

Appeal No: VA17/5/1000

**AN BINSE LUACHÁLA
VALUATION TRIBUNAL**

**AN tACHTANNA LUACHÁLA, 2001 - 2015
VALUATION ACTS, 2001 - 2015**

NEXT RETAIL LIMITED

APPELLANT

AND

COMMISSIONER OF VALUATION

RESPONDENT

In relation to the valuation of

Property No. 2195145, Retail (Shops) at Floor -1, Unit 56,57 Athlone Town Centre, Mardyke Street, Athlone, County Westmeath.

B E F O R E

John Stewart – FSCSI, FRICS, MCI Arb

Deputy Chairperson

Orla Coyne - Solicitor

Member

Frank O'Grady – MA, FSCSI, FRICS, FIABCI

Member

**JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 21ST DAY OF JUNE, 2019.**

1. THE APPEAL

1.1 By Notice of Appeal received on the 12th day of October, 2017 the Appellant appealed against the determination of the Respondent pursuant to which the net annual value ‘(the NAV’) of the above relevant Property was fixed in the sum of €352,000.

1.2 The Grounds of Appeal are fully set out in the Notice of Appeal. Briefly stated they are as follows:

- The valuation is excessive.

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €152,000.

2. REVALUATION HISTORY

2.1 On the 12th day of January 2017 a copy of a valuation certificate proposed to be issued under section 24(1) of the Valuation Act 2001 (“the Act”) in relation to the Property was sent to the Appellant indicating a valuation of €467,000.

2.2 Being dissatisfied with the valuation proposed, representations were made to the valuation manager in relation to the valuation. Following consideration of those representations, the valuation of the Property was reduced to €352,000.

2.3 A Final Valuation Certificate issued on the 7th day of September 2017 stating a valuation of €352,000.

2.4 The date by reference to which the value of the property, the subject of this appeal, was determined is the 30th day of October 2015.

3. THE HEARING

3.1 The Appeal proceeded by way of an oral hearing held in the offices of the Valuation Tribunal at Holbrook House, Holles Street, Dublin 2, on the 28th day of March 2019. At the hearing the Appellant was represented by Mr John Algar BSc (Surveying), MRICS of GVA Donal O Buachalla and the Respondent was represented by Ms Triona McPartlan MRICS, MSCSI of the Valuation Office.

3.2 In accordance with the Rules of the Tribunal, the parties had exchanged their respective reports and précis of evidence prior to the commencement of the hearing and submitted them to the Tribunal. At the oral hearing, each witness, having taken the oath, adopted their précis as their evidence-in-chief in addition to giving oral evidence.

4. FACTS

4.1 From the evidence adduced by the parties, the Tribunal finds the following facts.

4.2 The subject property comprises a department store in Athlone Town Centre (ATC), in the middle of Athlone, Co. Westmeath. ATC is a regional shopping centre located on the east side of the town with access from Mardyke Street and Gleeson Street. The town had a population in 2016 of 21,349 a 5.9% increase from 2011. The centre opened c. 2,007 is laid out over two

floors and includes an underground car park for 1,200 cars. Tenants include Marks & Spencer, H & M, River Island, Next, Tommy Hilfiger, Starbucks, Oasis, Easons and TK Maxx and the Centre adjoins the Sheraton Hotel.

4.3 The subject property comprises a large retail unit on the ground floor of the main mall with fitting rooms to the front and a, stockroom, office, and canteen to the rear. The basement comprises an additional stockroom.

4.4 The store is occupied by Next Retail Ltd. and is held on a 20 year and one day lease from 1st November 2007 with 5 year upward only rent reviews at an initial rent of €470,507pa with an additional turnover rent payable on gross turnover in excess of €6,862,000 at 5% capped at €9,782,000. There has been no increase in rent over the period.

4.5 The floor areas have been agreed between the parties;

Ground floor 1,308.40.m².

Basement store 421.00 m².

4.6 The Fit-out addition has been agreed @ 5% of the retail space rate due to the age of the fit-out and adjusted downwards from 10%.

5. ISSUES

5.1 The matter at issue is quantum.

5.2 The Appellant claims that the valuation is excessive and is seeking a reduction in the NAV to €158,400.

5.3 The Respondent states that the NAV is in line with the tone of the list for Co. Westmeath at the reduced figure of €352,000, a reduction from the original Valuation Certificate figure of €467,000 and requests the Tribunal to affirm same in accordance with the Valuation Act.

