

Appeal No. VA91/3/013

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

Mr. Gerard O'Rourke

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Shop (ground floor) at Lot No. 8Aa/Unit 24.26 to 35B Tallaght Town Centre, St. Martins Market, Tallaght, Co. Dublin

Quantum - Units in SC, actual market conditions to be considered.

B E F O R E

Mary Devins

Solicitor (Acting Chairman)

Padraig Connellan

Solicitor

Joe Carey

P.C. M.I.A.V.I.

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 6TH DAY OF FEBRUARY, 1992

By notice of appeal dated 4th day of October, 1991, the appellants appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £97.00 on the above described hereditament.

Description

The subject property is situated to the rear of the ground floor of 'Tallaght Town Centre' Shopping Centre opposite the junction of Main Street, Tallaght and Greenhills Road. Entrance to the Shopping Centre is off both Greenhills Road and Tallaght Road. The property consists of a ground floor unit in an enclosed 2- storey mall of units and is on the eastern side of the Centre, to the rear. The Centre was developed in 1978 by Shepperton Investment Co. Ltd..

Valuation History

The subject property was first valued in 1979 when an R.V. of £175 was placed on it. The property was revised again in 1990 and a rateable valuation of £145 was placed on it. This was appealed on first appeal to the Commissioner of Valuation who reduced it to £97 rateable valuation. It is against this determination that the appeal now lies with the Tribunal.

Written Submissions

A written submission was received on the 9th December, 1991 from Mr. Patrick J. Nerney, Rateable Valuation Consultant, Valuer and Auctioneer on behalf of the Appellants. In this written submission Mr. Nerney said that the Centre was built in the 1970's comprising a mix of shop units and an area towards the rear set out in small units or stalls with a passageway between. He said that the roof of the rear portion served in part as the car park until it was closed down by order of the County Council about 5 or 6 years ago. He said that the Mall concept failed and that it was his understanding that a portion of the building was subsequently converted into a nightclub which also failed. He said that the appellant entered into an agreement to purchase the rear portion of the premises for £65,000 in 1985. He said that Mr. O'Rourke let units to various tenants on inclusive weekly rents ranging from £25 to £100. He said that there were considerable void periods and that the appellant Mr. O'Rourke had reduced rents in an effort to hold tenants but this measure failed. Mr. O'Rourke has now only one tenant - James Wade, a butcher. He said that a number of shops owned by Mr. O'Rourke are now vacant. Mr.

Nerney said that this is now a rundown, out- dated cluster of shop units, deserted by customers and traders alike and unable to compete in any respect with the managed Centres located within easy reach and erected subsequent to the subject property. He said that the area in which the Tallaght Town Centre is situated is not a designated area. He said that the gross area concerned in this appeal is in the region of 2,700 square feet but when the Malls for access units, toilets and fire exit are excluded this is reduced to 1,500 square feet. Mr. Nerney said that in his opinion the Net Annual Value of the property is £2,000 and he proposed that the rateable valuation should be reduced to £10.

A written submission was received on the 6th December, 1991 from Mr. Damien Curran, A.R.I.C.S. Valuer in the Valuation Office on behalf of the Respondent. In this submission Mr. Curran described the Shopping Centre and the valuation history. He said that the subject property comprised a ground floor retail unit of 1,944 square feet. Mr. Curran said that 36 units appealed the determination of the Commissioner on revision of the entire Town Centre in 1990 and that of these 31 have accepted the Commissioners determination at first appeal stage. Mr. Curran enclosed a schedule of a number of comparable units the valuations of which were agreed at first appeal stage. These are attached as Appendix A to this judgment. Mr. Curran then outlined his calculation of the Net Annual Value and Rateable Valuation of the subject premises as follows:-

Estimate of N.A.V.:

1,944 sq ft @ £8	=	£15,552
	Say	£15,550
Applying Rent/Rates Equation	=	£15,295
R.V./N.A.V. Ratio	=	<u>0.63%</u>
		£ 96.35
	R.V.	£ 97.00

Oral Hearing

At the oral hearing which took place on Friday 13th December, 1991, Mr. P.J. Nerney, Rateable Valuation Consultant, represented the Appellant. The Respondent was represented by Mr. Damien Curran, A.R.I.C.S., of the Valuation Office.

Mr. Nerney referred to his written precis dated 9th December, 1991 and explained that this Shopping Centre could best be described as a failed entity. Having been built in 1977 it enjoyed some success for a number of years, but since 1985/1986 decline had set in and there was now 80% - 90% vacancy in the entire Centre. The handful of tenants still in occupation of units were, for the most part, on weekly lettings and many of them would probably vacate their premises after Christmas.

Mr. Nerney further stated that the final blow for the Centre came when the Post Office and the E.S.B. left and moved to new premises in The Square, Tallaght.

Mr. O'Rourke gave evidence that the opening of The Square in Tallaght had finally emptied the Centre of customers. He said that, of the units owned by him, only two were occupied and these tenancies were extremely uncertain. He described the Centre as a derelict area.

Mr. Curran elaborated on his written submission dated 5th December, 1991 and pointed out that the relevant valuation date was November 1990, at which time many more of the units had been occupied. He further stated that of the 36 units which had appealed 32 had subsequently agreed a valuation figure with the Commissioner.

In his opinion, between 20% and 30% of the entire Centre was at present occupied.

In reply to Mr. Curran, Mr. O'Rourke said that out of the original 77 units in the Centre, approximately 12 were now occupied.

Mr. Nerney, also in reply to Mr. Curran, said that when placing a valuation on a property, a valuer must have regard not merely to circumstances pertaining at the appeal date of the valuation but to likely eventualities in the foreseeable future. He also pointed out that many of the 32 units which had agreed a valuation with the Commissioner were now in fact vacant.

Findings

The Tribunal accepts the evidence in relation to the rundown nature of the Centre in general and of the subject premises in particular. It is satisfied that the opening of the near-by Square in Tallaght may well have sounded the death-knell for the Town Centre.

In light of all of the above the Tribunal has decided that the correct R.V. of the subject premises is £19.00 and so determines.