

Appeal No. VA12/3/020

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

Cedar Threads Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Property No. 2211541, Shop at Lot No. Unit 8, The Cornmarket Centre, Centre B,
Centre West, County Borough of Cork.

B E F O R E

Maurice Ahern - Valuer, IPAV

Deputy Chairperson

Frank Walsh - QFA, Valuer

Member

Patricia O'Connor - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 31ST DAY OF JANUARY, 2013

By Notice of Appeal received on the 1st day of August, 2012 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €154 on the above described relevant property.

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

"The proposed R.V. is excessive, inequitable & not in keeping with the tone of the list/relevant comparisons.

'The appeal proceeded by way of an oral hearing, which took place in the offices of the Valuation Tribunal on the third floor of Holbrook House, Holles Street, Dublin 2, on the 16th day of October, 2012. The appellant was represented by Mr Séamus Costello BSc, FSCSI, MRICS, chartered surveyor with DTZ Sherry FitzGerald (Cork), and the respondent was represented by Mr Don Donovan, BSc Property Management & Valuation Surveying, Dip FM, a valuer at the Valuation Office.

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.

At Issue

Quantum.

The Property

The subject property comprises an internal mall unit on the ground floor of the Cornmarket Centre.

Location

The Cornmarket Centre is a new retail development fronting onto Cornmarket Street in Cork City Centre and adjacent to the retail areas of Cork City.

Floor Areas

The agreed floor areas of the subject property are as follows:

Shop Zone A	43.59 sq. metres
Shop Zone B	50.63 sq. metres
Shop Zone C	28.13 sq. metres
Store	<u>25.74 sq. metres</u>
Total Area	148.09 sq. metres

Valuation History

1. The property was listed for revision in 2011 following a request by Cork City Council.
2. In November 2011 a draft certificate issued with a rateable valuation of €200.
3. On 24th November 2011 the appellant made representations to the revision officer.
4. In December 2011 a final certificate issued without change.
5. On 6th January 2012 the appellant lodged an appeal with the Commissioner of Valuation.
6. In April 2012 the rateable valuation was reduced to €154 and a valuation certificate issued.
7. On 31st July 2012 the appellant's agent lodged a Notice of Appeal with the Valuation Tribunal.

Appellant's Case

Mr. Costello adopted his précis. He pointed out that the subject property was in an inferior location within the development scheme as it was basically in a corner on a *cul de sac* mall in the shopping centre. He referred to unit 5 in the same shopping centre (Valuation Tribunal appeal reference **VA12/3/019 – DFL Fashion Ltd.**) and stated that that unit had much better frontage than the mall.

Valuation by the Appellant

Mr Costello contended for a rateable valuation of €87.27 for the subject property, calculated as follows:

Zone A	43.59 sq. metres @ €175.00 per sq. metre =	€7,628.25
Zone B	50.63 sq. metres @ €87.50 per sq. metre =	€4,430.13
Zone C	28.13 sq. metres @ €43.75 per sq. metre =	€1,230.69
Store	25.74 sq. metres @ €21.88 per sq. metre =	<u>€ 563.19</u>
		€13,852.26

Opinion of NAV: €13,852

@ 0.63% = €87.27

Appellant's Comparison Properties

In support of his opinion of rateable valuation, Mr Costello put forward two comparison properties, as follows:

1. Unit EM4/5 Paul Street Shopping Centre, Paul Street, Cork. The property comprises of a ground floor internal mall unit facing the front door of Paul Street Shopping Centre and has a rateable valuation of €84, calculated as follows:

Zone	Sq m	NAV/Sq m	Total €pa
A	35.00 x	218.73	= 7,655.55
B	43.53 x	109.36	= 4,760.44
C	<u>17.47</u> x	54.68	= <u>955.26</u>
Total	96.00		13,371.25
Equates to RV of €84			

2. Unit EM1/2 Paul Street Shopping Centre, Paul Street, Cork. This property comprises of a corner ground floor internal mall unit within Paul Street Shopping Centre with a rateable valuation of €7.86, calculated as follows:

Zone	Sq m	NAV/Sq m	Total €pa
A	43.28 x	218.73	= 9,466.63
B	48.01 x	109.36	= 5,250.37
C	<u>14.94</u> x	54.68	= <u>816.92</u>
Total	106.23		15,533.92
Equates to RV of €7.86			

Cross-examination of the Appellant

Mr Costello was not cross-examined.

