

LANDS TRIBUNAL FOR NORTHERN IRELAND
LOCAL GOVERNMENT ACT (NORTHERN IRELAND) 1972
THE LANDS COMPENSATION (NORTHERN IRELAND) ORDER 1982

IN THE MATTER OF A REFERENCE

R/37/2011

BETWEEN

TOBY McMURRAY & JULIE McMURRAY - CLAIMANTS

AND

NORTHERN IRELAND HOUSING EXECUTIVE – RESPONDENT

Re: 141 Kitchener Street, Belfast

Lands Tribunal - Henry M Spence MRICS Dip.Rating IRRV (Hons)

Background

1. No. 141 Kitchener Street is located within a large redevelopment area in South Belfast, known as the Village URA 144. The Village is generally regarded as a distinct location bounded by Donegall Road, Donegall Avenue, Tates Avenue and Glenmachan Street and comprises traditional, high density terrace housing.
2. The redevelopment scheme which extended to some 540 properties, obtained NIHE board approval on 22nd April 2008, at which time an advance purchase procedure was made available for owner occupiers. Of the 540 properties in the scheme some 300 were owner occupied and 156 properties were subsequently acquired by NIHE under the advance purchase scheme.
3. Following the NIHE board decision in 2008 there was a lengthy public consultation process, including several legal challenges and culminating in a Judicial Review in June 2010, contesting the Order. This was unsuccessful and the scheme subsequently became operative with a vesting date of 19th April 2010. The subject property at 141 Kitchener Street which was not owner occupied was acquired as part of the general vesting process.
4. The property, which is now demolished, comprised a two storey mid terrace house with a recent single storey return extension. Accommodation included living room, kitchen/dining room, lobby, bathroom on the ground floor and two bedrooms on the first floor. The windows were uPVC double glazed and gas fired central heating was installed throughout. It was generally accepted that the property was better than average for its type and location.

5. On 1st November 2010 a claim for £135,000 compensation was lodged by the claimants in respect of the land and property. Following several “freedom of information” requests, however, additional information on advance purchase settlements within the scheme was made available by the respondent and the claimants subsequently revised their compensation figure to £110,000.

6. Both experts had used the comparable method of valuation to ascertain the open market value of the subject property at date of vesting but the fundamental issue was the helpfulness of six different categories or strands of valuation evidence. Mr Ferguson preferred:
 - (1) open market sales;
 - (2) pre-vesting (in scheme) advance purchase agreements;
 - (3) post vesting (in scheme) agreements; and
 - (4) historic sales evidence.

Mr Crothers preferred:-

- (5) a schedule of 156 properties purchased by agreement in advance of vesting; and
- (6) a schedule of capital values for rating purposes.

They rejected each other’s strands.

Procedural Matters

7. Stephen Shaw QC appeared for the claimants, instructed by Crothers, Chartered Surveyors. Michael Potter BL appeared for the respondent, instructed by Geo L Maclaine & Co, Solicitors. The Tribunal also received written and oral expert evidence from Mr Kenneth Crothers and Mr Alistair Ferguson, both experienced chartered valuation surveyors. The respondent also called, Mr Vallely, NIHE Land and Property Manager for Belfast Council Area, to give evidence as to NIHE practice and procedure in redevelopment schemes.

Positions of the Parties

8. The parties are agreed:
 - (1) The date of valuation is the date of vesting, 19th April 2010.
 - (2) The task is to assess the open market value of the subject property in accordance with Rule 2 of the Land Compensation (Northern Ireland) Order 1982.

(3) The general housing market experienced a period of “boom” up to sometime in 2007 whereupon the market began to decline. There was a continuing decline during the period prior to vesting but this had levelled off at the time of vesting.

9. Mr Crothers arrived at an assessment of £110,000; Mr Ferguson £79,000.
10. The parties also agreed that whilst various stages in reaching agreements for the sale of land (e.g. the handshake agreement on value, an offer to purchase, written acceptance of an offer to purchase) could be identified, there was no legally binding contract for the sale of land until there was a memorandum in writing.

Statutory Framework

11. The jurisdiction of the Tribunal to assess compensation is founded in Schedule 3 of the Land Compensation (Northern Ireland) Order 1982 (“the 1982 Order”) and the rules for assessing compensation may be found in Article 6 of that Order. Rule 2 is of particular relevance to this reference and provides:

“(2) The value of land, shall, subject to rules (3) to (6), be taken to be the amount which the land if sold in the open market by a willing seller might be expected to realise.”

