

Appeal No. VA14/5/036

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

Anthony Daly

APPELLANT

And

Commissioner of Valuation

RESPONDENT

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

RE: Property No. 1020402, Retail (Shops) at Shop, Unit 81 Donaghmede Shopping Centre, County Borough of Dublin.

**JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 14TH DAY OF APRIL, 2015**

**Barry Smyth – FRICS, FSCSI, MCI Arb
Michael Lyng – Valuer
Carol O'Farrell – BL**

**Deputy Chairperson
Member
Member**

By Notice of Appeal received on the 27th day of August, 2014 the Appellant appealed against the determination of the Commissioner of Valuation in fixing a net annual value of €14,780 on the above described relevant property on the grounds as set out in the Notice of Appeal as follows:

"Isolated in a standalone position. Lack of fresh water supply. No toilet."

Oral hearing of this appeal took place in the offices of the Valuation Tribunal at Holbrook House, Holles Street, Dublin 2, on the 31st March 2015. Mr. Anthony Daly, the Appellant, appeared in person. Mr. Donal O'Donnabháin appeared on behalf of the Respondent.

In accordance with the Rules of the Tribunal, the parties had exchanged their respective précis of evidence prior to the commencement of the hearing and submitted same to this Tribunal. At the oral hearing, both parties, having taken the oath, adopted their précis as being their evidence-in-chief. This evidence was supplemented by additional evidence given either directly or via cross-examination. From the evidence so tendered, the following emerged as being the facts relevant and material to this appeal.

The Issue Arising: Quantum

This appeal has arisen from the recent revaluation of the Dublin City Council rating authority area, undertaken pursuant to Part 5 of the Valuation Act 2001.

The value of the subject property is determined under the Valuation Act 2001 by estimating the net annual value of the property. The net annual value means the rent for which, one year with another, the property might, in its actual state, be reasonably expected to let from year to year, on the assumption that the probable average annual cost of repairs, insurance and other expenses (if any) that would be necessary to maintain the property in that state, and all rates and other taxes and charges (if any) payable by or under any enactment in respect of the property, are borne by the tenant.

The net annual value of the subject property at the statutory valuation dated i.e. the 7th April 2011 was determined at €14,780. The Appellant argues for a net annual value of €11,718.75.

The Property the Subject of the Appeal:

The subject property is located in the Donaghmede Shopping Centre on Grange Road, Donaghmede, Dublin 13 and is located approximately six metres from the entrance to the main mall.

The subject property is a ground floor external retail unit facing directly onto Grange Road with no rear access. There is a small parking area to the front of the subject unit. The total net internal floor area of the subject property is agreed at 39.765 sq. metres.

Tenure:

The property is held since November 1995 under a 35 year lease with 5-yearly rent reviews and the current rent is €20,000.00 per annum which was agreed on the 1st October 2012.

Evidence:

Evidence was adduced by the Appellant in respect of Unit 79 Donaghmede Shopping Centre (an internal unit), having a total area 68.88 sq. metres with a net annual value of €20,900.

Mr O'Donnabháin on behalf of the Commissioner of Valuation relied upon two 'informer' properties situate in the Donaghmede Shopping Centre in close proximity to the subject property for the purpose of estimating the net annual value of the subject property. Both of these units are occupied on one year rolling licences. Mr O'Donnabháin confirmed that all the ground floor units in Donaghmede Shopping Centre are valued based on a Zone A of €400 per sq. metre. and he identified the following two external retail units as key comparison properties:

Comparison 1 - Units 82 & 83 having a total area 208.20 sq. metres and a net annual value of €54,800.

Comparison 2 - Unit 61A having a total area 61.18 sq. metres and a net annual value of €22,500.

The Findings of the Tribunal:

The Tribunal, having examined the particulars of the property the subject of this appeal; having examined and considered the written evidence and having heard the oral evidence adduced before us by the parties to the appeal holds as follows:-

1. The subject property is a square shaped unit smaller in size than the comparison properties. It has a frontage to depth ratio of approximately 1:1 as opposed to the ideal ratio of 1:3.
2. The subject property, being an external retail unit with no access to the internal mall, is not as well located as many of the other retail units in the shopping centre. It is noted that the Unit 61A (Comparison 2) which is also an external unit with no internal retail presence is located at the busier entrance where there is a higher footfall.
3. The rent currently being paid in respect of the subject property is not necessarily a market rent but a rent agreed between landlord and tenant. Despite paying service charges under the Lease, the Tribunal is satisfied that the Appellant does not derive to the same extent as the occupiers of the internal retail units the benefit of the services provided by the management company due to the location of the subject property.
4. Having regard to these factors, the Tribunal is of the view that in applying the Zoning method it is appropriate to make a 5% reduction to the Zone A rent.

Determination:

In view of the foregoing the Tribunal determines that the net annual value of the subject property is as set out below:

Zone A	34.16 sq. metres @ €380 per sq. metre	=	€12,980.80
Zone B	5.60 sq. metres @ €190 per sq. metre	=	<u>€ 1,064.00</u>
Total NAV			€14,044.80

Say = €14,000