6. RELEVANT STATUTORY PROVISIONS:

6.1 The net annual value of the Property has to be determined in accordance with the provisions of section 48 (1) of the Act which provides as follows:

“The value of a relevant property shall be determined under this Act by estimating the net annual value of the property and the amount so estimated to be the net annual value of the property shall, accordingly, be its value.”

6.2 Section 48(3) of the Act as amended by section 27 of the Valuation (Amendment) Act 2015 provides for the factors to be taken into account in calculating the net annual value:

“Subject to Section 50, for the purposes of this Act, “net annual value” means, in relation to a property, the rent for which, one year with another, the property might, in its actual state, be reasonably be expected to let from year to year, on the assumption that the probable annual cost of repairs, insurance and other expenses (if any) that would be necessary to maintain the property in that state, and all rates and other taxes in respect of the property, are borne by the tenant.”

7. APPELLANT’S CASE

7.1 Mr. Algar for the Appellant adopted his precis as his evidence in chief and described the Shopping Centre and the physical layout of the unit. He commented on the shortage of comparable evidence for department stores in the midlands and Co. Westmeath and noted that the department store letting in ATC was the only letting of a similar sized unit at or about the valuation date, October 2015.

7.2 He confirmed that the valuation was carried out on an overall basis rather than a zoned basis which had been used in smaller retail units.

7.3 Mr. Algar stated that of the five department stores in Athlone Town Shopping Centre four were currently under appeal to the Valuation Tribunal and that it would be unfair to rely on the current valuations as the true tone of the list had not been established.

7.4 To support his case Mr. Algar gave details of a July 2015 department store letting Rental Transaction 1 in Athlone Town Centre (appendix 1) his primary evidence, which he analysed on an overall rental figure of €59.23/m² on the retail ground and first floors as opposed to an NAV assessment on the basis of €220/ m² as provided by the Commissioner. He stated that this market letting took place 3 months before the Valuation date and that the tenant had received significant incentives such as a 12-month rent free concession and stepped rents for the second

and third years at €100,000/pa or 2.5% of turnover; with a second step for years four and five at €200,000pa or 5% of turnover. He further stated that this store had dual frontages and access on both levels. He confirmed that this property was subject to a Valuation Tribunal Appeal.

7.5 In addition he provided five NAV comparisons three from Athlone and two from Mullingar to support his claim.

7.6 The first NAV comparison referred to a large department store in Golden Island S.C. Athlone. This property included a ground floor department store of 3,097.41 m², a first-floor retail area of 887.74 m², first floor offices of 298.77 m² and first floor stores of 411.84 m² totalling 4,695.76 m² @ €120.00/ m² plus 10% for fit out. Mr Algar argued that Golden Island was a superior shopping to Athlone Town Centre as evidenced by the different rates applied by the Commissioner to the two centres for standard retail units – Golden Island at €700/ m² and Athlone Town Centre at €550/ m² He further argued that Golden Island had a large surface carpark and was anchored by Tesco.

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Department store	3,097.41	€120.00	€371,689.20
1	Retail	887.74	€120.00	€106,528.80
1	Offices	298.77	€120.00	€35,852.40
1	Store	411.84	€120.00	€49,420.80
1				€56,349.12
1				€619,840.32

Say €619,000

7.7 The second NAV comparison referred to a Department Store, in Athlone laid out over three levels. This is a traditional high street store with department store accommodation on the ground floor and basement levels valued at €90.00/ m² and offices on the first floor at €85.00/ m² plus an addition for the fitout at 2.5%. Mr Algar argued that this property was in a town centre location and had excellent street frontage and while it comprised an older building it was of a similar size to the subject property.

