

Appeal No. VA98/2/001

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

Moriarty Foodmarkets Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Supermarket at Map Ref: 52.53AabB.53abc, Church Street, Townland: Townparks, ED:
Skerries, Co. Dublin

Quantum - Appropriate comparisons

B E F O R E

Liam McKechnie - Senior Counsel

Chairman

Ann Hargaden - FRICS.FSCS

Member

Michael Coghlan - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 11TH DAY OF OCTOBER, 1999

By Notice of Appeal dated the 3rd day of April 1998 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £440 on the above described hereditament.

The grounds of appeal as set out in the said Notice are that:

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

The appeal was heard by way of an oral hearing on the 31st May 1999 which took place in the Tribunal Offices in Dublin. Mr Roger Keogh ARICS ASCS of Donal O’Buachalla & Company Ltd appeared on behalf of the Appellant. Mr Noel Rooney, District Valuer appeared on behalf of the Commissioner. Having taken the oath both valuers adopted as evidence in chief their respective written submissions which previously had been exchanged and received by the Tribunal. Mr. Luke Moriarty the proprietor of the premises, also took the oath and gave evidence. From the evidence so tendered the following facts emerged as being material to the appeal.

Valuation History

In 1997/2 - the subject property was valued at RV £440. This was appealed in June 1997 and RV £440 was confirmed by the Commissioner’s decision in March 1998. In April 1998 an appeal was lodged with the Valuation Tribunal.

Property Location

The property is located in Skerries on Church Street which is in mixed commercial and residential use. The main commercial thoroughfare in Skerries is Strand Street which runs parallel to Church Street. Skerries is a developing seaside resort and commuter town, approximately 20 miles north of Dublin City Centre.

The Property

The property comprises a modern purpose built supermarket t/a Supervalu with apartments overhead and a small section of offices at first floor level. It was developed in 1996 at a cost of £1.3m. The accommodation at ground floor comprises; off licence, coffee shop, supermarket offices and stores. A small office, canteen, toilets etc are located at first floor level and there is a customer car park located to the rear of the property. There are loading and unloading facilities to the store area via a street door to the rear of the supermarket, accessed from a restrictive entrance in the car park.

Accommodation

The following floor areas were agreed between the parties:-

Ground Floor, Supermarket, Off Licence & Coffee Shop	11,930 sq.ft.
Office	177 sq.ft.
Stores	2,224 sq.ft.
Cold Stores	650 sq.ft.
First Floor Offices	840 sq.ft.

The Appellant's Case

Mr. Keogh having adopted his written submission as his evidence in chief given under oath gave his verbal evidence and stated as follows:

1. The dispute is only in relation to Quantum.
2. Church Street is far inferior to Strand Street, the Main Street in Skerries.
3. Two comparisons were submitted a) Supervalu, Balbriggan and b) Hogan's Supermarket in Skerries. When the RV of Supervalu in Balbriggan had been assessed, the town had not been by-passed. This was a supermarket of similar size, similar structure and in a better location in a town with a higher population. Hogan's was the only other supermarket in Skerries and this was valued at £6 psf but it was a quarter of the size of the subject premises.

Mr Rooney then cross-examined Mr Keogh. He responded as follows:

1. In his view the location in Skerries was secondary.
2. He agreed that the residential population was expanding and that Skerries had a developing commercial area.
3. He confirmed that he was unsure as to the layout in 1991 of Hogan's and Mr Rooney confirmed that the property was now totally different, as it previously had a very narrow

corridor entrance 8ft 10 inches wide to the supermarket with no on street car parking to the front.

4. In relation to his comparison in Balbriggan, he confirmed that he would not consider Balbriggan a secondary location and agreed that traffic congestion had always affected Balbriggan when it was a national primary route, but that the Supervalu Unit in Balbriggan had off street car parking and the congestion was not considered as a disadvantage. He confirmed that he felt that it was the only supermarket comparison of similar size and structure.
5. The Skerries Unit was not 100% retail area as it has a coffee shop and off licence whereas Balbriggan is a pure supermarket. These elements do not form an integral part of the business and coffee shops in the past have been valued separately.
6. He would consider Skerries as more valuable than Balbriggan in residential terms but only in residential terms.
7. When asked if he had given consideration to the fact that this is the only shop of its type in Skerries. He stated that there was another supermarket in the locality. He confirmed that he did add some weight to the fact that Balbriggan has a Supervalu and a Quinnsworth despite the fact that Quinnsworth is a poor quality shop.

Mr. Moriarty, Proprietor of Moriarty Supermarkets was called by Mr. Keogh to give evidence. He stated the following;

In his view the property is located on a secondary site on Church Street where properties are in mainly residential use. Hogan's shop had been the main business shop of the town for twenty years and they had sub-divided the shop to provide a flower shop and butchers but it still formed an integral part of the business. Although they did not have a formal car park they had the entire beach to the rear to park.

