

Appeal No. VA12/2/005

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

Peter Sinnott t/a Revolve Bike Shop Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Property No. 2210315, Shop at Lot No. 21A/3 (Unit 1 WFC), Gorey, Gorey Urban,
Gorey, County Wexford.

B E F O R E

Maurice Ahern - Valuer, IPAV

Deputy Chairperson

Frank O'Donnell - FRICS, B Agr Sc, MIREF

Member

Michael Connellan Jr - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 11TH DAY OF OCTOBER 2012,

By Notice of Appeal received on the 16th day of April, 2012 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €106 on the above described relevant property.

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

"On the basis that the NAV as assessed is excessive and inequitable given this property's relative value."

"This is a moderate location & the suggested level of NAV is inappropriate given the established tone for comparable properties already in the list."

The appeal proceeded by way of an oral hearing which took place in the offices of the Valuation Tribunal, 3rd Floor, Holbrook House, Holles Street, Dublin 2 on the 19th day of June 2012. The appellant was represented by Mr. Eamonn Halpin BSc (Surveying), ASCS, MRICS, MIAVI. Ms. Orla Lambe BSc (Surveying), MIAVI, a Valuer at the Valuation Office, gave evidence on behalf of the respondent. Both parties adopted their written submissions, which had previously been exchanged between them and submitted to the Tribunal, as being their evidence-in-chief given under oath.

Test Case

Prior to the date of the hearing it was agreed between the parties that this appeal will serve as a test case for **VA12/2/007 – Cisef Ltd.**

Valuation History

7 th July 2011	Draft Valuation Certificate issued with RV €106
11th August 2011	Valuation Certificate issued with RV €106
19 th September 2011	Appeal submitted to the Commissioner of Valuation.
20 th March 2012	Final Certificate issued with RV €106
16 th April 2012	Appeal lodged with Valuation Tribunal

The Issue

Quantum.

Situation/Location

The property is located at Unit 1 in the WFC Retail Park, just off The Avenue, Gorey, Co. Wexford. The property is situated along the Ballycanew Road, which is the old Dublin to Wexford Road. It comprises a ground floor retail unit located within a newly constructed mixed-use development known as Wexford Farmers Co-op (WFC) comprising retail, offices and apartments. It is finished to a good standard with painted walls, part-suspended ceilings, recessed lighting and carpet flooring. On-street parking is available near the subject property, which has good frontage to the Ballycanew Road. There is also a large car park adjoining Gorey Shopping Centre, which is in close proximity to the subject property.

Accommodation

The accommodation has been agreed by the parties as follows and was measured on a Net Internal Area (NIA) basis:-

Ground Floor Retail	113.05 sq. metres
Ground Floor Retail/Store	141.41 sq. metres

Tenure

The subject property is understood to be held under a leasehold interest.

Appellant's Evidence

Mr. Eamonn Halpin, for the appellant, maintained:

1. The location of the property is removed from the retail centre of Gorey, 0.5 km from Main Street in an unproven retail location and with very little footfall.
2. The subject property has little profile due to being obscured by large trees between the property and main road.
3. The WFC Retail Park is not a successful retail development. Several units have never been let. There is limited parking associated with the WFC centre and shoppers tend to park and shop at Gorey Shopping Centre and then leave without crossing the road to the subject development.
4. The subject property would be unattractive to the hypothetical tenant who would prefer a property in an established retail location such as Main Street, Esmonde Street, or Gorey Shopping Centre, which is a large successful development with Dunnes Stores as an anchor tenant.
5. The Commissioner has failed to reflect the nature of the subject development in the valuation, namely the lack of parking immediately outside the property, the high level of vacancy, the lack of a high spec finish and lack of footfall.

6. The levels applied by the Commissioner to the subject property are at variance with the broad tone of the list for comparable properties.

