Centre, Portmarnock is 13,346 square feet and other matters were agreed and the only outstanding matter at issue was that of quantum.

Mr. O'Flynn, in outlining the case for the appellants, compared the Portmarnock Shopping Centre to Cardiffsbridge Shopping Centre where Dunnes Stores were again anchor tenants and occupied a unit extending to c. 27,905 square feet developed along similar lines, with comparable catchment area and a small number of adjacent shop units. The valuation of the Cardiffsbridge Dunne's premises was agreed with the Commissioner of Valuation and equates to a rent passing of £4.42 per square foot per annum.

Mr. O'Flynn then made the point that two of the original five adjacent shop premises at the Portmarnock Centre had to close down due to unprofitability and had to be absorbed and incorporated into the main Dunnes Stores unit and the remaining three tenants were not the original occupiers of their premises.

He made the point that the Portmarnock Shopping Centre had never traded successfully but has really slipped from prominence in recent years due to the emergence of other more modern shopping centres in the immediate area such as Superquinn, Sutton Cross; Malahide Village Centre; Swords Shopping Centre; Donaghmede Shopping Centre; Northside Shopping Centre; Tesco, Kilbarrack Shopping Centre, etc., all of which are more modern in style, presentation and services such as pay telephones, toilets, etc.. He outlined various other comparisons to substantiate his case.

Mr. Doyle, for the respondent, disagreed with Mr. O'Flynn, that the subject property was comparable to Cardiffsbridge Shopping Centre which was located in Finglas and which it has been alleged, is the worst trading part of Dublin.

He referred the Tribunal to the Donaghmede Shopping Centre which again had Dunnes Stores as an anchor tenant and was more comparable. He indicated that although this Dunnes Stores was much greater than the subject property, being c. 27,000 square feet on the ground floor - the rent agreed with Mr. O'Flynn was £8.00 per square foot per annum. He also held that the Portmarnock Shopping Centre was a good neighbourhood centre with a good catchment area surrounding it. Many other comparisons were adduced both by the appellant and the respondent to assist the Tribunal in its deliberations.

**Findings:**

Having considered all the evidence and other investigations, the Tribunal finds that a fair and equitable rateable valuation for the Dunnes' premises at Portmarnock is £500 and so determines.