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
-1	Department store	679.18	€90.00	€61,126.20

0	Department store	797.67	€90.00	€71,790.30
1	Offices	299.79	€85.00	€25,482.15
	Fit out		@2.5%	€3,322.91
				€161,721.56

Say €161,700

7.8 The third comparison referred to a supermarket and department store in Athlone. This property comprised a modern stand-alone supermarket and department store and had a surface car park. It was located between the Golden Island Shopping Centre and Athlone Shopping Centre close to the Mardyke entrance to ATC. Mr Algar stated that the valuation had been agreed prior to a Valuation Tribunal hearing. The agreement was as follows:

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Supermarket	1,717.0	€105.00	€180,285.00
0	Department store	2,059.4	€105.00	€216,237.00
0	Stockroom	380.0	€105.00	€39,900.00
0	Plant room	173.7	€105.00	€18,238.00
0	Store	653.0	€80.00	€52,240.00
1	Canteen, offices, stores	438.7	€60.00	€26,322.00
	Supermarket-fit-out		3.00%	€6,975.75
	Dept. Store fit-out		5.00%	€12,806.48
	Off licence			€10,000.00
			Total	€563,004.75

Say €563,000

7.9 The fourth comparison referred to a department store in Mullingar. This modern property was located in shopping centre and had a surface car park. It comprised a large ground floor department store with a similarly sized store at first floor level. This valuation had been agreed following representations and it was analysed as follows:

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Department store	2,994.92	€105.00	€252,441.20
1	Store	2,198.85	€75.00	€164,913.75
0	Fit out		@10%	€25,244.12
				€442,599.07

Say €442,000

7.10 The fifth comparison referred to a department store also in Mullingar. This property was also located in a modern shopping centre and had a surface car park. It comprised a large ground floor department store with a smaller sized store at first floor level. This valuation had been agreed following representations and it was analysed as follows:

Floor level	Use	Area M²	NAV €/ M²	NAV €
0	Department store	1,596.0	€110.00	€175,560.00
1	Store	648.0	€75.00	€48,600.00
0	Fit out		@ 10%	€17,556.00
				€241,716.00

Say €241,000

Mr Algar also confirmed that this property had been let from 1st September 2015 on a 15-year lease at €140,000pa or 5% of turnover. He analysed it as follows:

Floor level	Use	Area M²	NAV €/ M²
0	Department store	1,596.0	€70.00
1	Store	648.0	€45.80

7.11 In his summation he stated that his primary evidence which referred to the letting in Athlone Town Centre at €59.23/m² clearly demonstrated that the actual rental market for large department stores in the midlands was considerably below the level that had been applied by the Commissioner. Furthermore, he stated that the department store valuation which was located between the Golden Island SC and Athlone Town Centre had been agreed at €105 /m² prior to a Tribunal hearing and all of his comparisons had NAV analysis ranging from €90/m² to €120/m² He also referred to an open market letting – his fifth comparison where a national retailer had paid €70.00/m² in Mullingar. The fit-out rate of 5% was agreed by both parties. He concluded by stating that the Valuation Office had acknowledged that Golden Island was a superior shopping but yet the, albeit much larger department store was only valued by the Valuation Office at €120/m². He concluded by stating that in his opinion the NAV for the subject property should be determined at €158,400 calculated as follows:

Floor level	Use	Area M²	NAV €/ M²	NAV €
0	Department store	1,308.4	€100.00	€130,840.00
1	Store	421.0	€50.00	€21,050.00

0	Fit out		@ 5%	€6,542.00
				€158,432.00

Say €158,400

7.12 During cross examination Mr Algar agreed that the valuation for a ground and first floor unit in ATC had been confirmed at €220.00/m² for both ground floor and first floor levels. He stated however, that this occupier was not a client of his and that he understood that it was to have been appealed but there had been a breakdown in communications which was why it had not been appealed. He also agreed that a significant reconfiguration had been required to accommodate the new department store.

8. RESPONDENT'S CASE

8.1 Ms. Mc Partlan for the Respondent adopted her precis as her evidence in chief and contended for an NAV of €352,000. She also confirmed that after the Representation stage and a further review of the evidence that the valuation as stated on the Valuation Certificate was reduced from €467,000 to €352,000.

8.2 The location, description, lease details and floor areas were agreed and Ms. McPartlan provided a number of internal and external photographs which showed the fitout of both floors. Ms Mc Partlan stated that Athlone Town Centre comprised a modern purpose-built shopping centre and had a large on-site car park -approx. 1,200 spaces and a good tenant mix including Marks & Spencer, Next, River Island H&M, Tommy Hilfiger and others. In addition, she stated that the rate for the fit -out was confirmed at 5% due to its age which adjusted the NAV contended for by the Commissioner to €338,000.

