

Appeal No. VA96/5/012

**AN BINSE LUACHÁLA**  
**VALUATION TRIBUNAL**  
**AN tACHT LUACHÁLA, 1988**  
**VALUATION ACT, 1988**

**Superquinn Limited**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Supermarket at Map Ref: 26C, Carlow Shopping Centre, Bridewell Lane, Urban District of Carlow, Co. Carlow  
Quantum - Affect of designation

**B E F O R E**

**Mary Devins - Solicitor**

**Deputy Chairman**

**Brid Mimmagh - Solicitor**

**Member**

**Finian Brannigan - Solicitor**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 1ST DAY OF JULY, 1997**

By Notice of Appeal dated the 7th day of October 1996 the Appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £1,120 on the above described hereditament.

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

- "1. The valuation is excessive and inequitable
2. The valuation is bad in law."

**The Property:**

The property comprises a modern purpose built supermarket with retail, office and storage accommodation.

The premises is a concrete framed building with concrete block walls under insulated metal deck roof. The supermarket has suspended ceilings with solid floors and lino finish. The first floor offices and canteen have a similar finish to the supermarket.

The premises is held freehold.

**Valuation History:**

The subject premises was revised in August, 1995 when a new valuation of RV £1,200 was fixed. At First Appeal this valuation was reduced to £1,120. It is against this determination of the Commissioner of Valuation that an appeal lies to the Tribunal.

**Written Submissions:**

A written submission was received on the 16th June, 1997 from Ms. Sheelagh O'Buachalla, BA, an Associate of the Society of Chartered Surveyors and a Director of Donal O'Buachalla & Company Limited on behalf of the Appellant.

In her written submission she set out the valuation history, location and description of the subject premises. She said that the floor areas had been agreed between the parties and are as follows:-

Retail	27,516 sq.ft.	(2,556 sq.m.)
Stores	4,206 sq.ft.	(390.7 sq.m.)
Loft Stores	2,901 sq.ft.	(269.5 sq.m.)
First Floor Offices/Canteen	4,635 sq.ft.	(430.6 sq.m.)

Ms. O'Buachalla set out her calculation of rateable valuation as follows:-

"Ground Floor Retail	27,516 sq.ft.	@	£5.70	=	£156,841
Ground Floor Stores	4,206 sq.ft.	@	£2.00	=	£ 8,412
Loft Stores	2,901 sq.ft.	@	£1.00	=	£ 2,901
1st Floor Offices/Canteen	4,635 sq.ft.	@	£4.00	=	<u>£ 18,540</u>
					£186,694
		@	0.5%	=	£933
		Say	=		£935 RV"

In support of her valuation Ms. O'Buachalla gave details of seven comparisons which were as follows:-

- (1) **Dunnes Stores, 1a Redmond Road, Wexford**  
1992/1 First Appeal. RV £1,350. (Situated in a designated area).
- (2) **Quinnsworth, Longford Shopping Centre, Longford**  
1995/3 First Appeal. RV £770. (Situated in a designated area).
- (3) **Pettits, 7C Knockenrahan Lower, UD: Arklow, Co. Wicklow**  
1990 First Appeal. RV £340.
- (4) **Penny's, 15.1/2/3 Edward Street, Newbridge, Co. Kildare**  
1990/4 First Appeal. RV £250.
- (5) **Quinnsworth, Mullingar Shopping Centre, Mullingar, Co. Westmeath**  
1994/4 First Appeal. RV £550.
- (6) **Quinnsworth, Unit 1 Lisduggan Shopping Centre, Waterford**
- (7) **Quinnsworth, Unit 1 Athlone Shopping Centre, Co. Westmeath**

A written submission was received on the 11th June, 1997 from Mr. Tom Cuddihy, a District Valuer with 30 years experience in the Valuation Office on behalf of the Respondent. In his written submission, Mr. Cuddihy set out his calculation of rateable valuation as follows:-

"Ground Floor:

Retail Area	27,516 sq.ft.	@	£7.00	=	£192,612
Stores	4,206 sq.ft.	@	£3.00	=	£ 12,618
Lofted Stores	2,901 sq.ft.	@	£1.00	=	£ 2,901

First Floor:

Canteen/Stores/Offices	4,635 sq.ft.	@	£3.50	=	<u>£ 16,222</u>
					<u>£224,353</u>

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$$\text{NAV } £224,000 \times .5\% = £1,120 \text{ RV"}$$

