

Appeal No. VA94/1/008

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

**C. O'Donnell**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Shop at Map Ref: 11a, Catherine Street, Ward: Shannon, County Borough of Limerick  
Quantum - Designated area adjacent

**B E F O R E**  
**Henry Abbott**

**S.C. Chairman**

**Paddy Farry**

**Solicitor**

**Patrick Riney**

**F.R.I.C.S. M.I.A.V.I.**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 7TH DAY OF DECEMBER, 1994**

By Notice of Appeal dated the 29th day of April, 1994 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £110.00 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that "the valuation is excessive, inequitable and bad in law".

### **The Property**

The property consists of a ground floor shop newly constructed in 1991 located close to the intersection of Catherine Street/Roches Street a short distance from O'Connell Street and within the City shopping district. The accommodation is as follows:-

Shop	959 sq.ft.
W.C.	22 sq.ft.
Frontage	34½ sq.ft.

### **Valuation History**

Prior to the 1992 revision Lot 11a was a derelict site with nil rateable valuation.

### **Written Submissions**

A written submission was received on the 30th day of November, 1994 from Mr. Patrick J. Nerney, Rateable Valuation Consultant, Valuer and Auctioneer of 13, Mountdown Road, Dublin 12 on behalf of the appellant. In his written submission, Mr. Nerney described the property as a four storey building and used as a lady's fashion shop. He said that the property was purchased for £56,000 in 1981 having previously being a derelict site. He said shop and apartments on first, second and third floors cost £220,000. Mr. Nerney estimated the net annual value of the premises at £9,000 estimated as follows:-

"Shop, Office/Store	959 sf @	£10	Say £9,600
Net Annual Value	£9,600 @	0.63% =	£60.00"

Mr. Nerney said that developments in Limerick such as the new shopping centre Cruises Street, Arthur's Quay, developments in designated areas and increased shopping facilities generally in the city had effected the valuation on the subject premises. He said that details of rents and valuations in other premises in the vicinity indicated rental level considerably lower than the net annual value of £18.00 per square foot applied by the Commissioner. Mr. Nerney offered five comparisons in the area, summarised below:-

- (1) 47b, Thomas Street. Shop & Basement. R.V. £35.00 - 1986.
- (2) Pt 48 Thomas Street. Shop & Basement. R.V. £39.00 - 1950.
- (3) Pt 64.65 Catherine Street. Shop & Office (Incl. 12 Roches St.). R.V. £90.00 - 1988.
- (4) Pt 67.68 Catherine Street. Shop (ground floor) & Basement. R.V. £95.00 - 1987.
- (5) Pt 68 Catherine Street. Shop (ground floor) & Store (Basement). R.V. £35.00 - 1986.

A written submission was received on the 13th July, 1994 from Mr. Frank O'Connor, a Valuer with 14 years experience in the Valuation Office on behalf of the respondent. Mr. O'Connor described the property and its valuation history. He set out his calculation of the rateable valuation on the subject premises as follows:-

"Shop:	Zone A:	689 sq.ft.	@	£21.00/sq.ft.	=	£14,469
	Zone B:	270 sq.ft.	@	£10.50/sq.ft.	=	<u>£ 2,835</u>
				N.A.V.:=		£17,304
			@	0.63%	=	£109.00
				R.V.	=	£110.00"

Mr. O'Connor said that compared with comparative evidence this building is brand new, thereby having lower maintenance costs for the occupier. Mr. O'Connor offered two comparisons in the area summarised below:-

- (1) Part Lot 14, Catherine Street.

Shop:	Zone A	341 sq.ft.	@	£16.00/sq.ft.
	Zone B	225 sq.ft.	@	£8.00/sq.ft.

R.V. £55.00 - 1990 First Appeal

- (2) Part Lot 42 Roches Street (situated on the corner of Catherine Street/Roches Street).

Shop:	Zone A	334 sq.ft.	@	£21.00/sq.f.t
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R.V. £66.00 - 1990 First Appeal.

### **Oral Hearing**

The oral hearing took place in the Council Chamber, Limerick Corporation, Limerick on the 7th day of December, 1994. Mr. Patrick J. Nerney, Rateable Valuation Consultant and Valuer appeared for the appellant and Mr. Frank O'Connor a Valuer with 14 years experience in the Valuation Office appeared for the respondent.

From the outset Mr. Nerney said that there was no conflict in relation to the description of the subject and confirmed that it was a modern rectangular purpose built retail unit. He pointed out that the comparisons set out in his precis of evidence showed passing rents, especially in respect of comparison No. 3.

He stated that comparison No. 2 offered by the respondent related to a newsagency and off license situate at a corner location and was not really comparable to the subject and indicated that comparison No. 1 of the respondent would be more in line. Both parties agreed that the designation of new areas under the Urban Renewal Schemes meant that there was a new centre of gravity created in the city which had the effect of pulling development away from the subject and the old centre of the city. This had the effect of bringing retail custom with it.

Ms. Anne Clogan gave evidence in relation to the particularly heavy burden of rates and the apparent singling out of some premises for revision when other premises remained untouched. She felt that this was unjust. She also gave evidence in relation to the fall off of trade and stated that the crowds were now going to the designated areas where there were new supermarkets and shopping centres. This left older traditional shopping areas such as the location of the subject with less of a share. She stated that while Urban Renewal was a great success in Limerick it nevertheless did not succeed in attracting in any more people, overall, to the city and that it would take some years for Limerick, at its current pace of development to actually attract greater numbers in to the city as a whole.

### **Findings**

The Tribunal has looked at all the comparisons and has found that all of them are helpful. The Tribunal is disposed to reduce the valuation (persuaded by comparison No. 1 of the respondent and by comparisons urged by Mr. Nerney, especially those on the opposite side of the street to the subject). However, the Tribunal is not prepared to reduce the valuation right down to the type of figures that might be used from the most optimistic use of Mr. Nerney's data, by reason of the fact that the premises is itself a modern purpose built unit and for that reason alone would always command a premium rent.

Having regard to the foregoing and all the circumstances of the case and the evidence heard from both parties the Tribunal determines the valuation on the subject to be £90.00.