8.3 Ms. Mc Partlan referred to the lease in the subject property which was for 20 years and 1 day and had commenced in November 2007 at €470,507pa plus a turnover uplift based on 5% of turnover in excess of €6,862,000 and a cap of €9,782,000. She confirmed that the trigger level had not been reached and no turnover rent had been paid.

8.4 To support her case Ms McPartlan relied on 3 Key Rental Transactions KRT (details in appendix 2).

8.5 The first KRT referred to a unit in Athlone Town Centre.

This property comprises a two -storey retail outlet and is close to the subject property. It was let from November 2007 at a headline rent of €545,000pa with an NER of €256,610pa (based on the rent paid in 2015 which was turnover based rent for the period 01/11/14 to 31/10/15). A supplemental agreement in November 2007 varied the lease to allow for a recalculation of the rent to the higher of 8% of turnover or a rent of 80% of the turnover rent for the previous 12 months and it was analysed as follows:

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Retail overall basis	477.90	€220.26	€105,262.25
1	Retail overall basis	686.10	€220.26	€151,120.39
				€256,382.64
				Say €256,610

NAV Analysis

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Retail overall basis	477.90	€220.00	€105,138.00
1	Retail overall basis	686.10	€220.00	€150,942.00
	Fit -out		Add 10%	€256,080.00
				€25,608.00
				€281,688.00
				Say €281,000

This property is under appeal to the Tribunal. Ms Mc Partlan also stated that the turnover rent for the 12-month period to 31/10/2011 had been €160,778pa which had increased to €190,000/pa for the following three years and that the rent had increased by 25% in the 12-month period to 31/10/2015.

8.6 The second KRT also referred to Athlone Town Centre. This property was also close to the subject property, extended to 196.6m² and had been let from 14th March 2016 on a 10-year lease at €75,000/pa with an NER of €75,000. It was analysed on a zoning basis as follows:

Floor level	Zoning	Area M ²	NAV €/ M ²	NAV €
0	Zone A	46.70	€840.00	€40,068.00

0	Zone B	47.50	€420.00	€19,950.00
0	Zone C	47.10	€210.00	€9,891.00
0	Zone D	55.30	€105.00	€5,806.50
				€75,715.50 Say €75,000

NAV Analysis

Floor level	Zoning	Area M ²	NAV €/ M ²	NAV €
0	Zone A	46.70	€550.00	€25,685.00
0	Zone B	47.50	€275.00	€13,062.50
0	Zone C	47.10	€137.50	€6,476.25
0	Zone D	55.30	€68.75	€3,746.58
				€48,970.33 Say €49,000

Ms McPartlan stated that the overall rental analysis rate was €381.48/m² with an NER overall rate of €249.23/m². She confirmed that this property was not subject an appeal to the Tribunal.

8.7 The third KRT also referred to Athlone Town Centre. It comprised a double fronted shop close to the subject and extended to an overall area of 381.45m². It was let in March 2013 for 10 years at €112,897pa and Ms McPartlan provided an NER of €88,279. It was analysed on a zoning basis as follows:

Floor level	Zoning	Area M ²	NAV €/ M ²	NAV €
0	Zone A	82.35	€543.75	€44,777.81
0	Zone B	82.35	€271.87	€22,388.49
0	Zone C	94.13	€135.93	€12,795.09
0	Zone remainder	122.32	€67.97	€8,314.09
				€88,275.48 Say €88,279

NAV analysis

Floor level	Zoning	Area M ²	NAV €/ M ²	NAV €
-------------	--------	---------------------	-----------------------	-------

0	Zone A	82.35	€550.00	€45,292.50
0	Zone B	82.35	€275.00	€22,646.25
0	Zone C	94.13	€137.50	€12,942.88
0	Zone remainder	122.32	€68.75	€8,409.50
				€89,291.13 Say €89,200

This property is under appeal to the Tribunal.

8.8 In addition Ms Mc Partlan provided details of another NAV comparison which she stated comprised retail ground floor and first floors with mall access on both floors and was similar to the subject property. This unit was not subject to appeal to the Tribunal.