In support of his rateable valuation he adduced five comparisons in which he gave a detailed breakdown of the valuation. These comparisons were as follows:-

- (1) **Superquinn, Clonmel, Co. Tipperary**  
1994/4 First Appeal. RV £1,150. Situated in a designated area. Located in Clonmel Shopping Centre currently under appeal to the Tribunal.
- (2) **Dunnes Stores, Waterford**  
1994 First Appeal. RV £1,975. Located in a shopping centre in a designated area.
- (3) **Crazy Prices, Clonmel, Co. Tipperary**  
1994/4 First Appeal. RV £850.
- (4) **Superquinn, Kilkenny**  
RV £1,650. Located in a shopping centre in a designated area and currently under appeal to the Tribunal.
- (5) **Roches Stores, Waterford**  
1993 First Appeal. RV £2,600. Located in a shopping centre in a designated area.

**Oral Hearing:**

At the oral hearing which took place in Dublin on the 23rd day of June, 1997, Ms. Sheelagh O'Buachalla appeared on behalf of the Appellant and the Respondent was represented by Mr. Tom Cuddihy.

Ms. O'Buachalla, referring to her written submission which she adopted as her sworn evidence stated that as the subject was located in a designated area she had used, in the main, premises similarly located. She said that her comparison number 1, Dunnes Stores in Wexford was in a good location in a designated area and that it had been agreed at first appeal on an overall basis for the ground floor of £5.70 with the first floor at £2.80. In reply to a question from Mr. Cuddihy, Ms. O'Buachalla indicated that she had not offered other Superquinn premises in the country as comparisons because these were mainly located in Dublin, apart from the two which were the subject of an appeal to the Valuation Tribunal.

In relation to the comparative evidence adduced for premises located in Waterford, Ms. O'Buachalla submitted that Waterford being a city was a better location for a supermarket, had a much bigger population than Carlow and accordingly, would attract stronger rents.

Mr. Cuddihy, adopting his written précis as his sworn evidence stated that his estimate of values for the subject property was based on the fact that the property was located in a shopping centre and also in a designated area. He said that it was generally accepted that rents in shopping centres are higher than those outside of such centres.

He said that his comparisons numbers 2 and 5 were particularly relevant and further stated that for supermarkets the catchment area was a very important point. In this connection he said that while there were six supermarkets in Waterford with its population of 40,328 there were two only in Carlow with its population of 11,271 and an extremely good and wide catchment area.

Mr. Cuddihy submitted that designation has shifted the focal point of many towns from main streets where there are inherent parking problems to shopping centres a little removed from the heart of a town.

In reply to questions from the Tribunal, Mr. Cuddihy said that the Quinnsnorth property which is located almost immediately opposite the subject property is not in a designated area and while it devalued at £6 psf on a recent first appeal decision, it should be noted that it does not lie within a shopping centre and is an older property than the subject.

**Determination:**

The Tribunal while accepting that location within a shopping centre and in a designated area most certainly has a considerable influence on the rents which might be gained for certain premises does not accept that such location would have the same influence on a supermarket which is the anchor tenant of a shopping centre.

Indeed, in many cases, such an anchor tenant is offered favourable terms in relation to rent to ensure its presence in the shopping centre and attract tenants for the other retail units therein located.

The Tribunal accepts Mr. Cuddihy's evidence in relation to designation shifting the focus of a town from a main street, in certain circumstances.

While noting the Respondent's comparative evidence in Waterford, it must be noted however that the latter is a city with a considerably larger population than Carlow and while the

catchment area of Carlow may be large it is however noteworthy that Carlow is situated at no great distance from several other large towns.

In the circumstances and taking into account the comparative evidence adduced, particularly in relation to the properties in Waterford, Longford and the Quinnsworth premises in Carlow, the Tribunal determines:-

Ground Floor:

Retail Area	27,516 sq.ft.	@	£6 psf	=	£165,096
Stores	4,206 sq.ft.	@	£3 psf	=	£ 12,618
Lofted Stores	2,901 sq.ft.	@	£1 psf	=	£ 2,901

First Floor:

Offices/Canteen	4,635 sq.ft.	@	£3.50 psf	=	<u>£ 16,222.50</u>
					£196,837.50
		@	0.5%	=	£984.18
			Say	=	£984

The Tribunal therefore determines the rateable valuation at £984.