

Appeal No: VA25/2/0031

**AN BINSE LUACHÁLA
VALUATION TRIBUNAL**

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

WM. NEVILLE INVESTMENT PROPERTIES ULC

APPELLANT

and

TAILTE ÉIREANN

RESPONDENT

In relation to the valuation of

Property No. 858574, Unit 2B, City Square Shopping Centre, Arundel Square, Waterford City,
County Waterford.

B E F O R E

Margaret Nerney - SC

Chairperson

Barra McCabe - BL, MRICS, MSCSI

Deputy Chairperson

Caroline Murphy - BL

Member

DETERMINATION OF THE VALUATION TRIBUNAL

ISSUED ON THE 29th DAY OF APRIL 2026

1. THE APPEAL

1.1 By Notice of Appeal received on the 20th day of June 2025 the Appellant appealed against the determination of the Respondent pursuant to which the net annual value (“the NAV”) of the above relevant Property (“the Property”) was fixed in the sum of **€485,000**.

1.2 The sole ground of appeal as set out in the Notice of Appeal is that the determination of the valuation of the Property is not a determination that accords with that required to be achieved by section 28(4) of the Valuation Act 2001, as amended, (“the Act”) because:

"(a) The Valuation is Incorrect

Set out the grounds upon which the Appellant considers that the determination of the valuation of the property is not a determination of its value that accords with that required to be achieved by section 49:

1) The subject property is a section of the former Debenhams department store at City Square. The property has not been occupied since 2020, when Debenhams folded. The principle section of the ground floor is now occupied by Aldi (and assessed separately). The subject comprises the less attractive balance.

2) The Commissioner has assessed the property as a simple subdivision, that is to say he has removed the section occupied by Aldi and left the remainder assessed as it was. This is not sustainable in view of the comparisons, and the prospect of occupation for the unit. €485,000 at October 2011 is not remotely possible."

1.3 The amount the Appellant considered ought to have been determined as being the valuation of the Property was revised upwards from €267,800, as stated in the Notice of Appeal, to €279,000 at the hearing.

2. VALUATION HISTORY

2.1 On the 10th day of April 2024 a copy of a valuation certificate proposed to be issued under section 24(1) of the Act in relation to the Property was sent to the Appellant indicating a valuation of €485,000.

2.2 A Final Valuation Certificate issued on the 25th day of May 2025 stating a valuation of €485,000.

3. THE HEARING

3.1 The Appeal proceeded by way of an oral hearing held remotely on the 12th day of February 2026. At the hearing, the Appellant was represented by Mr David ES Halpin M.Sc. (Real Estate)

Ba. (Mod) of Eamonn Halpin & Co. Ltd and the Respondent was represented by Ms Roisin Casey BSC Real Estate of Tailte Éireann.

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 made an affirmation, 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 Property is a department store comprising retail and stores at ground and first floor levels.

The ground floor of the Property is accessed via the main ground floor mall with escalators and lifts between ground and first floor within the Property.

4.3 Debenhams formerly occupied the entire of the department store until April 2020 when the company went into liquidation and the Property has remained unoccupied since.

4.4 Approximately 70% of the ground floor area of the department store, formerly occupied by Debenhams, was leased to Aldi in August 2024 and a Revision valuation followed dividing the former department store.

4.5 The Property under appeal comprises the balance of the ground floor and the entirety of the first and second floors.

4.6 The Property is in basic condition.

4.7 The floor areas of the Property are agreed between the parties and are as follows:

DESCRIPTION	FLOOR	AREA SQ.M
Department Store	0	750.64
Department Store	1	2,932.94
Store	0	44.41
Store	1	25.95
Store	2	432.40
Store	Mezz	63.71
Total		4,250.05

5. ISSUES

5.1 The sole issue is one of quantum.

6. RELEVANT STATUTORY PROVISIONS:

The value of the Property falls to be determined for the purpose of section 28(4) of the Act 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 Halpin brought the Tribunal through his précis and reviewed the details of the Property including description, location, use, market, sub-division, principles of measurement and rating. His précis included a number of images of the internal condition of the Property and a location map. In addition, Mr Halpin submitted into evidence details of six NAV comparisons the details of which are as follows:

PN	Name	Address	NAV per NAV	
858393	Dunnes Stores	Michael Street, Waterford	€120	€237,000
858171	Pennys	Barronstrand Street, Waterford	€140	€388,000
857163	Shaws	George’s Street, Waterford	€100	€369,000
2148841	Sports Direct	Morgan Street Hyper Centre, Waterford	€90	€114,600
2201257	TK Maxx	Railway Shopping Centre, Waterford	€90	€164,500
823873	Mr. Price	Waterford Shopping Centre, Waterford	€90	€105,400

- 7.2 He submitted that in the opinion of the Appellant, the Property should be valued at a NAV range of between €278,000 and €279,000, depending on how the Tribunal chose to value the Property.
- 7.3 Under cross examination by Ms Casey, Mr Halpin said he very much concurred with Ms. Casey's statement that all retailers want to be trading from the ground floor of a retail centre and that this is not unique to supermarkets. He said all retailers want to be located on the ground floor and that it was widely known to be difficult in shopping centres and retail destinations to get patrons onto the first floor from the ground floor. Mr Halpin submitted that first floor retail trading is a tough business to be in.
- 7.4 Mr Halpin said that in occupying part of the ground floor of the former department store Aldi were not concerned about the overall size of the building, but it was more about wanting to trade from the ground floor and that they also obtained a reasonably standard floor plate. He said they could easily have taken that same floor plate onto the first floor, but they made a conscious decision that they would not want to trade from the first floor. This, he agreed, was because all supermarkets were not keen on trading at first floor level in a shopping centre, which he qualified by giving an "odd example" of a supermarket at first floor, where the car park might be at the same level, but those are few and far between and almost all forms of both department store and supermarket prefer trading from the ground floor by their nature.
- 7.5 Mr Halpin acknowledged that when he referred to the Property being the most valuable department store in Waterford City, he meant on the basis of its size and not just on the NAV of €120 per sq.m as there were other higher NAV per sq.m values in Waterford City. He said he had pointed this out, but that the difficulty his client had was that the hypothetical tenant would have to pay more rent overall, whether that be based on size or not. He said the hypothetical tenant has got to look at other options in terms of the town, such as Dunnes, Penney's, Mr Price and so on and then decide whether he would like to pay more for the Property. Therefore, the hypothetical tenant has got to find desirability in the Property above other properties at that value with ground floor profile, which is highly unlikely.
- 7.6 In respect of the diminished value of the Property as a result of this configuration of a small amount of space at ground level and substantially more at first floor, Mr Halpin said, firstly, that Aldi took the ground floor space, which indicated a significance to it, but secondly no other department stores or retail offerings were configured that way. With reference to

Waterford City, he said there are a collection of department stores where a maximum of 50% of the floor area is located on the first floor, or there is no first floor at all. He submitted that if the Property's configuration was either neutral or advantageous, then this particular configuration would be echoed elsewhere in the list, but the fact is that it is not. In this regard, the best evidence is the valuation list itself and the configuration of department and retail stores on that list.

7.7 Mr Halpin stated that the Respondent should not be charging a fit-out allowance notwithstanding that there was a level of fit-out in place on the date of the Respondent's inspection of the Property. He said the fit-out at the Property had been there more than 20 years, it was old and damaged, or removed in parts, and the Property would require a full refit. He said no tenant would take this unit as it was with the current fit-out. He said Aldi, for example, did not take the fit-out that the previous occupier left behind, and it was of no value to the hypothetical tenant.