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Shop	639.40	€220.00	€140,668.00
1	Shop	475.90	€220.00	€104,698.00
0	Fit -out	10%		€24,536.60 €269,902.60 Say €269,000

8.9 Ms. Mc Partlan amended her valuation to reflect the new agreed fit-out addition of 5%;

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Shop	1,308.40	€220.00	€287,848.00
-1	Store	421	€85.00	€35,785.00
0	Fit -out	10%		€14,392.00 €338,025.00 Say €338,000

8.10 Ms Mc Partlan referred to the appellant's primary letting evidence and stated that several alterations to the mall had to be made to accommodate this store and that it had a large frontage. She stated that the rental level obtained was not a true reflection of rental levels in Athlone Town Centre. She also noted that her NAV comparison had not been appealed and the rate of €220m² had been applied to that store.

8.11 Ms Mc Partlan requested that the revised NAV of €338,000 be entered into the Valuation List in accordance with the Valuation Act.

8.12 During cross examination Ms Mc Partlan did not accept that the open market letting referred to by the appellants was a fair or true reflection of the rental market. She also stated that the NAV for KRT 2 was €49,000 which reflected an overall rate of €249.23m². She stated that she did not rely on the agreed rent but on the NAV. In relation to KRT 3 she stated that the NER devalued at €234/m² for 381m² but did not offer any evidence as to where the difference between the 2013 market rent of €112,897 and the reported NER of €89,200 arose. She also confirmed that the original NAV of €486,000 for the subject property had been reduced to €338,000 following new rental evidence but confirmed that there was very limited rental evidence available. She accepted that the Zone A rents for Golden Island were generally higher than for Athlone Town Centre and that Golden Island had a large Tesco unit but countered that Athlone Town Centre was generally fashion driven and had the benefit of a large hotel on site.

9. SUBMISSIONS

9.1 There were no legal submissions.

10. FINDINGS AND CONCLUSIONS

10.1 On this appeal the Tribunal has to determine the value of the Property so as to achieve, insofar as is reasonably practical, a valuation that is correct and equitable so that the valuation of the Property as determined by the Tribunal is relative to the value of other comparable properties on the valuation list in the rating authority area of Westmeath County Council.

10.2 The Tribunal has examined the particulars of the property and considered the written and oral evidence adduced by Mr. Algar on behalf of the Appellant who contended for a revised valuation of €158,400 and Ms. Mc Partlan on behalf of the Respondent who sought confirmation of NAV €338,000 as fair and reasonable.

10.3 The Tribunal noted that there was only limited rental information available for department stores in the midlands and therefore found that the Appellant's Rental Transaction 1 was important even though the appellants valuer had not directly relied on the analysis derived from this transaction at a retail rate of €59.23m². This was the only similar sized rental comparison provided to the Tribunal. The Tribunal also noted that 4 out of the 5 department stores in

Athlone Town Centre were under appeal and therefore it finds that there is no established tone of the list for such units.

10.4 A unit in Athlone Town Centre KRT 1 referred to a 2007 market rent which was amended by a supplemental agreement to be calculated on a turnover basis and consequently is of very limited benefit in establishing a market rent in October 2015. The NAV in this instance is also under appeal to the Tribunal. Consequently, this key rental transaction was of very limited value to the Tribunal. KRT 2 referred to a small retail unit-196.6m² which was let in March 2016 at €75,000pa which rent had been de-valued on a zoning basis at €840/m² but had been assessed by the Commissioner at €550/m² which indicated to the Tribunal that the rental evidence was effectively disregarded and the transaction could reasonably be regarded as an outlier. KRT 3 refers to a unit comprising 381.15m² which had been let in March 2013 at €112,897pa with an October 2015 NER of €88,279 and an NAV of €89,200. The NER and NAV's were analysed on a zoning basis at €543.75/ m² and €550.00/m² respectively. Both of these zoned units provided limited evidence of rental values for larger department stores which it was agreed were to be valued on an overall basis. Consequently, the Tribunal did not rely on this evidence.

10.5 The valuers agreed that NAV's for Golden Island Shopping Centre for standard units was €700/m² versus €550/m² for Athlone Town Centre, which would indicate that Golden Island was the superior centre. The fact that the department store evidence provided by the Appellants in their 1st NAV in Golden Island Shopping Centre showed a rate of €120m² overall would therefore strongly suggest that a rental level below €220.00m² as contended for by the Commissioner for Athlone Town Centre was too high.

