

Appeal No: VA23/1/0008

**AN BINSE LUACHÁLA
VALUATION TRIBUNAL**

**NA hACHTANNA LUACHÁLA, 2001 - 2015
VALUATION ACTS, 2001 - 2015**

COSTA COFFEE

APPELLANT

AND

COMMISSIONER OF VALUATION

RESPONDENT

In relation to the valuation of:

Property No. **PN 5023895**, Shop, at Lidl Complex, Belgard Road, Tallaght, Dublin 24.

**JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 9TH DAY OF JANUARY 2026**

BEFORE

Donal Madigan - MRICS, MSCSI

Deputy Chairperson

1. THE APPEAL

- 1.1 By Notice of Appeal received on the 26th day of January, 2023 the Appellant appealed against the determination of the Respondent pursuant to which the rateable value of the above relevant Property was fixed in the sum of **€ 60,700**.
- 1.2 The valuation of the Property falls to be determined from a decision made by the revision manager under section 28(4) of the Valuation Act 2001 as amended ('the Act') that a material change of circumstance occurred since a valuation under section 19 of the Act was last carried out in relation to the rating authority area in which the Property is situate. Accordingly, the value of the Property must be ascertained by reference only to values, as appearing on the valuation list for the rating authority area wherein the Property is situated, of other properties comparable to the Property.

- 1.3 The sole ground of appeal as set out in the Notice of Appeal is that the valuation of the Property is incorrect as it does not accord with that required to be achieved by section 49 of the Act because:

The valuation is excessive based on the open market rent pertaining to the subject property and by way of comparison to other properties in the Valuation List.

- 1.4 The Appellant considered, in the Notice of Appeal, that the valuation of the Property ought to have been determined in the sum of € **45,000**.

2. VALUATION HISTORY

- 2.1 This is a post Revaluation Revision appeal for the rating authority area of South Dublin County Council.
- 2.2 The functions of the Commissioner of Valuation are now performed under the authority of Tailte Éireann with effect from 1st March, 2023 (S.I. No.58/2023 - Tailte Act 2022 (Commencement) Order 2023).
- 2.3 The basis for this revision arises from the Respondent receiving an application from South Dublin County Council that a material change of circumstances had occurred in that this new Property be entered on the Valuation List, and the Respondent determined that an MCC had occurred.
- 2.4 Accordingly, on the 20th day of September, 2021, a copy of a proposed valuation certificate issued under section 29. of the Act in relation to the Property was sent to the Appellant indicating a valuation of € **67,600**.
- 2.5 Being dissatisfied with the valuation proposed, representations were made to the revision manager in relation to the valuation. Following consideration of those representations, the valuation of the Property was reduced to € **60,700**.
- 2.6 A final valuation certificate issued on the 30th day of December, 2022 stating a valuation of € **60,700**.
- 2.7 The base valuation date for the South Dublin County Council rating authority area is **30th October, 2015**.

3. DOCUMENT BASED APPEAL

- 3.1 The Tribunal considered it appropriate that this appeal be determined on the basis of documents without the need for an oral hearing and, on the agreement of the parties, the Chairperson assigned the appeal to a member of the Tribunal for determination.
- 3.2 In accordance with the Tribunal's directions, the parties exchanged their respective summaries of evidence and submitted them to the Tribunal.
- 3.3 Each Valuer provided a Declaration and Statement of Truth in their précis in accordance with Rule 41 of the Valuation Tribunal (Appeals) Rules 2019.

4. FACTS

These are the agreed or undisputed facts:

- 4.1 The Property is located at the junction of the Old Belgard Road with Cookstown Road, just west of the intersection with Belgard Road. This location is known as the Lidl complex with a large supermarket, some other retail units plus a shared car park with 130 spaces.
- 4.2 The Property comprises of a two storey modern semi-detached building in use as a café.
- 4.3 The floor areas of the Property are agreed as follows:

Ground Floor

Retail Zone A	105.10m ²
Zone B	69.77m ²

First Floor

Office	178.79m ²
Total:	353.66m ²

- 4.4 The Property is held under a lease dated 23rd September, 2019 for a term of 20 years from 12th September, 2019 subject to the initial rent of € 55,000 per annum with five year rent reviews and a rent free period of 12 months spread over the first two years. The Tenant has a break option that can be exercised for the end of the tenth year and the Landlord has a conditional break option at that stage too.

5. ISSUES

- 5.1 The sole issue between the parties is one of quantum only; the Appellant contends for a valuation of € 47,400 in his submission whilst the Respondent, in contrast, contends for a valuation of € 60,700 in his submission.

6. RELEVANT STATUTORY PROVISIONS:

- 6.1 All references to a particular section of the Valuation Act 2001 ('the Act') refer to that section as amended, extended, modified or re-enacted by the Valuation (Amendment) Act 2015 and subsequent Acts.

