

Appeal No. VA06/4/008

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

Newlook Retailers Limited

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Shop at Lot No. 60B.61B/Unit 6, Ramparts, Marshes Lower, Dundalk, Dundalk UD,
County Louth

B E F O R E

Michael P.M. Connellan - Solicitor

Deputy Chairperson

Michael F. Lyng - Valuer

Member

Damian Wallace - QFA, MIPAV, Valuer

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 23RD DAY OF MAY, 2007

By Notice of Appeal dated the 18th day of December, 2006 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €76.00 on the above described relevant property.

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

"The RV is excessive as the Valuation Office have made an insufficient adjustment for quantum by comparison with other units valued in this shopping centre. They have also applied the same level to the section to the rear of the adjoining unit."

The appeal proceeded by way of an oral hearing held in the Offices of the Tribunal, Ormond House, Ormond Quay Upper, Dublin 7, on the 28th day of February, 2007. At the hearing the appellant was represented by Mr. Joseph Bardon, F.S.C.S., F.R.I.C.S., Dip in Prop. Ec., Bardon & Co. Chartered Surveyors, Rating Consultants & Valuers., and the respondent by Ms. Ciara Marron, B.Sc. Property Management & Valuation, Dip. in Prop. Valuation & Management, MIAVI, a District Valuer with the Valuation Office.

Each representative having taken the oath, adopted his/her précis and valuation, which had previously been received by the Tribunal and exchanged with the other party, as his/her evidence-in-chief.

The overall area of 1,006 sq. metres was agreed by both parties.

The Property

The property is located at Unit 6, Marshes Shopping Centre, Dundalk, County Louth. It is close to Dundalk Town Centre and is only a short walk from Park Street and Clanbrassil Street.

The Shopping Centre has a floor area of 37,160 sq. metres and comprises 44 shop units of which 40 are on the ground floor and 4 are in the food hall on the first floor.

The main anchor tenants are Dunnes Stores and Penneys.

There is a large paid car park of circa 1,570 car spaces. It is free after 5pm in the evenings and on Sundays.

The Centre is linked to the Town Centre through a Plaza with external shops fronting Rampart Road and benefits from a new link road connecting Rampart Road with both the inner relief road and the Avenue Road.

The subject unit is L-Shaped as can be seen from the plan attached to Mr. Bardon's précis, a copy of which is annexed hereto at Appendix 3.

Appellant's Evidence

Mr. Bardon in his evidence contended for a valuation of €600.00 calculated as follows:

Main Section	770 sq. metres @ €102.52 per sq. metre	= €78,940.00
Section behind Boots	236 sq. metres @ €68.35 per sq. metre	= <u>€16,131.00</u>
Total		= €95,071.00
NAV	€95,071 @ 0.63%	= €598.94
Say	€600.00	

He stated that 23% of the entire floor area of the premises was located behind the adjoining unit occupied by Boots. This area together with a small area or section at the rear of the main accommodation amounted to circa 236 sq. metres and is given over to staff accommodation and storage areas. He submitted that this area should be valued at a lower rate given its location behind Boots.

He furnished two comparisons namely Easons, which is located at Unit 34 of the Centre and a|wear at Unit 5. Both are set out on Mr. Bardon's plan already referred to. The retail area in both is valued at €19.59 per sq. metre.

Mr. Bardon's Comparisons are at Appendix 1 hereto.

The total floor area of the subject unit is 1,006 sq. metres and because of its size Mr. Bardon maintained that there should be an appropriate reduction. He pointed out that the floor area of the subject premises was 136% greater than the retail area of Easons and 158% greater than the retail area of a|wear.

He said that he approached his valuation on the basis that a reduction for size should be applied to the main block and a lower level should be applied to the area behind Boots. He applied a reduction of circa 14% on the level of €19.59 per sq. metre to the larger floor area of the subject unit. He further said that he had taken the section behind Boots at circa 66% of this level.

Cross Examination

Mr. Bardon stated that the area used for filing rooms and offices at the rear of the main floor and the area behind Boots were divided from the main retail area by a partition and not by a concrete wall.

Respondent's Evidence

Ms. Marron in her evidence accepted the description of the premises, location etc. given above as accurate and fair. She said that the ground floor retail unit of 1,006.40 sq. metres had a frontage of 16.6 metres.

She valued it using the overall method as follows:-

Ground floor 1,006.40 sq. metres @ €106.70 per sq. metre	= €107,382.88.
€107,382 @ 0.63%	= RV €676.51
Say €676.00	

She furnished 3 comparisons, details of which are set out in Appendix 2 hereto. Comparison 1 Boots (Unit 7), which adjoins the subject premises, was valued on ground floor level at €129.84 per sq. metre. She said she had made a huge reduction on this for the subject property and could not value it any lower.

Comparison 2 Penneys (Unit 4) which has a very large ground floor area of 2,627.67 sq. metres was valued at €88.84 per sq. metre.

Comparison 3 Penneys in the Longwalk Shopping Centre which has a ground floor area of 1,872 sq. metres was valued at €82.00 per sq. metre. This, she said, was an inferior shopping centre to Marshes.

She stated in her summary that the subject property should be valued on a rate per sq. metre basis as this is the fairest method of valuation for units of this size which is the recommended cut off for zoning as recommended by the *Retail Zoning Guidance Note of the Society of Chartered Surveyors (September 2003)*.

Cross Examination

Ms. Marron said that Longwalk Shopping Centre was an older and smaller shopping centre than Marshes. She also agreed that Penneys (Unit 4) was much larger than the unit under appeal and was an anchor tenant in Marshes Shopping Centre. She repeated that she had applied a reduction for size to the subject property.

Findings

The Tribunal, having very carefully considered all of the evidence submitted and the arguments adduced, finds that the subject premises should be valued on the overall area basis and that there should be no reduction for offices, filing rooms, staff quarters or stores as the premises are divided by a partition and not by a solid wall.

Determination

Taking into consideration the size of the subject property (1006.40 sq. m.) and the fact that 23% of the entire floor area is located behind the adjoining unit occupied by Boots, the Tribunal determines that the valuation as made by the Respondent is fair and reasonable. Sufficient allowance has been made for size and for any disadvantages alleged by the Appellant. The Tribunal therefore affirms the rateable valuation of €676 and disallows the appeal.

And the Tribunal so determines.