10.6 The large detached supermarket and department store - the appellant's third NAV comparison - located between Athlone Town Centre and Golden Island had a large unmetered surface car park and the NAV had been agreed prior to a Tribunal hearing at a rate of €105m² for the retail elements. These levels for much larger but arguably better accommodation when considered with the level of €90.00m² for their second NAV comparison strongly supports a significant reduction in the rate of €220m² for the retail element in the subject property.

10.7 The Tribunal noted NAV Comparison 1 provided by the Respondents which had referred to a large retail unit in Athlone Town Centre over two floors at €220/m² and that no appeal had been made. The Tribunal does not find this lone comparison to be persuasive.

10.8 The Tribunal noted the levels of NAV's for Athlone and acknowledged the levels applied to Mullingar.

10.9 Having carefully considered the evidence the Tribunal finds that the NAV for the retail element of the subject property should be determined at €120/m². The Respondents valuation referred to a ground floor rate of €220/m² with a basement rate of €85/m² which represented a discount of approx. 60% whereas the Appellants had argued for a 50% discount (based on the Department store rate of €100/ m² and the basement store €50/m²) and the Tribunal finds that a discount of 50% in this particular instance is more equitable and consequently finds that the basement rate should be confirmed at €60/m².

10.10 The Commissioners representative confirmed that the fit-out as originally stated at 10% should be reduced to 5% to reflect its age.

DETERMINATION:

Accordingly, for the above reasons, the Tribunal allows the appeal and decreases the valuation of the Property as stated in the valuation certificate to **€190,000**.

Calculation

Floor level	Use	Area M²	NAV €/ M²	NAV €
0	Shop	1,308.40	€120.00	€157,008.00
-1	Store	421.00	€60.00	€25,260.00
0	Fit -out	5% of ground floor rate		<u>€7,850.40</u>
				€190,018.40
				Say €190,000

And the Tribunal so determines.

Appendix 1 Appellants rental and NAV comparisons

Rental Transaction 1

Property	TK Maxx, Unit 23, 50, 54, 68 & 69 Athlone Town Centre
Property No.	5007476
Lease Date	20 July 2015
Term	15 Year Lease
Rent	Year 1: €0 pa Year 2 & 3: €100,000 pa or 2.5% of Turnover Year 4 & 5: €200,000 pa or 5% of Turnover
Incentives	48% Service Charge paid by the Landlord (€74,552)
Net effective rent	€120,000
Analysis	Ground Floor: 985 m ² x €59.23/ m ² First Floor: 1041 m ² x €59.23/ m ²

NAV comparison 1

Property	Primark Stores Golden Island Shopping Centre
Property No.	1987976

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Department store	3,097.41	€120.00	€371,689.20
1	Retail	887.74	€120.00	€106,528.80
1	Offices	298.77	€120.00	€35,852.40
1	Store	411.84	€120.00	€49,420.80
1				€56,349.12
1				€619,840.32

Say €619,000

NAV comparison 2

Property	Burgess Department Store Church Street			
Property No.	1333122			
Floor level	Use	Area M²	NAV €/ M²	NAV €
-1	Department store	679.18	€90.00	€61,126.20
0	Department store	797.67	€90.00	€71,790.30
1	Offices	299.79	€85.00	€25,482.15
	Fit out		@2.5%	€3,322.91
				€161,721.56

Say €161,700

NAV comparison 3

Property	Dunnes Stores Irishtown Athlone
Property No.	1333459

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Supermarket	1,717.0	€105.00	€180,285.00
0	Department store	2,059.4	€105.00	€216,237.00
0	Stockroom	380.0	€105.00	€39,900.00
0	Plant room	173.7	€105.00	€18,238.00
0	Store	653.0	€80.00	€52,240.00
1	Canteen, offices, stores	438.7	€60.00	€26,322.00
	Supermarket-fit-out		3.00%	€6,975.75
	Dept. Store fit-out		5.00%	€12,806.48
	Off licence			€10,000.00
			Total	€563,004.75

Say €563,000

NAV comparison 4

Property	Primark Stores Unit 1 Fair Green Centre Mullingar
Property No.	2179500

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Department store	2,994.92	€105.00	€252,441.20
1	Store	2,198.85	€75.00	€164,913.75
0	Fit out		@10%	€25,244.12
				€442,599.07

Say €442,000

NAV comparison 5

Property	T K Maxx Unit 3 Fair Green Centre Mullingar
Property No.	2195001

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Department store	1,596.0	€110.00	€175,560.00
1	Store	648.0	€75.00	€48,600.00
0	Fit out		@10%	€17,556.00
				€241,716.00

Say €241,000

Unit 3 let from 1st September 2015 on a 15-year lease at €140,000pa or 5% of turnover.