Respondent's Case

Mr. Donovan on behalf of the respondent adopted his précis. He was of the view that there should be no change to the rate per square metre applied to the subject property.

Valuation by the Respondent

Mr Donovan contended for a rateable valuation of €154 for the subject property, calculated as follows:

Zone A	43.59 sq. metres @ €300.00 per sq. metre =	€13,077.00
Zone B	50.63 sq. metres @ €150 per sq. metre =	€ 7,594.50
Zone C	28.13 sq. metres @ €75 per sq. metre =	€ 2,109.75
Store	25.74 sq. metres @ €68.31 per sq. metre =	<u>€ 1,758.30</u>
Total NAV		€24,539.55

RV €154.60

Say €154

Respondent's Comparison Properties

In support of his opinion of rateable valuation, Mr. Donovan put forward seven comparison properties, as follows:

1. TK Maxx Cornmarket Centre RV €2250.
2. Edward Kenny, 32 Oliver Plunkett Street. RV €14.28.
3. Viyella, Opera Lane. RV €385
4. Coast, Patrick Street. RV €14.28
5. Scribes, Lavitts Quay. RV €10
6. Matthew Centre Lavitts Quay, RV €285
7. Wired to the world, North Main Street. RV €85

Cross-examination of the Respondent

Mr Donovan was not cross-examined.

Summaries

Neither party made closing statements.

Findings

The Valuation Tribunal thanks the parties for their efforts, their written submissions, arguments and contributions at hearing, and finds as follows:

1. The task of the Tribunal is to determine a fair and equitable valuation on the subject property based on the 'tone of the list', in compliance with section 49(1) of the Valuation Act, 2001.
2. The Tribunal notes that the proper method for establishing the 'tone of the list' is by having regard to the existing rateable valuations on the Valuation List, where available. Both the appellant and the respondent have furnished a number of comparable properties. In particular, the respondent has provided a broad basket of comparable properties which afforded a comprehensive overview of the retail property sector.
3. Mr Donovan asserted during the course of the hearing that his comparison property no. 1 should be disregarded because of the unique nature of the property and the Tribunal has accordingly disregarded it in its deliberations.
4. The Tribunal is of the view that the appellant's comparison properties should be taken into account in the overall consideration of a fair and equitable rateable valuation of the subject property because of their proximity to it.
5. The Tribunal accepts Mr Donovan's contention that the original intention of the developers of the Cornmarket Centre was for a different retail mix from that of Paul Street Shopping Centre. That said, the Tribunal is of the view that the Paul Street Shopping Centre is a superior trading centre and location due to the fact of its having an anchor tenant, higher footfall than the Cornmarket Centre and multi-storey car parking.
6. The Tribunal notes that no evidence was provided by the appellant to contest the valuation of the store in the subject property. It notes also that the respondent made no specific allusion to the valuation of the store, as contended for by the appellant, in his evidence. In such case, for the purpose of arriving at an equitable valuation of the subject property, the Tribunal deems it appropriate to reduce the level applied to the store in line with the reductions made to the retail areas of the property.

Determination

In view of the foregoing, the Tribunal determines that the Rateable Valuation on the subject property should be calculated as follows:

Zone A	43.59 sq. metres @ €15.00 per sq. metre =	€ 371.85
Zone B	50.63 sq. metres @ €107.50 per sq. metre =	€5,442.72
Zone C	28.13 sq. metres @ €33.75 per sq. metre =	€1,511.99
Store	25.74 sq. metres @ €26.87 per sq. metre =	<u>€ 691.63</u>
Total NAV		€7,018.19

RV @ 0.63% = €107.21

Say €107

And the Tribunal so determines.