8. RESPONDENT'S CASE

8.1 Ms Casey also brought the Tribunal through details about the Property including description, location, use, the market, sub-division, principles of measurement and rating along with a number of images of the Property and a location map. In addition, she submitted into evidence details of five NAV comparisons:

Property Number	Address	NAV per	NAV
858575	City Square Shopping Centre, Waterford	€130	€611,000
10032879	City Square Shopping Centre, Waterford	€120	€231,000
858393	Michael Street, Waterford	€120	€237,000
857163	George's Street, Waterford	€100	€369,000
858171	Barronstrand Street, Waterford	€140	€388,000

In the opinion of the Respondent the Property should be valued at a NAV of €485,000.

8.2 Under cross examination by Mr Halpin, Ms Casey was not able to provide any insight as to why the Respondent's NAV Comparison 3, which is the Dunnes Stores located at the same

scheme, was considered to be a better property than the Property as she was not involved in the valuation of that property. She said she was referring to location generally and not location within this centre in her earlier submissions, when she said that location as a factor had an effect on value. However, Ms Casey did acknowledge that the closer a unit is to the main entrance, the better. In terms of the portion of the former department store that is let to Aldi, which she did not value, and the rate of €120 per sq.m attributed to it, Ms Casey said she thought there was no reason to increase the valuation of the Aldi space in line with the higher value per square metre attributed to Dunnes, nor was there any reason to lower the valuation of the Property.

8.3 Ms Casey had submitted that unless the Appellant could show reduced trading performance directly attributable to the floor area distribution, this point carries little weight. She said the Respondent had no details on the trading performance of any department stores within Waterford City at any point in time. She agreed that even if a tenant was found for the Property, and even if they produced trading performance data, there was nothing to bench that against because there is no objective data available. When put to her by Mr Halpin that the evidence was that the unit has been vacant since 2020 and that when the former department store, including the Property, was placed on the market in its entirety, a third party, an independent, came along and took what the most valuable portion of the former department store was, she said that this was because Aldi had their set floor plans, only needed the size that they required and not a bigger portion, which would not have fitted their business model.

8.4 Ms Casey said that whether a property that loses 55% of its retail frontage results in a lowering of its general valuation would depend on how much frontage that property had. In this regard, the Property had, at 42.5 metres, had substantially more frontage than a more typical shop frontage 6/7 metres and therefore a reduction in value was not warranted.

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 practicable, 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 properties on the valuation list of Waterford City & County Council rating authority area, there being no comparable properties in existence on that valuation list.

10.2 The Tribunal accepts that the Property should be valued in line with section 49(1) of the Valuation Act 2001 and the tone of the list.

10.3 The Property is the residue of a former department store where part of the ground floor was let to Aldi, leaving a reduced ground floor space with a much larger first floor space, almost four times that of the ground floor.

10.4 The Tribunal is persuaded, based on the evidence submitted by both parties, that as a result of the sub-division, the configuration of the Property is not typical, which is clear from the configuration of the other NAV comparables on the list.

10.5 Where the ground floor of the former department store has been sub-divided to accommodate a letting to Aldi, the remaining frontage at ground floor level of 42.5 metres is substantial and the Tribunal concludes that an allowance to the valuation of this floor cannot be warranted.

10.6 The Tribunal is persuaded by the argument that the resulting unusual configuration of the subject Property, following the letting to Aldi of part of the ground floor of the former department store, is likely to negatively affect a hypothetical tenant's view of the Property as against a property that has a more regular configuration. The Tribunal concludes that an end allowance should be applied to the value of the first floor that being half the allowance of 40% proposed by the Appellant.

10.7 The Tribunal is not persuaded that a fit-out allowance should be applied in circumstances where the remainder of the existing fit is old, obsolete and valueless.

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 **€377,404**.

FLOOR	USE	AREA	€ PER SQ.M	TOTAL NAV €
0	Department Store	750.64	120	90,077
1	Department Store	2,932.94	120	351,953
	Less allowance 20%			(70,391)

0	Store	44.41	50	2,221
1	Store	25.95	50	1,298
2	Store	432.40	40	17,296
Mezz	Store	63.71	40	2,548
	Fit Out Allowance			0
	Total	4,250.05		395,002

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.