- 6.2 Section 3(1) of the Act, so far as material to this appeal, defines "material change of circumstances" as meaning a change of circumstances that consists of:

the coming into being of a newly erected or newly constructed relevant property or of a relevant property

- 6.3 If a revision manager is satisfied that a material change of circumstances as defined by section 3 of the Act has occurred since a valuation under section 19 of the Act was last carried out in the rating authority area in which the Property is situated, the revision manager has power under section 28(4) of the Act to arrange for that property to be valued.

- 6.4 Where a property falls to be valued for the purpose of section 28(4) of the Act that value is ascertained in accordance with the provisions of section 49 (1) of the Act which provides:

"(1) If the value of a relevant property (in subsection (2) referred to as the "first-mentioned property") falls to be determined for the purpose of section 28(4), (or of an appeal from a decision under that section) that determination shall be made by reference to the values, as appearing on the valuation list relating to the same rating authority area as that property is situate in, of other properties comparable to that property."

7. APPELLANT'S CASE

- 7.1 Mr David Molony, Valuer for the Appellant, submitted a detailed précis of evidence to the Tribunal outlining the location and other characteristics of the Property; basis of valuation for revisions; copies of the representations originally made and a copy of the lease for the Property and other information. comments He submitted his valuation of the Property which he outlined in two approaches as follows:

Method 1. Comparative NAV Analysis.

Level 0. Café : 174.87 m² @ €200.00 per m² = €34,974.00.

Level 1. Café : 178.79 m² @ € 70.00 per m² = €12,515.30.

Total NAV €47,489.30 (rounded) €47,400

Method 2. Rent-Based Valuation.

Lease Rent: €55,000 per annum

Adjustment for Incentive (1-year rent-free): €275,000 over
5 years → €220,000 ÷ 5 = €44,000 p.a.

Upward adjustment to reflect stronger market conditions at the valuation date of
30th October 2015 = €47,300 p.a.

Total NAV €47,300.

He adopts the figure of € 47,400 ultimately.

- 7.2 In support of his valuation, Mr Molony relies on the following comparables:

Appellant Comparable Number 1

PN 5013943

Costa Coffee, Greenhills Road/ Airton Road, Tallaght

NAV € 46,600

This property comprises a ground floor unit of 213.62m² plus outdoor seating of 60.00m² and a mezzanine of 48.00m² and this is valued at € 200.00 per m² overall on the ground with € 70.00 per m² on the mezzanine and € 10.00 per m² on the outdoor seating.

Appellant Comparable Number 2

PN 5002441

Belgard Road (occupier information corrected to South Dublin Arts Centre.)

NAV € 16,350

This property comprises a ground floor restaurant and store of 121.30m² which is valued at € 140.00 per m² overall on the retail space of 115.30m² with a rate of € 35.00 per m² being applied to the store of 6.00m².

Appellant Comparable Number 3

PN 462662

Unit 2 Belgard Shopping Centre, Tallaght

NAV € 3,200

This property comprises a ground floor shop of 32.02m² in a neighbourhood centre a short distance south west of the subject property and this is valued at an overall unit value rate of € 100.00 per m².

7.3 In his Counter Submission of 13th June, 2025, Mr Molony stated, in summary, that:

- (a) the Respondent relied inappropriately on unchallenged or untested net annual value assessments, be that by way of representations or appeals, to defend the valuation;
- (b) the classification of the first floor as offices is factually incorrect as it is in actual use as an integral part of a functioning café;
- (c) the use of zoning as a method is inconsistent with the application of an overall unit value rate as adopted in the Appellant Comparable Number 1 at Greenhills Road and is not representative of premises suitable for the zoning methodology to apply;
- (d) the Respondent's comparables, 1-8, are unsuitable for several reasons to compare with the subject Property;
- (e) notwithstanding the submission for an incorrect photograph for Appellant Comparable Number 2 (PN 5002441) which he accepts, that this unit and the adjacent Betelnut Café unit are both assessed at € 140.00 per m² on an overall basis;
- (f) the Respondent is incorrect in dismissing the actual rental evidence available for the subject Property;
- (g) the Respondent has failed to have proper regard to the actual use of the first floor, the recessed type location, lack of retail cluster with reliance on footfall only from Lidl and limited pedestrian access, poor profile along with lesser quality public transport.

8. RESPONDENT'S CASE

8.1 Mr David Maguire, Valuer for the Respondent, submitted a details précis of evidence to the Tribunal outlining the location and other characteristics of the Property; basis of valuation for revisions; copies of the representations originally made and comments on the Appellant's case. He submitted his valuation of the Property which he calculated (slightly rearranged/expanded here) as follows:

<u>Ground Floor</u>		€
Retail Zone A	105.10m ² @ € 330.00	34,683.00
Zone B	69.77m ² @ € 165.00	<u>11,512.05</u>
		46,195.05
<u>Deduct</u> 15% for frontage/depth ratio		<u>6,929.26</u>
		39,268.79
<u>First Floor</u>		
Office	178.79m ² @ € 120.00	<u>21,454.80</u>
Total:	353.66m ²	60,720.59 say, € 60,700.

