

Appeal No. VA05/2/021

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

Percy Hanly

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Supermarket, Office(s), Store at Lot No. 1a, Elphin Street, Lisroyne, Strokestown,
County Roscommon.

B E F O R E

Michael P.M. Connellan - Solicitor

Deputy Chairperson

Maurice Ahern - Valuer

Member

Joseph Murray - B.L.

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 18TH DAY OF OCTOBER, 2005

By Notice of Appeal dated the 3rd day of May, 2005, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €124.00 on the above described relevant property.

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

"Valuation is excessive having regard to the valuations of other properties in the area."

Introduction

This appeal proceeded by way of an oral hearing, which took place in the offices of the Valuation Tribunal, Ormond House, Ormond Quay Upper, Dublin 7 on the 15th of June, 2005. The appellant was represented by Mr. Patrick J. Nerney, BE Chtd. Eng., MIEI, MIAVI and the respondent was represented by Mr. Patrick Murphy, B.Sc. in Valuation Surveying, IAVI, a Valuer in the Valuation Office.

Background and Description

Percy Hanly trades as Hanly's Spar supermarket in Strokestown, County Roscommon. The subject property comprises a supermarket, stores and kitchen on the ground floor and offices, stores and staff canteen on the first floor. The premises fronts onto Elphin Street and Bawn Street. The corner where both streets meet is occupied by the Roscommon county library.

Valuation history

At revision stage a valuation of €145 was proposed and reduced following representations to €124 in December 2004. Mr. Patrick J. Nerney on behalf of Percy Hanly appealed against the valuation of €124. The Commissioner made no change to the valuation at first appeal stage.

Details and Space Measurements

Ground Floor

- Supermarket 370.77 sq. metres
- Kitchen 45.17 sq. metres
- Store 47.99 sq. metres
- Cold room 13.42 sq. metres

First floor

- Store 125.15 sq. metres
- Canteen /office 35.44 sq. metres

Submissions and Evidence of the Appellant

1. Strokestown is located on the main Dublin to Castlebar road. The town has undergone economic decline in recent years. Evidence indicated a fall in economic activity as follows:
 - There are now twelve licensed premises and formerly there were twenty;
 - There are three hardware shops instead of four;
 - One hotel instead of two;
 - The same ratio applies to banking as the hotel business;
 - One drapery footwear shop compared to three;
 - Four grocery stores as against twelve of previous years;
 - The majority of properties in the town are privately owned and many are vacant.

2. Strokestown does not have the same range of shops and varieties of goods and services as towns like Roscommon, Longford or Carrick-on-Shannon. 90% of the people from Strokestown work in Longford. Roscommon, for example, has a multiplicity of supermarkets which includes Tesco, Dunnes Stores, Lidl, Londis and Supervalu. Strokestown has only one other medium sized supermarket, a grocery/bar premises and one such premises with a fuel pump and a number of small grocery shops.

3. There is very little passing trade as most of the traffic on the Dublin – Castlebar route tends to keep moving by turning left at the roundabout and there is no need to go to Elphin Street or Bawn Street unless you have a purpose. Therefore passing traffic tends to avoid the town with resultant consequences for the supermarket. Most of the trade is local.

4. The subject property does not have parking facilities or a worthwhile useable yard area, whereas the respondent's comparison No. 3, Kiernans in Roscommon, has a car park.

5. The subject's neighbouring premises comprising a former solicitor's office and post office have a right of way to the rear of their premises through the supermarket entrance on Elphin Street.

Submission and Evidence of the Respondent

1. Spar is one of the best known convenience store brands in Ireland with a wide range of goods and services.
2. The supermarket is fitted out to a very good standard, with tiled floors and a suspended tiled ceiling with recessed lights. Externally there is a modern glass shop front.
3. Strokestown is well located on the national primary road to Castlebar from Dublin.
4. Three comparisons were submitted.
 - Comparison No. 1, Bernard Keane in Athleague, County Roscommon, is on a national secondary road. The supermarket space of 336.67 sq. metres is valued at €54.67 per sq. metre and at a higher rate than the subject at €47.62 per sq. metre.
 - Comparison No. 2, Centra, Rooskey, County Roscommon, with a supermarket space of 185.80 sq. metres valued at €58.09 per sq. metre and at a higher rate than the subject.
 - Comparison No. 3, Kiernans in Abbey Street Roscommon, at a secondary location on the outskirts of Roscommon town, with a supermarket space of 569 sq. metres valued at €47.62 per sq. metre, the same as the subject, which has a supermarket area of 370.77 sq. metres.

Findings and Determination

Having considered the submissions and evidence of both parties the Tribunal finds as follows:

1. The Tribunal finds the respondent's comparisons are comparable from the point of view of usage with the subject property, yet they are not similarly circumstanced with the subject due to location and economic factors. The evidence indicates that Strokestown cannot be compared to a town like Roscommon with a higher economic activity. The respondent's comparison in Roscommon, Kiernans supermarket, is better located than the subject and with the advantages of a car park. A hypothetical tenant wishing to invest in properties in these towns would take these factors into account.
2. The subject property misses out on passing trade where traffic from Longford turns at the roundabout for Castlebar. Trade is generally local. The respondent's comparison No. 1 on the main Roscommon/Galway road would have much more passing trade.
3. At Roosky, the Centra supermarket is close to the Dublin-Sligo road and the Shannon harbour and can benefit from passing trade and tourism whereas Strokestown is in a more isolated location and does not have the economic benefits of other neighbouring towns in the area such as Roscommon and Rooskey.

In the aforementioned circumstances, the Tribunal accordingly finds the Commissioner's valuation of €124 to be excessive and unfair and determines the valuation to be €12.00 calculated as follows:

Ground Floor

Supermarket	370.77 sq. metres @ €45.00 per sq. metre	= €16,685
Kitchen	45.17 sq. metres @ €30.82 per sq. metre	= €1,392
Store	47.99 sq. metres @ €22.41 per sq. metre	= €1,075

Cold room	13.42 sq. metres @ €30.82 per sq. metre	= €414
First Floor		
Store	125.15 sq. metres @ €16.40 per sq. metre	= €2,052
Canteen/office	35.44 sq. metres @ €4.60 per sq. metre	= €163
	Total NAV	= €2,490
	Rateable Valuation @ 0.5%	= €12.45
	RV Say	€12

And the Tribunal so determines.