Mr. Halpin contended for the following valuation on an overall basis:

Shop	113.05 sq. metres @ €54.68 per sq. metre	=	€ 6,182
Store	141.41 sq. metres @ €27.34 per sq. metre	=	<u>€ 3,866</u>
			€10,048

@ 0.5% = € 50.24

Say RV €50

In the alternative, Mr. Halpin contended for a valuation on a zoned basis as follows:

Shop Zone A	57.95 sq. metres @ €82.00 per sq. metre	=	€ 4,752
Shop Zone B	55.1 sq. metres @ €41.00 per sq. metre	=	€ 2,259
Store	141.41 sq. metres @ €27.34 per sq. metre	=	<u>€ 3,866</u>
			€10,877

@ 0.5% = € 54.38

Say RV €54

In support of his opinion of rateable valuation Mr. Halpin put forward the following comparisons:

Comparison 1:

Property No. 2199720: George James, 1 Main Street, Gorey.

RV €60

NAV Basis: Shop 145.38 sq. metres @ €68.35 per sq. metre

1st Floor Store 145.38 sq. metres @ €13.67 per sq. metre

Comment: Prime Main Street location at the junction of Main Street and Esmonde Street.

Comparable size to the subject property, no retail shop front but highly visible retail outlet.

Comparison 2:

Property No. 2210284: Nuala Dempster and Hazel O'Connor, 38 Esmonde Street, Gorey.

RV €45

NAV Basis: Shop (Front) 81.96 sq. metres @ €82 per sq. metre

Shop (Rear) 60.6 sq. metres @ €41 per sq. metre

Store 3.6 sq. metres @ €20.50 per sq. metre

Comment: Location on recognised secondary retail street.

Comparison 3:

Property No. 2185838: Sinead Noble t/a Gigabites, Esmonde Street, Gorey.

RV €23

NAV Basis: Shop 55.27 sq. metres @ €82 per sq. metre

Comment: Location on recognised secondary retail street.

Comparison 4:

Property No. 2205601: O'Leary Kinsella Property, Esmonde Street, Gorey.

RV €23

NAV Basis: Shop 62.91 sq. metres @ €82 per sq. metre

Office 14.87 sq. metres @ €68.34 per sq. metre

Comment: Located on recognised secondary retail street.

Comparison 5:

Property No. 2009788: McCabes Pharmacy t/a McCauleys Pharmacy, 69 Main Street, Gorey.

RV €195

NAV Basis: Shop Zone A: 48.98 sq. metres @ €218.72 per sq. metre

Shop Zone B: 48.98 sq. metres @ €109.36 per sq. metre

Shop Zone C: 48.98 sq. metres @ €54.68 per sq. metre

Shop Zone Remainder: 131.25 sq. metres @ €27.34 per sq. metre

Kitchen: 18.50 sq. metres @ €94.92 per sq. metre

Store: 39.69 sq. metres @ €41.00 per sq. metre

1st Floor: 12.04 sq. metres @ €64.92 per sq. metre

1st Floor Shop: 226.63 sq. metres @ €55.00 per sq. metre

Comment: Prime Main Street location, vastly superior to the subject property.

Comparison 6:

Property No. 2195444: Esquires Coffee, Unit 1, Gorey Shopping Centre.

RV €77

NAV Basis: Restaurant/Café: 119 sq. metres @ €127.32 per sq. metre

Mezz. Store: 28.08 sq. metres @ €41.00 per sq. metre

Comment: Prime shopping centre unit fronting car park in shopping centre. This is a large and successful development with Dunnes as anchor tenant.

Respondent's Evidence

Ms Orla Lambe, having taken the oath, adopted her précis of evidence and valuation as being her evidence-in-chief. Ms. Lambe contended for a rateable valuation of €106 on the subject property, as follows:

Ground Floor Retail	113.05 sq. metres	@ €136.67 per sq. metre=	€15,450.43
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Ground Floor Retail/Store	141.41 sq. metres	@ €41.00 per sq. metre =	€ 5,797.81
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Total NAV			€21,248.24
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RV = €21,248.24 x 0.5% = €106.24

Say RV €106

In support of her opinion of rateable valuation Ms. Lambe put forward five comparisons:

Comparison 1

Property No. 2009849: Culleton Insurance Ltd., located on The Avenue, Gorey.