8.2 In support of his valuation he made reference to the following eight comparable net annual values from the Valuation List, brief summary details of which are set out here:

Respondent Comparable Number 1

PN 5023896

C. & J Cosgrave, Unit 1, Block 3, Lidl Complex, Cookstown Road,, Tallaght
NAV € 34,500

This property comprises a ground floor unit of 126.14m² and this is valued at € 330.00 per m² on a zoned basis, halving back in the usual way.

This valuation was not subject to representations or an appeal.

Respondent Comparable Number 2

PN 5025971

Arieson Limited, Unit 3, Block 3, Lidl Complex, Cookstown Road,, Tallaght
NAV € 32,200

This property comprises a ground floor unit of 116.19m² and this is valued at € 330.00 per m² on a zoned basis, halving back in the usual way.

This valuation was not subject to representations or an appeal.

Respondent Comparable Number 3

PN 5025970

League Barbers Limited, Block 2, Lidl Complex, Cookstown Road,, Tallaght
NAV € 14,240

This property comprises a ground floor unit of 116.19m² and this is valued at € 330.00 per m² on a zoned basis, halving back in the usual way.

This valuation was not subject to representations or an appeal.

Respondent Comparable Number 4

PN 5025972

Home Care Plus Limited, Unit 3, Block 3, Lidl Complex, Cookstown Road,, Tallaght
NAV € 15,700

This property comprises a first floor unit of 130.84m² and this is valued at an overall unit value rate of € 120.00 per m².

This valuation was not subject to representations or an appeal.

All of the above comparables, 1-4 are in the same complex as the subject Property.

Respondent Comparable Number 5

PN 5016155

Wembar Company Unlimited, Unit 2, Lidl Complex, Main Road,, Tallaght
NAV € 47,100

This property is located in a different location next to the Lidl offices east of Tallaght village and comprises a ground floor unit of 303.25m² and this is valued at € 330.00 per m² on a zoned basis, halving back in the usual way.

This valuation was not subject to representations or an appeal.

Respondent Comparable Number 6

PN 5016154

MBCC Foods (Ireland) Limited,, Unit 1, Lidl Complex, Main Road,, Tallaght
NAV € 50,000

This property is located in a different location next to the Lidl offices east of Tallaght village and comprises a ground floor unit of 310.25m² and this is valued at € 330.00 per m² on a zoned basis, halving back in the usual way, but with a 10% addition for dual frontage.

This valuation was not subject to representations or an appeal.

Respondent Comparable Number 7

PN 5019897

McGuirks Golf Limited, Unit 4, Lidl Complex, Main Road,, Tallaght

NAV € 47,300

This property is located in a different location next to the Lidl offices east of Tallaght village and comprises a ground floor unit of 309.35m² and this is valued at € 330.00 per m² on a zoned basis, halving back in the usual way.

This valuation was not subject to representations or an appeal.

The above comparables, 5-7, are next to a Lidl supermarket as well as Lidl headquarters.

Respondent Comparable Number 8

PN 463076

Ladbrokes Ireland Limited, Unit 10/11, Fortunestown S.C. Tallaght

NAV € 28,700

This property is located south west of the subject in a neighbourhood shopping centre at the intersection of Cookstown Road and Maplewood Road in Jobstown, and comprises a ground floor unit of 116.47m² and this is valued at € 330.00 per m² on a zoned basis, halving back in the usual way.

This valuation was not subject to representations or an appeal.

9. FINDINGS AND CONCLUSIONS

- 9.1 On this appeal the Tribunal has to determine whether the value of the Property accords with that which is required to be achieved by section 49 (1) of the Act, namely a value that is relative to the value of other properties on the valuation list of South Dublin County Council rating authority area.
- 9.2 Both Valuers submitted well researched submissions for which the Tribunal is grateful.
- 9.3 In reviewing the comparable evidence submitted by both parties the Tribunal prefers the Appellant's Comparable Number 1, followed by the Respondent's Comparable Number 6, as being most relevant (being the same brand/use) and in turn, for uniformity of assessment, (notwithstanding the absence of challenges or appeals) the Respondent's comparables 1,2,3,4,5, and 7. The Tribunal considers the Appellant's comparables 2 and 3 and the Respondent's comparable number 8 to be least similarly circumstanced, to the subject Property, because of locational setting, size and/or use.