Analysis

Floor level	Use	Area M ²	NAV €/ M ²
0	Department store	1,596.0	€70.00
1	Store	648.0	€45.80

Appendix 2

Respondents Key Rental Transactions and NAV comparisons

KRT 1 - under appeal to the Tribunal

Property	Zara Unit 28/9 ATC		
Property No.	2195142		
Lease Date	01 November 2007		
Term	25 Year Lease (There was a supplemental agreement in November 2007 whereby the rent was to be calculated on the higher of 8% of turnover or 80% of the turnover rent for the previous 12 months)		
Rent	€545,000 pa NER €256,6100 (based on turnover formula) Actual rents from 2010 to 2015		
	From	To	Rent Payable
	01/11/2014	31/10/2015	€256,610
	01/11/2013	31/10/2014	€189,374
	01/11/2012	31/10/2013	€192,024
	01/11/2011	31/10/2012	€189,391
	01/11/2010	31/10/2011	€160,778

Analysis

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Retail overall basis	477.90	€220.26	€105,262.25
1	Retail overall basis	686.10	€220.26	€151,120.39
				€256,382.64
				Say €256,610

NAV Analysis

Floor level	Use	Area M ²	NAV €/ M ²	NAV €
0	Retail overall basis	477.90	€220.00	€105,138.00
1	Retail overall basis	686.10	€220.00	€150,942.00
	Fit -out		Add 10%	€256,080.00
				€25,608.00
				€281,688.00
				Say €281,000

KRT 2

Property	Shuz 4 U (Sketchers) Unit 27 ATC
Property No.	2195132
Lease Date	14 March 2016
Term	10 Year Lease
Rent	€75,000 pa NER €75,000

Analysis

Floor level	Zoning	Area M²	NAV €/ M²	NAV €
0	Zone A	46.70	€840.00	€40,068.00
0	Zone B	47.50	€420.00	€19,950.00
0	Zone C	47.10	€210.00	€9,891.00
0	Zone D	55.30	€105.00	€5,806.50
				€75,715.50 Say €75,000

NAV Analysis

Floor level	Zoning	Area M²	NAV €/ M²	NAV €
0	Zone A	46.70	€550.00	€25,685.00
0	Zone B	47.50	€275.00	€13,062.50
0	Zone C	47.10	€137.50	€6,476.25
0	Zone D	55.30	€68.75	€3,746.58
				€48,970.33

Say €49,000

KRT 3 - under appeal to the Tribunal

Property	Euro Giant Unit 13/14 ATC
Property No.	2195146
Lease Date	01 March 2013
Term	10 Year Lease
Rent	€112,897 pa NER €88,279

Analysis

Floor level	Zoning	Area M²	NAV €/ M²	NAV €
0	Zone A	82.35	€543.75	€44,777.81
0	Zone B	82.35	€271.87	€22,388.49
0	Zone C	94.13	€135.93	€12,795.09
0	Zone remainder	122.32	€67.97	€8,314.09
				€88,275.48 Say €88,279

NAV analysis

Floor level	Zoning	Area M²	NAV €/ M²	NAV €
0	Zone A	82.35	€550.00	€45,292.50
0	Zone B	82.35	€275.00	€22,646.25
0	Zone C	94.13	€137.50	€12,942.88
0	Zone remainder	122.32	€68.75	€8,409.50
				€89,291.13 Say €89,200

NAV comparison 1

Property	H & M Unit 16/46/47 ATC
Property No.	2195128

Floor level	Use	Area M²	NAV €/M²	NAV €
0	Shop	639.40	€220.00	€140,668.00
1	Shop	475.90	€220.00	€104,698.00
0	Shop Fit out		@10%	€24,536.60.00
				€269,902.60

Say €269,000