

Appeal No. VA15/5/037

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

Dooley's Merchants Ltd

APPELLANT

and

Commissioner of Valuation

RESPONDENT

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

Property No. 1258913, Retail (Shops), Floors 0, 1, 32-35 Bishop Street, Newcastle West, County Limerick.

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 30TH DAY OF JANUARY, 2017

BEFORE:

John Stewart – FSCSI, FRICS, FIAVI

Deputy Chairperson

Hugh Markey – FRICS, FSCSI

Member

Brian Larkin - BL

Member

By Notice of Appeal received on the 10th day of September, 2015 the Appellant appealed against the determination of the Commissioner of Valuation in fixing a net annual value of €195,400 on the above described relevant property on the grounds as set out in the Notice of Appeal as attached in **Appendix 1**.

The Tribunal, having examined the particulars of the property the subject of this appeal; having confirmed its valuation history; having examined and considered the written evidence and having heard the oral evidence on the 30th day of May, 2016 and the 11th day of October, 2016 adduced before us by Mr. Eamonn Halpin on behalf of the Appellant, who contended for a net annual value of €86,000, and Mr. Dean Robinson on behalf of the Respondent to the appeal,

DETERMINES

That the net annual value of the subject property be as set out below:

Supermarket	1,759 M ² @	€85 M ²	=	€149,515
First Floor	140 M ² @	€45 M ²	=	€ 6,300
Fit Out 7% of NAV			=	€ 10,466
Off Licence			=	€ 10,000
Total				€176,281

Say €176,000

Location:

The subject property is located on Bishop Street Newcastle West, 100m from the Square and adjacent to the Court House. Newcastle West is the largest town in County Limerick, approx. 40km from the City on the main Limerick-Tralee/Killarney Road.

Description:

The subject property comprises a large supermarket with first floor office accommodation and a large surface car park for approx. 130 cars. The building which is not purpose built operates as a SuperValu supermarket and has a mainly tiled floor, aluminium windows, and a pitched ridged and tiled roof. Internally the layout includes a number of check out tills, a butcher's area, delicatessen and off-licence and had been finished with plastered and painted walls, suspended ceilings to most areas and air conditioning to part.

Accommodation:

The accommodation and approximate gross internal floor areas have been agreed as follows:

Supermarket	1,759* M ²
First Floor	140 M ²

*The appellants maintained that 284 M² comprised unfitted storage accommodation.

The reasoning being:

The valuers adduced 3 common comparables viz: PN 1258927 (Garvey's Supermarket, Newcastle West); PN 1258683 (Lidl, Newcastle West) and PN 2183054 (Tesco, Newcastle West). In addition, Mr Halpin on behalf of the appellants introduced further comparables located in the town and other towns/areas of Limerick. Mr Robinson on behalf of the respondents adduced a further comparison Dooley's Pharmacy PN2199800 which was adjacent to the property under appeal.

The valuers for the Appellants and the Respondents were ad idem on the analysis of the 3 common comparisons - a rate of €85/M² on the supermarket space.

The issue to be decided by the Tribunal was whether to accept the Appellant's evidence concerning the relative location of the subject and its purported physical characteristics and the suggestion that the subject was in an inferior location and suffered from disabilities including the intrusion of a protected structure into the footprint of the supermarket. The Appellant also suggested that there were issues regarding the usage of the car park but did not adduce evidence to support this contention.

The Appellant further maintained that the valuation proposed should be reduced to account for competitive conditions prevailing in the town. The Tribunal did not hear any factual evidence

to support this claim apart from the fact that Garvey's had closed their supermarket and that this had happened before Aldi opened in the town.

Regarding the valuation of the first floor, the Tribunal noted the common comparable which had a first floor (PN 1258927 - Garvey's Newcastle West) and the parties' agreement on the application of a rate of €45/ M² to this space.

The Tribunal finds that it had not generally been persuaded by the written submission and oral evidence following cross examination put forward by the Appellant and that in the main it preferred the Respondents evidence as to the relative location of the subject property vis a vis the common comparables and their physical characteristics. The Tribunal noted that the Appellants had not put in to evidence floor or site plans, provided details of car parking for the subject property and the various comparisons and that no internal photographs had been adduced. Whereas the Respondents had provided a block plan of the ground floor and first floor layouts, internal photographs and an overall site plan which showed the car parking provision. This evidence was of particular assistance to the Tribunal. Tesco, Lidl, and Garvey's were located in Newcastle West and each supermarket element had been valued at €85.00/ M². The tribunal finds that the rate of €95.00/ M² applied to the subject property was excessive and determines that a rate of €85.00/ M² should be applied. The Tribunal did not agree to provide a separate valuation for the area of 284 M² referred to in the Appellants submission.

The Tribunal was not persuaded that it that it should adopt the Appellants submission to disregard the fit-out allowance of 7% which had been included in the common comparisons adduced.

The Tribunal did not accept that a discount of 10% should be made for the 'car park issues', nor was it persuaded by the claim for a 5% reduction for the split frontage and piecemeal nature of the development. Finally, the Tribunal did not agree that a discount of 10% should apply because of intense competition in the town.

And the Tribunal so determines.