12. The Housing (Northern Ireland) Order 1981 (“the Housing Order”) gives NIHE the power to acquire land:

“87.—(1) The Executive may, for the purposes of its functions, acquire land by agreement or compulsorily.

(2) ...

(3) Schedule 6 to the Local Government Act (Northern Ireland) 1972 [1972 c.9] shall, subject to the modifications specified in Schedule 6, apply for the purposes of the acquisition of land by means of a vesting order made under this Article in the same manner as it applies to the acquisition of land by means of a vesting order made under that ...”

13. Paragraph 6(1) of Schedule 6 of the Local Government Act (Northern Ireland) 1972 (“the Local Government Act”) provides:

“... a vesting order shall operate, without further assurance, to vest in the council, as from the date on which the vesting order becomes operative (in this Schedule referred to as “the date of vesting”), an estate in fee simple or such other estate (if any) in, to or over the land to which it relates as is therein specified, freed and discharged from all claims or estates whatsoever (except as is specified in the order).”

Authorities

14. The Tribunal was referred to the following authorities:

Birmingham City Corporation v West Midland Baptist (Trust) Association (Incorporated)
[1969] 3 AER 172

Munton v Newham London Borough Council (1976) 32 P&CR 269

Donnelly v NIHE (R/12/1995)

“The Tribunal accepts that it must guard against the danger that an acquiring authority and those acting for it may set a level of settlement which, by virtue of the strength of their position and their resources, may be unfair to claimants. The Tribunal emphasises that such a situation may arise by accident rather than by design.”

and

“...it will often be necessary for the acquiring authority and its agents to take a 'corporate view' on values...”

and

“This Claimant would not willingly sell but, for the purposes of this compulsory acquisition, “the value of land shall be taken to be the amount which the land if sold in the open market by a willing seller might be expected to realise”.

Unilever plc v The Proctor & Gamble Co [2001] AER 783

Mulholland v NIHE (R/48/2004)

“Having considered the evidence, the Tribunal concludes that the most helpful material is that relating to 5 houses purchased by agreement, between January 2003 and September 2003 in advance of vesting ...”

and

“The Tribunal has the impression that there may have been an element within the VLA thinking that it would be unfair to give this claimant more than those who accepted

Advance Purchase offers. If so, that would be wrong because equivalence between Claimants must not take priority over fair compensation to each Claimant.”

15. The Tribunal derives additional assistance from the following authorities:

Martha Hawe v Northern Ireland Housing Executive (R/19/1997)

“But there were real issues about the choice of comparables, the reliability of factual evidence, the degree of helpfulness of comparables to the task of relating the value of the house to the open market and differences of expert opinion.”

and

“...all other things being equal, comparisons further away ... are less relevant than those located closer and there is likely to be a difference in value. But to quantify a difference (if any) when that is disputed, it must have evidence on which to reach a conclusion. In this reference there was none. Rather than drowning under paper the Tribunal was suffocating in a vacuum.”

and

“...but the Tribunal must consider the market as a whole.”

and

“The Tribunal must make a choice and, as stated earlier, the selection must be based on what is before the Tribunal in this reference. In this kind of case, the decision of the Tribunal often will be flavoured by both sales and settlements.”

and

“...the fundamental issue for the Tribunal is 'at what value would the market really have settled in a no scheme world?'.”

and

“...the Tribunal prefers the evidence derived more directly from the open market and attaches much more significance to it.”

James McKeag v Northern Ireland Housing Executive (R/36/1998)

“The only issue, before the Tribunal, was the market value of the house in the ‘No-scheme’ world.”

and

“...it is an imperfect market and, obviously, each house has a different, unique location. Sometimes indicators which appear to point in different directions just cannot be reconciled. In such circumstances the expert witnesses and, in turn, the Tribunal must be selective and choose evidence which on the balance of probabilities is more helpful in preference to that which is less helpful, perhaps giving little or no weight to less helpful evidence that points to a different conclusion.”

and

“Further, when one is dealing with compulsory purchase, the scheme often takes the most closely comparable properties out of the market. Also, as one claim settlement is often based upon another, within the scheme, these may have the effect of creating an artificial market which may or may not accurately reflect the No-scheme world.”

