

Revaluation 2026

Hospitality Properties Committee

Practice Note 8 Valuation of Timeshare Subjects

1.0 Introduction

The Council Tax (Dwellings) (Scotland) Regulations 1993 removed timeshare accommodation from the definition of 'dwelling' and these properties were entered in the Valuation Roll from 1 April 1993.

- Timeshare Contract – a contract of a duration of more than one year;
- Long-Term Holiday Product (LTHP) Contract – a contract of a duration of more than one year;
- Resale Contract – a contract under which a trader, for consideration, assists a consumer to sell or buy a timeshare or a LTHP; and
- Exchange Contract – a contract under which a consumer, for consideration, joins an exchange system which allows that consumer access to overnight accommodation or other services, in exchange for granting to other persons temporary access to the benefits of the rights deriving from that consumer's timeshare contract.

2.0 Basis of Measurement

The units should be measured on a Gross External Area (GEA) basis.

3.0 Basis of Valuation

The method of valuation for timeshare units is by application of the Comparative Principle using a valuation rate per square metre. The Lands Valuation Appeal Court in the case of *Assessor for Highland and Western Isles Valuation Joint Board v Barratt International Resorts Ltd* 1997 found that the basis of valuation "*should be comparison with rents passing for short assured tenancies of similar houses.*"

Rents from domestic properties held on private residential tenancies should be adjusted to reflect the landlord's repair and insurance liabilities in line with the rating hypothesis and, if necessary, also adjusted to reflect furnishings. This approach was upheld by the Opinion of the Lands Tribunal in *Trustees for Coylumbridge Highland Lodges Club v Assessor for Highland and Western Isles Valuation Joint Board LT 2009*.

In order to arrive at the Net Annual Value of each timeshare unit, the basic rate may require to be adjusted to reflect the quality of the accommodation and the location of the Timeshare resort in relation to the properties from which the rate is derived.

4.0 Pertinents

Management / central facilities should be valued separately and will be the subject of separate entry in the valuation roll, as these are usually not in the same rateable occupation.

Restaurants, bars etc. should be valued with reference to the SAA Licensed Premises Practice Notes.

Other facilities (e.g. sports and leisure) should be valued with reference to the appropriate SAA Practice Note.