

Appeal No. VA97/4/046

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

**Maureen Kelly Clothing Company Ltd. t/a Texas**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Department Store at Map Reference 6B, Patrick Street, Tullamore Urban, UD:  
Tullamore, Co. Offaly  
Quantum - Comparisons, tone of the list

**B E F O R E**

**Con Guiney - Barrister at Law**

**Deputy Chairman**

**Michael Coghlan - Solicitor**

**Member**

**Finian Brannigan - Solicitor**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 28TH DAY OF JULY, 1999**

By Notice of Appeal dated the 30th day of July 1997 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £325 on the above described hereditament.

The Grounds of Appeal as set out in the said Notice of Appeal are that; "the valuation is excessive and inequitable and bad in law having regard to nature, type and location of the subject premises and its potential letting value".

The relevant valuation history is that the subject property was inspected and revised in June 1996. In November 1996 the valuation lists were issued with an R.V. fixed at £430 on buildings. On 29<sup>th</sup> November 1996 the appellant's agent appealed against the revised valuation. On 1<sup>st</sup> July 1997 the Commissioner of Valuation issued his decision reducing the valuation to £325.

A written submission prepared by Mr. Eamonn S. Halpin B.S.c. (Surveying) A.S.I.C.S. A.R.I.C.S. M.I.A.V.I. on behalf of the appellant was received by the Tribunal on 2<sup>nd</sup> February 1998.

The written submission set out Mr. Halpin's calculation of rateable valuation as follows;

*Est. N.A.V. (1988 tone)*

Ground Floor Shop (Front Section)	1,359 sq.ft. @ £6.00 =	£8,154
Ground Floor Shop (Middle Section)	1,359 sq.ft. @ £3.00 =	£4,077
Ground Floor Shop Balance	<u>3,844 sq.ft.</u> @ £2.00 =	£7,688
<b>Total</b>	<b>6,562 sq.ft.</b>	
Ground Floor Store External	154 sq.ft. @ £1.00 =	£ 154
1 <sup>st</sup> Floor Shop	6,316 sq.ft. @ £1.50 =	£9,474
Store External	90 sq.ft. @ £1.00 =	£ 90
2 <sup>nd</sup> Floor Shop	6,378 sq.ft. @ £1.00 =	£6,378
Store	90 sq.ft. @ £0.50 =	£ 45
3 <sup>rd</sup> Floor Shop & Coffee Deck	5,987 sq.ft. @ £0.50 =	£2,993
4 <sup>th</sup> Floor stores & small offices	6,998 sq.ft. @ £0.25 =	<u>£1,750</u>
		£40,803

Less Estimated Annual Cost of 50% of the upkeep and maintenance of the adjoining car park	<u>£6,000</u>
	£34,803
N.A.V. @ 0.5% = £174.01	
Say £175	

Mr. Halpin's written submission contained a schedule of four comparisons.

A written submission prepared by Mr. Malachy Oakes on behalf of the respondent was received by the Tribunal on 27<sup>th</sup> January 1998. Mr. Oakes is a District Valuer with over 24 years experience in the Valuation Office.

The basis for the R.V. for the subject was set out in Mr. Oakes written submission as follows;

The net annual value has been estimated as follows:-

		<i>f</i> <sup>2</sup>	£	£
Grd. Flr	: retail	6,562 @ 5.60 =		36,747
	Store	154 @ 3.00 =		462
1 <sup>st</sup> Flr.	: shops	6,316 @ 2.00 =		12,632
	stores	.90 @ 0.50 =		.45
2 <sup>nd</sup> Flr.	: shop	6,378 @ 1.00 =		6,378
	store	.90 @ 0.50 =		.45
3 <sup>rd</sup> Flr.	: shop	5,982 @ 0.75 =		4,486
4 <sup>th</sup> Flr.	: stores/office	6,982 @ 0.50 =		<u>3,941</u>
				64,736

N.A.V. £64.736  
R.V. @ 0.5% = £323  
Say £325

Mr. Oakes' written submission contained a schedule of two comparisons.

The oral hearing took place at the Tribunal's Offices in Dublin on 13<sup>th</sup> February 1998. Mr. Halpin represented the appellant and Mr. Oakes represented the respondent.

In his sworn testimony Mr. Halpin said that the issue of notice under Section 3 and 4(a) of the Valuation Act 1988 was not now being raised by him. Mr. Halpin then put in evidence an album of photographs relating to the subject and comparisons to it.

In further testimony Mr. Halpin said the floor areas had been agreed with the respondent, however there were in his written submission some small discrepancies as to the areas of the third and fourth floors of the subject. Mr. Halpin said he was prepared to accept the areas shown in the respondent's written submission as to these floors.

Mr. Halpin said the subject hereditament was an unusual property in that it was a converted grain store. One floor had been removed to give greater headroom on the ground floor level. All the upper floors had low headroom in the region of 6½ feet.

Mr. Halpin said the configuration of the building on each floor was very deep.

For this reason Mr. Halpin said he had introduced a zoning method in arriving at his valuation. Again Mr. Halpin said the property was unusual for a department store in that there was only access for customers at the front of the shop.