Discussion

16. The task before the Tribunal is to assess the open market value of the property at 141 Kitchener Street in the no scheme world as at date of vesting, 19th April 2010. In doing so the Tribunal must consider the market as a whole (“Martha Hawe”) and the decision must be based on what is before the Tribunal is this reference. In this kind of case the decision often will be assisted by both sales and settlements.

Strand 1. Open Market Sales

17. Mr Ferguson provided evidence of six comparable open market sale agreements of similar or identical properties to the subject in terms of age, character and accommodation:-
- (1) Ebor Parade – sale agree at £92,000 December 2009.
 - (2) Empire Parade – sale agreed at £94,000 October 2009.
 - (3) Coolfin Street – sale agreed at £72,000 March 2010.
 - (4) Tavanagh Street – sale agreed at £74,000 February 2010.
 - (5) Egeria Street – sale agreed at £74,000 March 2010.
 - (6) Rockview Street – sale agreed at £79,000 January 2010.

In Mr Ferguson’s opinion all of these properties were outside the redevelopment area and he did not consider them to be tainted in terms of value. He considered, however, that they were situated within sufficient proximity to the subject property that no adjustment was necessary to reflect differences in location. In his opinion comparables (1) and (2) demonstrated the fall in market values between the last quarter of 2009 and the first quarter of 2010. He considered comparable (6) at Rockview Street to be superior to the subject property as it had a double

storey extension and was of better quality finish. He further considered comparison (4) at Tavanagh Street to be the best evidence of value to be used in determining the open market value of the subject property.

18. The Tribunal finds (3) to (6), which were agreed in or around the date of vesting to be of most relevance.
19. Mr Crothers opinion was that sales (3) and (5) were not located in the Village area and were some distance away from and in locations quite different to that of the subject property. On these grounds alone he did not consider them to be comparable. In the absence of any analysis showing the market in those locations was different the Tribunal is not persuaded that they are unhelpful.
20. The two other comparable sales, (4) and (6), were located within the village at Tavanagh Street and Rockview Street. Mr Ferguson further considered that they were situated within sufficient proximity to the subject property that no adjustment was necessary to reflect the differences in location. In Mr Crothers' opinion those properties lay just outside and were bound to be tainted by the scheme. Mr Ferguson on the other hand did not consider any of the sales to be tainted by the scheme as they lay outside the redevelopment area. In the absence of any analysis showing the market was tainted by the scheme, and noting that they were not apparently inconsistent with Strand 2 (see below) the Tribunal is not persuaded that they are unhelpful.
21. Mr Ferguson did not, however, provide evidence as to how he adjusted these sales to arrive at a figure of £79,000 for the subject property.

Strand 2. Pre-Vesting (in scheme) Advance Purchase Agreements

22. Mr Ferguson produced a table of advance purchase agreements within the redevelopment scheme for properties with single storey extensions, similar to the subject property. He gave evidence that this table was based on analysis of open market sales evidence and the table demonstrated a fall in values of this type of property from £130,000 August to October 2008 to £80,000 April 2010 to July 2010. He confirmed the vast majority of applicants were represented by an experienced agent and both pre and post vesting there had been some 22 different agents acting in the scheme. He selected two, which he considered to be very similar properties to the subject from the table. These were agreed, close to the date of vesting:

(7) Ebor Street – agreed with the agent at £82,000 19th May 2010.

(8) Ebor Street – agreed with the agent £81,000 5th May 2010.

Mr Ferguson further advised that these two agreements were reached without prior knowledge of the date of vesting which did not become known until July 2010, following the outcome of the judicial review.

23. Mr Crothers noted that the open market sales evidence on which the table was based had not been provided to the claimants nor was it before the Tribunal and he therefore considered the table to be of no assistance. As regards the two advance purchase agreements he found it strange that out of a total of 156 advance purchase agreements only these two had been selected by the respondent's expert, without explanation. He also observed that the agreement to sell in both cases was overtaken by the vesting order and in fact both properties were subject to compulsory purchase. Despite the absence of source material, it is clear that the values of two very similar properties to the subject were agreed, close to the date of vesting, and these values appear to be consistent with the table. The Tribunal finds these two advance purchase agreements to be of considerable assistance in assessing market values in or around the vesting date.

