

Appeal No. VA97/6/038

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

Musgrave Ltd. t/a SuperValu

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Supermarket and yard at Map Reference 90.92.94a, Townland: West Street, UD:
Castleblayney, Co. Monaghan
Quantum

B E F O R E

Con Guiney - Barrister at Law

Deputy Chairman

Marie Connellan - Solicitor

Member

Michael Coghlan - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 16TH DAY OF JULY, 1998

By Notice of Appeal dated the 17th day of October 1997 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £125.00 on the above described hereditament.

The Grounds of Appeal as set out in the Notice of Appeal are that;

- "1. The valuation is excessive and inequitable
2. The valuation is bad in law".

The relevant valuation history is that the subject premises was part of a larger hereditament incorporating the adjoining licensed house. In 1995/4 revision following a request from the local authority to “revalue” a further revision took place. The supermarket now formed a separate hereditament and extended to further valuation lots. The description was changed to “supermarket and yard” and the R.V. was increased to R.V. £125 (Lot 90,92,94a West Street).

This rateable valuation was appealed but the Commissioner of Valuation issued his decision making no change.

A written submission on behalf of the appellant prepared by Mr. Alan McMillan ASCS ARICS MIAVI of Donal O’Buachalla & Company Limited was received by the Tribunal on 23rd March 1998. Mr. McMillan’s written statement stated that the property comprised a supermarket in the centre of Castleblayney with customer carpark to the rear. Access from West Street (the main street) is via an alleyway with additional access from a small rear car park. It does not have street frontage to the main street. The subject comprises a basic industrial style building of unrendered concrete block walls under pitched uninsulated asbestos sheeted roof providing an eaves height of approximately 3.8 metres. Mr. McMillan’s written submission described the areas of the subject premises as follows;

Supermarket : 4,745 sq.ft.
Stores, Office etc. : 699 sq.ft.
Parking for approximately 12 cars.

Mr. McMillan assessed the rateable valuation on the basis of;

Retail area	:	4,745 sq.ft. @ £3.00 = £14,235
Internal stores	:	699 sq.ft. @ £2.00 = <u>£ 1,398</u>
		N.A.V. £15,633
		R.V. @ 0.5%
		Say £78

Mr. McMillan produced in his written submission three comparisons to the Tribunal;

(a) Supervalu Supermarket, Ardee /R.V. £130

Ground floor	: Retail	4785 sq.ft. @ £5.00
First floor	: Stores, Offices etc.	687 sq.ft. @ £3.00

(b) Maxworth Limited, Boyne Shopping Centre, Drogheda

Lots	:	6 & 7 Bolton Street, Drogheda	
Lot 6	:	Retail	5,100 sq.ft. @ £3.50
		Mezzanine offices	120 sq.ft. @ £2.50
		Stores	1,544 sq.ft. @ £2.00
		Canteen	150 sq.ft. @ £2.00
		R.V. £135	
Lot 7	:	Retail	1,194 sq.ft. @ £4.00
		R.V. £30	

(c) Supervalu, Longford / R.V. £130

Ground floor	Shop	4,181 sq.ft. @ £4.00
First floor	Shop	2,779 @ £2.00
First floor	Offices	699 sq.ft. @ £4.00
	(plus domestic).	

Described as having direct street frontage and a prime retail pitch.

A written submission prepared by Mr. Patrick McMorow B.Ag.Sc. (Econ) G.Dip. P and D Economics on behalf of the Respondent was received by the Tribunal on 27th March 1998.

Mr. McMorrow is a valuer with 17 years experience in the Valuation Office. Mr. McMorrow assessed rateable valuation on the subject premises as follows;

Retail Area	:	4,745 sq.ft. @ £4.75 sq.ft. =	£22,538.75
Office	:	211 sq.ft. @ £4.75 sq.ft. =	£ 1,002.25
Internal Stores	:	488 sq.ft. @ £2.50 sq.ft. =	£ <u>1,220.00</u>
			<u>£24,761.00</u>

N.A.V. £24,761

N.A.V. £24,500 @ 0.5% = £123.81

Say R.V. = £125.00

Annexed to his written submission Mr. McMorrow produced in tabular form three comparisons and this portion of the written submission is appended to this judgment as Appendix One.

The appeal proceeded by way of an oral hearing which took place on the 3rd day of April 1998 in the Circuit Court Offices, The Courthouse, Co. Monaghan. Mr. Alan McMillan appeared on behalf of the appellant Mr. McConnon, who was himself in attendance. Mr. Patrick McMorrow appeared on behalf of the Commissioner of Valuation. In accordance with practice and as required by the rules of this Tribunal the parties had prior to commencement of the hearing exchanged précis of evidence and submitted same to us. Having taken the oath each Valuer adopted as his evidence in chief his précis.

As a preliminary point there was a discrepancy in the area described as stores and offices and Mr. McMillan agreed that the area of 702 sq.ft. should be taken as the area of the stores and offices. This figure was submitted by the Valuation Office.

In his evidence Mr. McMillan dealt in greater detail with his comparisons. He stated that the three towns in which his comparisons were situated were superior locations.

Mr. McConnon, the owner of the subject premises gave sworn testimony. He described the premises as having an off street location. This meant that it lost out on the passing trade on the street. This trade included convenience items like bread, milk and confectionery which had a high profit margin. Mr. McConnon stated that the subject premises was badly insulated. This meant that higher expenditure on heating fuel was required to properly heat the premises.

In his sworn testimony Mr. McMorrow dealt in greater detail with his comparisons. He stated that there were no suitable comparisons available in Castleblayney.

The Tribunal has considered the written submission and the evidence of Mr. McMillan and of Mr. McConnon and also the written submission and the evidence of Mr. McMorrow on behalf of the Respondent. The Tribunal has looked at the comparisons presented by both sides and has concluded that the subject premises is an inferior premises compared to the comparisons presented. In particular the Tribunal has decided that the subject property suffers from a number of disadvantages namely;

1. Difficulties of access prevent the subject premises from gaining the passing convenience shopping which is high margin shopping and this is a detrimental aspect of the business.
2. The building itself is not properly insulated and this means that the owner has to incur additional costs in heating the building.

The Tribunal has decided that as to the retailing area which amounts to 4,745 sq.ft., that the value of £4.00 p.s.f. should be placed on this giving a total value of £18,980. The Tribunal also considers that the stores and offices in a building like this, because they do not join in the retailing aspect of the business, should be treated as the same for the purposes of

valuation and taking the agreed figure of 702 sq.ft., the Tribunal places a value of £2.50 p.s.f. on this giving a total value of £1,755. This produces a total N.A.V. of £20,735 and applying the usual 0.5% fraction this produces an R.V. of £103.67 say £104. The Tribunal therefore determines the rateable valuation of the subject premises to be £104.