

Revaluation 2010

Commercial Properties Committee

Practice Note 33 Valuation of Timeshare Subjects

1.0 Introduction

- 1.1 The Council Tax (Dwellings) (Scotland) Regulations 1993 removed Timeshare Accommodation from the definition of 'dwelling' and therefore these properties fall to be entered in the Valuation Roll as from 1st April 1993.
- 1.2 It is now common practice to have individual entries in the Valuation Roll for each timeshare unit. If requested however there is no reason not to make a cumulo entry in the Valuation Roll for administrative purposes.

2.0 Basis of Valuation

- 2.1 The proper method of valuation for timeshare units is by application of the Comparative Principle. 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 house rents.
- 2.2 In keeping with the decision in the above case rental evidence for houses in Aviemore has been analysed and adjusted in terms of the rating hypothesis. This allowed a 'lamp post' level for the Dalfaber timeshare units to be established. Each of the other timeshare complexes is then compared to Dalfaber in terms of quality, location and facilities. The table below shows the comparative adjustment factors to be adopted when valuing timeshare subjects. Any proposed deviation from the table should be discussed with the group responsible for timeshare subjects.
- 2.3 The analysis of house rents has resulted in a basic rate of £37.50 per m² being established. This is to be adopted along with the following adjustment factors. It should be noted however that where new units are built on a timeshare complex which are clearly superior (or inferior) to the standard unit then it may be appropriate to adopt a higher or lower multiplier than that applied to the standard unit.
- 2.4 In order to arrive at the NAV of each timeshare unit, the gross external area is multiplied by the basic rate of £37.50 per m² and adjusted using the multiplier from the table below.

2.5 Table of Relativities

Gleneagles, Perthshire	1.20
Cameron House, Loch Lomond	1.15
Craigendarroch, Ballater	1.10
Duchally, Perthshire	1.10
Coylumbridge, Aviemore	1.0
Dalfaber, Aviemore	1.0
Dunkeld , Perthshire	1.0
Great Glen, Invergarry, Lochaber	1.0
Kenmore, Perthshire	0.95
Auchrannie, Arran	0.925
Foresthills, Trossachs	0.925
Kilconquhar, Fife	0.925
Loch Melfort, Arduainie, Oban	0.90
Moness, Aberfeldy	0.90
Scandinavian Village, Aviemore	0.90
Portsonochan, Dalmally, Nr Inveraray	0.875
Loch Rannoch, Perthshire	0.85
Lochanhully, Carrbridge	0.80

3.0 Other Facilities

- 3.1 Management / central facilities should be valued separately and will be the subject of separate entry in the valuation roll. Restaurants, bars etc should be valued on a turnover basis with reference to the SAA Commercial Properties Committee Practice Note 17(Licensed Premises). Other facilities e.g. sports and leisure, should be valued with reference to the appropriate SAA Practice Note.