Strand 3. Post Vesting (in scheme) Agreements

24. Mr Ferguson provided details of six post vesting agreements of properties similar to the subject property and he considered two of these properties to be almost identical to the subject:

(9) Kitchener Street – agreed with agent at £79,000 at date of vesting 19th April 2010.

(10) Moltke Street – agreed with agent at £79,000 as at date of vesting 19th April 2010.

25. Mr Crothers noted that some 384 properties had been subject to vesting but the respondent's agent provided no explanation as to why only six examples were provided. In any case he did not consider compensation claim settlements to be the best evidence of value.

26. The Tribunal, however, finds these agreements to be of assistance and the question of what is the best evidence of value will depend on what other evidence is available.

27. As in Donnelly the Tribunal must guard against the danger that an acquiring authority may, by accident, set a level of settlement, by virtue of the strength of their position and their resources, may be unfair to claimants. In addition it may often be necessary for the acquiring authority and its agents to take a “corporate view” on values.

Strand 5. Schedule of 156 properties purchased by agreement in advance of vesting

28. Mr Crothers provided a schedule of 156 properties which were purchased by agreement, by the respondent, in advance of the vesting order. This schedule was obtained by the claimants on foot of a freedom of information request. Subsequent to a series of applications to this Tribunal, the claimants were provided with supplementary information in respect of some 20 properties listed in the original schedule. Mr Crothers selected these 20 properties on the grounds that all the transactions were completed in 2010, within about 3 months of, but prior to, the date of vesting.
29. From the information Mr Crothers produced a table of the 20 pre-vesting sales showing each progressing through the purchase by agreement in advance of vesting process i.e. the prices agreed in each quarter from Quarter 3 2008 to Quarter 4 2009, the timing of the corresponding contractual offers between Quarter 1 2009 and Quarter 1 2010 and the timing of the consequential written contractual commitments over the same period.

Summary of purchases by agreement in advance of vesting

DATE	£ PRICE AGREED	£ CONTRACTUAL OFFER	£ CONTRACTUAL COMMITMENT
Q3 2008	125,000		
Q4 2008	133,000		
	130,000		
	130,000		
	125,000		
Q1 2009		125,000	125,000
Q2 2009			
Q3 2009	147,000		
	102,000		
	95,000		
Q4 2009	108,000	133,000	133,000
	90,000	130,000	90,000
	97,000	130,000	90,000
	90,000	90,000	105,000
	100,000	102,000	
	95,000	90,000	
	95,000	105,000	
	95,000		
	90,000		

	95,000		
	90,000		
	105,000		
Q1 2010		147,000	130,000
		125,000	130,000
		108,000	147,000
		97,000	125,000
		95,000	108,000
		100,000	102,000
		95,000	97,000
		95,000	95,000
		95,000	100,000
		90,000	95,000
		95,000	95,000
		90,000	95,000
			90,000
			95,000
			90,000

30. Mr Crothers noted that it was confirmed on behalf of the respondent, by letter of 14th May 2012, in no case was the price agreed altered when it came to making contractual offer and written contractual commitment. He considered the fact that this occurred was likely to be reflective of the rather more stable market conditions that prevailed over that period.
31. In his evidence Mr Vallely explained that as a working practice the respondent: “would not seek to renegotiate the purchase price after agreement was reached with the owner and approved by the Board (NIHE) ... it would recognise the commitment by the owner and would try to honour the agreement and seek to expedite the purchase both in rising and falling markets ... as a Corporate body it would seek to treat people in a fair and reasonable manner and try and honour the commitment given and honour the figure agreed.”
32. Mr Crothers relied on 15 transactions all of which were completed contractually in Quarter 1 of 2010, immediately prior to the date of vesting. He concluded that the average price paid was £106,000 for properties that were of the same type and location but probably varied by quality and to some extent size. In Mr Crothers’ opinion the subject property was in above average repair and he assessed the open market value at £110,000 as at date of vesting. Whilst this information base was imperfect through lack of detail, it was the best available and he was comfortable it enabled a conclusion to be drawn. He considered the schedule provided a substantial body of contemporaneous evidence in respect of similar properties that formed a reasonably reliable basis on which to value the subject property.