9.4 The approach of the Appellant is firstly to set out a valuation that ignores zoning but instead is calculated on an overall basis with unit value rates being applied to the ground floor of € 200 per m² and € 70 per m² to the first floor which puts the first floor at some 35% of the ground floor rate (70/200). He adopts this as his final valuation but also provides an alternative in the form of an adjusted rent basis where he takes the rent achieved in 2019 and works back to the valuation date of 30th October 2015 by a series of adjustments. The Tribunal is not persuaded to attach any material weight to the use of the rent adjusted approach, because it involves making market assumptions that become too complex and goes against the spirit of the direction in sec 49 (1) of the Valuation Act 2001. This is fundamental to the adoption of the correct approach in revision valuations because the stage for considering rental evidence is really only at Revaluation stage, as in a revision valuation the task is to slot this valuation into the general pattern of assessments, and not to undertake an informal revaluation in between statutory revaluations. The rationale for his adoption of an overall unit value rate to value the ground floor is rooted in his reliance on his number 1 comparable at Greenhills.

9.5 By contrast, the Respondent chooses to use a zoned basis, but to apply a discount to the zoned value of the ground floor by deducting 15% for the poor frontage to depth ratio and to value the first floor as offices at an overall unit value rate of € 120.00 per m². The application of the 15% discount is rather telling in that it demonstrates the non-ideal characteristic of the property for utilising a zoned approach. The Tribunal considers that an overall unit value rate appears more suitable to this property than zoning, which is partly borne out by the Respondent conceding this allowance in the first place. The Appellant's suggested overall unit value rate for the ground floor is € 200 per m² and if the ground floor valuation by the Respondent is similarly calculated at an overall unit value rate, allowing for the incidence of the 15% discount, this produces a unit value rate overall of € 224.56 per m² (see 8.1 above, value of ground floor € 39,268.79 / 174.87m² = € 224.56 per m²). However, as pointed out by the Respondent, the overall ground floor unit value rate derived from the Appellant Comparable Number 1, PN 5013943, is based on gross internal floor area whereas the floor area in the subject Property is based on net internal floor area. The Tribunal considers this comparable more on a par with the subject than the Respondent Comparable Number 6, PN 5016154, which is in a more lively retail setting closer to, yet on the periphery of, the commercial heart of Tallaght. This other Costa Coffee unit enjoys much better profile and is valued at a Zone A of € 330.00 plus a 10% addition for dual frontage. The subject Property, when analysed after the frontage to depth discount, breaks back to a reduced Zone A level of € 280.50 per m² (€ 39,268.79 / ITZA 139.99 units). The Tribunal therefore considers the Respondent's opinion of the ground floor value to be correct, at € 39,268.79, because it aligns the value closer to the Appellant's Comparable Number 1, making allowance for the differing measurement methods.

9.6 Turning then to the first floor portion of the Property, the Tribunal believes this should be categorised as café use, not offices, and that the value of this should be ancillary to the main ground floor space. However, this is not a separate property in its own right, but an integral part of the overall café operation. The Tribunal considers that this should not be compared with other first floor units as though it constitutes a separate relevant property but must be taken as a part of the Property, being comprised in PN 5023895. To assign a value to the first floor, as offices, seems to go against normal rating valuation principles, as the actual use, *rebus sic stantibus*, is as retail café and functions as part of the ground floor operation, albeit separated by a staircase. The Appellant proposes a value for the first floor based on applying a unit value rate of € 70.00 per m² (corresponding to the valuation of the mezzanine in his Comparable Number 1, PN 5013943) whereas the Respondent adopts a unit value rate of € 120.00 per m². The Tribunal considers that a slightly higher unit value applies than that suggested by the Appellant, and determines that the appropriate level in this case is a unit value rate of € 75.00 to this first floor area, because of the need to align this with the value attributable to the ground floor, in fair proportion to it, as a continuation of the café use, as a consequence.

10. 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 **€ 52,680**.

This is calculated as follows:

Ground Floor

Café	174.87m ² @ € 224.56 per m ²	39,268.79
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First Floor

Café	178.79m ² @ € 75.00 per m ²	<u>13,409.25</u>
		52,678.04

Say, NAV **€ 52,680**.

RIGHT OF APPEAL

In accordance with section 39 of the Valuation Act 2001 any party who is dissatisfied with the Tribunal's determination as being erroneous in point of law may declare such dissatisfaction and require the Tribunal to state and sign a case for the opinion of the High Court

This right of appeal may be exercised only if a party makes a declaration of dissatisfaction in writing to the Tribunal so that it is received within 21 days from the date of the Tribunal's Determination and having declared dissatisfaction, by notice in writing addressed to the Chairperson of the Tribunal within 28 days from the date of the said Determination, requires the Tribunal to state and sign a case for the opinion of the High Court thereon within 3 months from the date of receipt of such notice.