Mr. Halpin said the new Bridge Shopping Centre had changed the centre of gravity for retailing in Tullamore. This was a fine new centre and any potential tenant coming to Tullamore would be attracted to it. The existence of the centre had a detrimental effect on the business carried on at the subject.

In further evidence Mr. Halpin referring to his photographs said the subject was located adjacent to some derelict buildings.

Mr. Halpin said the subject property fronted the rear of the Quinnsworth car park. In order to get access to that car park the appellant was obliged to take on half the cost of the entire car park. The car park included a derelict building and there would be insurance costs for this building.

Mr. Halpin said a tenant could be found for the ground floor at a certain rent but the upper floors of the subject would be seen as a liability given their high maintenance costs. Again access to the upper floors was only by way of escalators at the front of the building. One descended by way of stairs at the back of the building. Mr. Halpin said there was a lift at the back of the property but it was used for transporting goods.

Mr. Halpin referred to his comparisons number one and two. These were two small retail shops on Columcille Street. This street had historically been the principal shopping street in Tullamore. These properties had ground floor retailing space of 1,457 sq.ft. in one and 1,180 sq.ft. in the other valued at £8.00 p.s.f. Mr. Halpin said he had used these comparisons to show the retail N.A.V.'s in prime retailing areas; therefore an off centre site such as the subject should be scaled back in terms of N.A.V.

In conclusion Mr. Halpin said that the retail tone for a prime site in Tullamore was moderate.

Under cross-examination by Mr. Oakes, Mr. Halpin agreed there were a number of access points to the Quinnsworth car park, which served the subject. In further replies to Mr. Oakes, Mr. Halpin stated that he did not believe the subject could be compared to a department store like Dunnes Stores which traded on one level unlike the subject that traded on a number of levels.

Mr. Oakes put it to Mr. Halpin that his overall rate p.s.f. for the ground floor was £3 p.s.f. Mr. Oakes further stated that the Valuation Office had put a rate of £3 p.s.f. on industrial offices in Tullamore. In reply Mr. Halpin said that the appellant owned an adjoining property which he had been trying to rent at £3 p.s.f. for ground floor retail warehousing. There had been no takers in over one year.

In a further reply Mr. Halpin said he had used a zoning approach to the valuation of the subject because it was a 160 feet deep shop with no rear customer access. In a shop like that customers would tend to shop at the front of the building.

Mr. McNamara, the appellant gave sworn testimony. He said he had been retailing in Tullamore since 1982. He had moved to the subject premises about 2½ years ago. He had previously traded about 30 to 40 feet from his present premises. In his previous premises he had built up a good reputation and good will.

Mr. McNamara said the new Bridge Centre was a modern centre with twenty units and good car parking facilities. This new centre had affected his business.

Mr. McNamara referred to his obligations in connection with the Quinnswoth car park. He was currently obliged to pay in the region of £10,000 per annum for its maintenance. Additionally he had an obligation with respect to the refurbishment and upgrading of the car park. He had reason to believe that the car park would need to be resurfaced and new drainage provided in the future. He estimated this obligation could cost him £100,000 for his 50% share.

Mr. Oakes in his sworn testimony adopted his written submission as his evidence to the Tribunal. Prior to this he had put in evidence a map showing the streets adjoining the subject and one of his comparisons Quinnswoth.

Mr. Oakes said the subject property was unique as a department store in a rural town. The total area of the property was 32,500 sq.ft. including storage. His two comparisons were two large shops in the area recently revised. Quinnswoth had 18,212 sq.ft. at ground floor level valued at £5.60 p.s.f. The other comparison Dunnes Stores had 31,613 sq.ft. of ground floor valued at £5.50 p.s.f.

In reply to a question from the Tribunal Mr. Oakes said that his two comparisons were not comparable in terms of size to the subject.

The Tribunal has considered the written submission and the evidence offered by the appellant and the respondent. The Tribunal finds that the most appropriate approach to valuing the

ground floor of the subject is to start from the retail tone established by the appellant's comparisons number one and two, namely £8 p.s.f. The Tribunal also finds that the subject is off centre for retailing and has a long configuration internally with no rear access for customers. Therefore the Tribunal finds that these adverse factors should be considered in fixing a value p.s.f. on the ground floor of the subject.

The Tribunal considers that a rate of £4 p.s.f. should be applied for ground floor retailing and £1 p.s.f. for ground floor storage. The Tribunal considers that rate p.s.f. offered by the Valuation Office for all the other floors of the subject is appropriate.

			f <sup>2</sup>	£	£
Grd. Flr	:	retail	6,562 @ 4.00 =		26,248
		Store	154 @ 1.00 =		154
1 <sup>st</sup> Flr.	:	shops	6,316 @ 2.00 =		12,632
		stores	90 @ 0.50 =		45
2 <sup>nd</sup> Flr.	:	shop	6,378 @ 1.00 =		6,378
		store	90 @ 0.50 =		45
3 <sup>rd</sup> Flr.	:	shop	5,982 @ 0.75 =		4,486
4 <sup>th</sup> Flr.	:	stores/office	6,982 @ 0.50 =		<u>3,941</u>
			N.A.V. =		£53,929
			Say =		£54,000
			R.V. @ 0.5% =		£270

The Tribunal determines the rateable valuation of the subject hereditament to be £270.