33. Mr Ferguson found Mr Crothers' schedule to be of no assistance as in his opinion the contract prices did not represent market values current at those dates. He gave evidence that all of the properties in Mr Crothers' schedule had been agreed for purchase some time before the contractual dates; the values agreed had not been revisited prior to the contractual date and as such they reflected market values prevailing at earlier dates.

34. Mr Shaw submitted:

- i. All of Mr Crothers' comparables were broadly similar to the subject property in terms of size, location, specification and accommodation, although some had not been extended and some had 3 bedrooms.
- ii. This is supportive of Mr Crothers approach of taking an average of the prices, which is an acceptable means of ironing out any differences and then adjusting marginally upwards to reflect that the subject property was slightly above average.
- iii. The price upon which the parties contract at (in the sale of land) represents the value at that time.
- iv. All of the transaction dates were within (and in some cases much less) than 3 months of the date of valuation. In short the evidence did not get much better than this.

He suggested that the evidence and market analysis provided by Mr Crothers and his submissions made to the Tribunal provided a sound and reliable basis for the valuation of the subject property and supported the valuation of £110,000 as claimed.

35. Mr Potter submitted:

- i. Mr Crothers' evidence was premised on an outworking of the argument that the price upon which the parties contract represents the value at that time.
- ii. All of the properties in Mr Crothers' schedule were agreed for purchase some time in advance of the contract date and they reflected market values in 2008 and 2009, not 2010. None of these previously agreed values were revisited prior to signing the contract. This explained the wide divergence of figures in Mr Crothers' schedule from £90,000 to £147,000 for supposedly broadly similar properties. In effect Mr Crothers' schedule represented values pertaining in 2008 and 2009.
- iii. Properties in 2008 were selling for around £130,000 and in 2009 were selling for £99,000 both of which clearly accorded with Mr Ferguson's base value estimates.

- iv. Mr Crothers' evidence excluded consideration of the properties where the price was agreed in 2010. These prices were in the range of £65,000 to £95,000 representing the market value of properties in 2010.

36. Mr Shaw further submitted:

- i. It was common case that the respondent was obliged to adhere to "value for money" principles and it would be a serious matter, for it to have done otherwise. Prudence and good governance dictate adherence to the "value for money" principle.
- ii. The claimants said the respondent did exactly that. It followed normal market practice and did not enter in to any commitment, binding or otherwise upon prices that were anything other than market value at the relevant dates. There were three dates – handshake date, date of contractual offer and date of contractual acceptance, when market value was established. NIHE is not only bound to behave properly but did behave properly in consenting to purchase at prices that were properly reflective of market value at the appropriate dates.
- iii. For the respondent's argument to be advanced it must be predicated upon the quite remarkable proposition that it did not behave properly, and breached the principle of "value for money", by proceeding with purchases at inflated prices. That cannot sit in the mouth of a responsible public body.

37. Mr Potter further submitted:

- i. The position of a public authority such as the respondent in the context of compulsory purchasing does not equate to that of an individual. A public authority must be mindful of and take into account various considerations or factors when acquiring property, and it is of course accepted that one of these factors is to take care of the public purse.
- ii. However the weight that must be given to "value for money" considerations falls well short of a mandatory statutory duty. Rather "value for money" is one of a number of relevant factors or considerations the respondent must take into account when exercising its discretion.
- iii. When acquiring property in compulsory purchase schemes the respondent will be cognizant of various factors including the following:
 - a. The purpose of the advance purchase scheme was to accrue the benefit of the blight procedure, i.e. facilitating owner occupiers finding suitable alternative accommodation prior to vesting, but circumventing or bypassing the complex and expensive blight procedure. The application of a rigid "value for money"

policy as advocated by the claimants would undermine and undo the objects and purposes of the advance purchase scheme, e.g. by creating widespread uncertainty for owner occupiers in respect of selling their properties and finding alternative accommodation.

