

Appeal No. VA06/4/002

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

Gianluca Cedrone

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Restaurant/Cafe at Lot No. Unit 12, Grove Island Shopping Centre, Park, Abbey A, Abbey & Singland, County Borough of Limerick

B E F O R E

Fred Devlin - FSCS.FRICS

Deputy Chairperson

Mairéad Hughes - Hotelier

Member

Maurice Ahern - Valuer

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 2ND DAY OF FEBRUARY, 2007

By Notice of Appeal dated the 9th day of October, 2006 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €185.00 on the above described relevant property.

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

"On the basis that the RV is excessive and inequitable given the application of the Tribunal decision in 05/1/013 which the Commissioner has now applied to some of the other units in this development."

1. This appeal proceeded by way of an oral hearing held in the offices of the Valuation Tribunal, Ormond House, Ormond Quay Upper, Dublin 7 on 10th January, 2007. At the hearing the appellant was represented by Mr. Eamonn Halpin B.Sc. (Surveying), M.R.I.C.S., M.I.A.V.I., of Eamonn Halpin & Co. Ltd. Mr. David Molony, a District Valuer in the Valuation Office, appeared on behalf of the respondent, the Commissioner of Valuation.
2. The Grove Island Centre is a mixed use development located about 1 mile from Limerick City in a predominantly residential area. The Centre, which at the valuation date was still in the course of development, is accessed by a roundabout at the junction of Athlunkard Street and Corbally Road. The construction of a new link road connecting Corbally Road and the main Limerick to Dublin road is underway and will shortly be completed.
3. Grove Island Centre when completed will provide a wide range of activities including a supermarket, a shopping parade, swimming pool, gymnasium, multipurpose hall, student accommodation and apartments, together with a multi storey car park. The supermarket and shopping parade are located in a three storey office block with offices at first and second floor level overhead.

The Property

4. The property concerned, which trades as a restaurant/café, is located in a parade of shops adjoining the Supervalu supermarket and the pedestrian entrance to the multi storey car park. In all there are ten retail units in the shopping parade, that is eight standard and two double sized units. At the relevant valuation date not all of the units were occupied, but those that were included the subject property, an Xtra-vision unit, a chemist, a bookmaker, a dry cleaner and a coffee shop.
5. The property concerned is occupied under a 25 year full repairing and insuring lease from October, 2004 at an initial yearly rent of €75,000 per annum rising on an incremental annual basis each year to €87,000 per annum at the end of the fourth year. Thereafter the rent is subject to review at five yearly intervals.

Accommodation

6. The agreed accommodation measured on a net internal area basis is as follows:

Restaurant/Café	192.7 sq. metres
Food Preparation Area	8.58 sq. metres

Valuation History

7. The property concerned was valued together with a number of other retail units in the Centre in September, 2004 and assessed at a rateable valuation of €245.00. Following the determination of this Tribunal in the appeal **VA05/1/013 - Pauline and Stacey Hannon**, the Commissioner of Valuation exercised his discretion under Section 40 of the Valuation Act, 2001 and reduced the valuation of the property concerned to €185.00. The appellant occupier of the property concerned being aggrieved lodged an appeal to this Tribunal under section 40(5) of the Valuation Act, 2001.
8. Prior to the commencement of the oral hearing both parties forwarded written préces and valuations to the Tribunal which were formally received into evidence under oath at the hearing. At the outset both valuers agreed that the only matter to be determined by the Tribunal in this appeal was whether or not the property concerned, being a double sized unit, should be valued at a lower rate per sq. metre than that at which the **Hannon** unit was valued by the Tribunal in its judgment above referred to.
9. Mr. Halpin contended that since the **Hannon** unit was valued at 60% of the sq. metre rate used when valuing small units (i.e. those having an area of 54 – 70 sq. metres) in Parkway Shopping Centre, it was logical that the larger units in the Grove Island development be valued at 60% of the sq. metre rate used when valuing the larger units in Parkway (i.e. those having an area of between 106 and 211 sq. metres) which were valued at €205.00 per sq. metre.
10. Mr. Molony said that evidence within the Grove Island development indicated that there was a greater demand for the larger units in the development and hence in his opinion there was no good reason for valuing the larger units at a lesser rate per sq. metre than that used for valuing the standard sized units.

11. In response to a question from the Tribunal both valuers agreed that there was no evidence to show that the double sized units in the Grove Island development were let at a lower rate per sq. metre than the standard sized units.

Findings

The Tribunal has carefully considered all the evidence and arguments adduced at the hearing and makes the following findings:

1. It is common case that the findings of the Tribunal in the appeal **VA05/1/013 – Pauline & Stacey Hannon** are particularly relevant to this appeal. In the **Hannon** appeal the Tribunal valued a standard sized retail unit in the Grove Island development at the rate of €147.60 per square metre, which figure was arrived at on the basis of a comparative analysis of rental values of standard sized units in the Grove Island development and small units in the Parkway Shopping Centre having an area of between 54 sq. metres and 70 sq. metres.
2. It is common case that the small units in Parkway Shopping Centre (with an area of between 54 and 70 sq. metres) are valued at €246.00 per sq. metre and the larger units (area 106 – 211 sq. metres) are valued at €205.00 per sq. metre. Neither party could say why the larger units were valued at the lower rate per sq. metre, but Mr. Halpin expressed the view that it was probably a quantum allowance.
3. In rating appeals the onus of proof rests with the appellant. It is common case that there is no market rental evidence in the Grove Island development to substantiate a claim for a quantum allowance. A valuer cannot make or determine a pattern of values without first assembling all relevant information and facts which should then be examined and interpreted in order to support his or her opinion of value.
4. The fact that an allowance for quantum may have been given in the Parkway Shopping Centre is of little value unless it is also proved that it was given in the light of evidence of rents. In any event actual rents in the Grove Island development are more relevant than rents elsewhere and in the circumstances of this appeal there is no evidence to substantiate an allowance for quantum.

Determination

Having regard to the above the Tribunal determines that the appellant has not adduced any evidence to sustain a claim for a quantum allowance. Accordingly therefore the Tribunal affirms the rateable valuation of the property concerned at €185.00.

And the Tribunal so determines.