Ground Floor Offices	71.70 sq. metres	@ €122.98 per sq. metre	€ 8,817.66
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First Floor Offices & Kitchen	40.80 sq. metres	@ €54.66 per sq. metre	€ 2,230.12
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Total NAV			€11,047.78
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RV = €11,047.78 x .005 = €55.23, rounded to €55

Comment: Located just off Main Street. The property is used as offices. It has road frontage to The Avenue and has on-street parking.

Comparison 2

Property No. 2116849: Edward Mooney Estates, located on The Avenue, Gorey.

Ground Floor Offices Retail	56.00 sq. metres	@ €122.96 per sq. metre	€ 6,885.76
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Total NAV			€ 6,885.76
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RV = €6,885.76 x .005 = €34.42, rounded to €34

Comment: Located just off Main Street. The property is used as offices. It has good frontage to The Avenue and the availability of on-street parking.

Comparison 3

Property No. 2068746: Barry O'Leary Insurance, 61 Main Street, Gorey.

Retail Zone A	38.74 sq. metres @ €246.06 per sq. metre	€ 9,532.36
Retail Zone B	38.74 sq. metres @ €123.03 per sq. metre	€ 4,766.18
Balance (Remainder Zone)	21.61 sq. metres @ € 61.52 per sq. metre	€ 1,329.44
First Floor Offices	92.63 sq. metres @ € 68.35 per sq. metre	<u>€ 6,331.26</u>
Total NAV		€21,959.24

RV = €21,959.24 x .005 = €109.79, rounded to €110

Comment: The property is used as offices and has good frontage and the availability of on-street parking.

Comparison 4

Property No. 2210316: Harrington Bookmakers Ltd t/a Harrington Bookmakers, The Avenue, Gorey.

Ground Floor Retail	130.40 sq. metres @ €136.97 per sq. metre	<u>€17,860.88</u>
Total NAV		€17,860.88

RV = €17,860.88 x .005 = €89.30, rounded to €89

Comment: located within the same development as the subject property, and comprising a ground floor retail unit with good frontage. On-street parking is available to the front of the unit with ample nearby parking including at the nearby Gorey Shopping Centre.

Comparison 5

Property No. 2210274: CSJ Dominos (Carlow) Ltd t/a Dominos, The Avenue, Gorey.

Ground Floor Offices	103.68 sq. metres @ €136.67 per sq. metre	<u>€14,169.94</u>
Total NAV		€14,169.94

RV = €14,169.94 x .005 = €70.84, rounded to €71

Comment: located within the same development as the subject property, comprises a ground floor retail unit with good frontage with on-street parking available to the front of the unit and ample nearby parking including the nearby Gorey Shopping Centre.

Ms. Lambe stated that her comparisons nos. 4 and 5 were valued at the same time as the subject property. In this regard, she drew to the Tribunal's attention a previous determination of the Tribunal, **VA06/1/001 – Xtra-Vision Limited**, wherein it was noted by the Tribunal that comparisons valued at the same time as the property under appeal should be treated with a degree of caution.

Ms. Lambe contended that all of the issues raised by the appellant had been adequately reflected in her opinion of valuation.

Findings

The Tribunal has carefully considered all the evidence and arguments adduced by the parties and makes the following findings:

1. The subject property is located in an out-of-town development, at a remove from the Main Street in Gorey.
2. The subject property is not located within Gorey Shopping Centre and hence does not enjoy the advantages associated with being within a development that includes a strong anchor tenant.
3. There is limited parking within the subject development, and only to the rear of the subject property.
4. The Tribunal accepts the appellant's evidence that the subject property does not enjoy an optimum profile.
5. The respondent's comparisons nos. 1 to 3 are located on, or close to, Main Street, Gorey. The respondent's remaining two comparisons – located within the subject development – were valued at the same time as the subject property and therefore must be treated with caution.

Determination

Having regard to the foregoing, the Tribunal determines the rateable valuation of the property concerned to be as follows:

Ground Floor Retail:	113.05 sq. metres @ 95 per sq.metre	=	€10,739.75
Store:	141.41 sq.metres @ €41 per sq.metre	=	<u>€ 5,797.81</u>
Total NAV			€16,537.56

$$RV = €16,537.56 \times 0.5\% = €82.68$$

RV Say €83

And the Tribunal so determines.