Mr. Moriarty confirmed that he was also the proprietor of the Supervalu in Balbriggan and there had been no difference in turnover either before or after the by-pass was completed. He also stated that although Quinnsworth was in a secondary location the turnover in that store is more in

volume than his two stores together. He has been in the business for ten years and operates Supervalu in Palmerstown, Skerries and Balbriggan. He opened Skerries because it is a developing town and hopes that in the long term it will be a good location. He stated that he had extremely long opening hours in Skerries, from 8.00 am to 10.00 p.m. whereas Balbriggan operated under shorter opening hours.

He felt that Skerries could not be compared to Portmarnock and Swords in that there is a huge difference in a stand alone unit versus these other units which have car parks, adjacent trading units and/or are part of shopping centres.

Mr. Rooney then cross-examined Mr. Moriarty and asked whether there were more commercial properties along Church Street than he had indicated and Mr. Moriarty disagreed. Mr. Rooney then mentioned Hogan's and stated that in valuation terms the prime section of a unit is the front section and that the rates per square feet on the small unit in Hogan's were agreed at £20 psf. He also confirmed that turnover is not a consideration from a valuation point of view and asked whether the opening hours mentioned were similar to every supermarket in Ireland. Mr. Moriarty stated that most operators closed at 7 pm, but five days a week he opened until 10 pm. He confirmed that there was pedestrian access to a national school via the side road adjacent to the premises but that three shops along this road, constructed with the supermarket were not yet let. He believes long-term the town has good prospects commercially because of the new houses to be built, estimated at 300/400 units in the next five years. He stated that the hinterland in Portmarnock is twice the size of Skerries and that Dunnes is there since the late 1970's. When asked whether he considered Skerries as having the benefit of summer seaside resort trade as an added advantage over and above Balbriggan, he did not necessarily agree.

The Respondent's Case

Mr. Rooney then adopted his written evidence as his evidence in chief given under oath. He stated the following;

- 1) The towns of Skerries, Holmpatrick and Balbriggan were all developing and the census

of 1996 indicated that the Skerries population was only slightly less than the Balbriggan population.;

- 2) Supervalu is the first and only supermarket of its size in Skerries and some weight should be attributed to this fact;
- 3) it is easily accessed and better located than the occupier's other premises in Balbriggan;
- 4) Quinnsworth is also located in Balbriggan;
- 5) Skerries is very similar to Portmarnock, both are residential dormitory towns for Dublin city and he considers his comparison there to be very relevant;
- 6) Skerries is an expanding town which benefits from summer trade with an attractive harbour and beach facilities.
- 7) Balbriggan was impossible to drive through and, although Mr. Moriarity had stated that the by-pass had not affected trade, this was very relevant when assessing the RV at the time of the Balbriggan unit.

Mr. Keogh cross-examined and asked whether Mr. Rooney agreed that the Balbriggan unit was most relevant in that it is of similar size and a modern unit. Mr. Rooney confirmed that it was relevant but he said that Portmarnock was just as relevant and that Portmarnock had no Garda station, no bank and compared to Skerries had much less commercial space. He agreed that his comparison of Ashbourne was located on a national primary route in a shopping centre in the heart of the town with a large car park. Mr. Keogh queried other comparisons in Maynooth and Leixlip and claimed that they were far larger growing commuter towns on a motorway in heavily populated areas. He stated that Swords was not comparable at all as the population is 22,000 people excluding the environs.

Determination

Having considered all the evidence, the Tribunal are of the view that the units at Balbriggan and Ashbourne are the most relevant and that the Skerries unit is slightly better than the Balbriggan unit because of the difficulties encountered at the time of the assessment from traffic congestion. *This is further enforced due to the fact that the adjoining shop units in Balbriggan proved very difficult to let with the majority being vacant for well over two years.* Ashbourne is a developing town with no rail link and similar to Skerries in this respect. Therefore the Tribunal finds as follows: -

Ground Floor Supermarket, Off License & Coffee Shop	11,930 sq.ft. @ £4.75psf =	£56,667.50
Offices	177 sq.ft. @ £4.00 psf =	£ 708.00
Stores	2,224 sq.ft. @ £2.50 psf =	£ 5,560.00
Cold Stores	650 sq.ft. @ £3.25 psf =	£ 2,112.50
First Floor Offices	840 sq. ft. @ £3.00 psf =	£ 2,520.00
Total		£67,568.00
	@ 0.63% = RV	£425.68. Say £426.

The Tribunal therefore determines the rateable valuation to be £426.00.