- b. If, in a falling market, a public authority was required to contract on market value at the time of contract, this would inevitably, frequently and possibly invariably mean it reneging on previous handshake agreements at a higher price. This would create difficulty in concluding purchases. Indeed given that it takes a number of months to move from the “handshake stage” to the “contract stage”, the imposition of such a requirement would conceivably involve an endless cycle of re-negotiation and a new agreement.
 - c. Some flexibility must obtain in the process to allow owner occupiers time to find alternative accommodation once they know the figure they are getting for their property. The uncertainty that the propounded ‘statutory duty’ would cause to owner occupiers and the ensuing difficulties it would create demonstrates the unworkability of the respondent’s propounded duty in practice. Moreover there would be a public uproar if the respondent was seen to be benefiting from owner occupiers’ bona fide failure to find alternative accommodation and complete purchases within a very short time span. For the respondent to seek to benefit financially in such circumstances appears unsavoury and inappropriate.
- iv. In summary any ethos or principle to obtain “value for money” is but one of a number of factors or considerations that determine the contract price. In other words, whilst the ethos or principle to obtain value is a relevant consideration and factor, it is neither the only factor nor the determining factor. Other factors include the following:
- a. achieving the objective of the advance purchase scheme;
 - b. acting in accordance with principles of probity and good governance when compulsorily purchasing peoples’ homes;
 - c. honouring agreements and not reneging on “handshake” agreements reached with property owners; and
 - d. pragmatic recognition that prices vary between agreement and contract, that it takes time to complete property transactions, and this will all mean that in a falling market the contract price may be somewhat higher than the market value of the property at the date of contract.

38. In regard to the further submissions, the prudence or otherwise of the respondent’s practice and policy in the advance purchase scheme is not a matter for this Tribunal.

39. Under normal circumstances, in most cases, the contract price would represent market value in or around the contract date. The Tribunal is satisfied, however, in this instance, based on the evidence provided by the respondent, that the contract prices in Mr Crothers' schedule do not represent open market values pertaining in quarter 1 of 2010. Rather they represent open market values pertaining at earlier "handshake" dates.

Strands 4 and 6. Historic Sales Evidence and Capital Values for Rating Purposes

40. Mr Ferguson provided an extract from the Land and Property Services NISRA Residential Property Price Index. This index was based on verified sales information as recorded by HMRC each year. He considered that the chart demonstrated a significant fall in general Northern Ireland terrace house values had occurred between Quarter 4 2009 and Quarter 1 2010. This fall, he suggested, had also been confirmed by the six comparable sales provided earlier.
41. Mr Crothers provided capital values for rating purposes for properties in Kitchener Street, Soudan Street, Moltke Street and Broadway Parade. This showed capital values in this location to be in a band of £50,000 to £60,000. He did not consider this information to be conclusive, nor did it provide a valuation tool of any precision. It did, in his opinion, suggest a certain homogeneity of values in respect of similar properties in this locality.

Conclusions

42. In regard to Strand 1, open market sales, the two comparable sales, Tavanagh Street (agreed at £74,000 February 2010) and Rockview Street (agreed at £79,000 January 2010) were situated within sufficient proximity to the subject property that no adjustment was necessary to reflect the differences in location. In the absence of any analysis showing the market was tainted by the scheme, and noting that they were not apparently inconsistent with Strand 2 the Tribunal is not persuaded that they were tainted. Mr Ferguson did not, however, provide evidence as to how he adjusted these sales to arrive at a figure of £79,000 for the subject property. The Tribunal concludes that these open market sale agreements give a broad indication of open market values pertaining in or around the locality as at the date of vesting.
43. In regard to Strand 2, Pre-Vesting (in scheme) Advance Purchase Agreements, despite the absence of the source material for the table on which Mr Ferguson relied, it is clear that the values of two very similar properties to the subject were agreed, close to the date of vesting, and these values appear to be consistent with that table. These were both in Ebor Street, one agreed with the agent at £82,000 19th May 2010 and the other agreed with the agent £81,000

5th May 2010 and these agreements were reached without prior knowledge of the date of vesting. The Tribunal concludes that these two advance purchase agreements are of considerable assistance in assessing market values in or around the vesting date.

44. In regard to Strand 3, Posting Vesting (in scheme) Agreements, Mr Ferguson considered two properties to be almost identical to the subject – Kitchener Street (agreed with agent at £79,000) and Moltke Street (agreed with agent at £79,000). Although these were settlements rather than open market transactions, they appear consistent with such evidence and the Tribunal concludes that they are helpful.
45. In the view of the Tribunal the evidence of Strands 4 and 6, Historic Sales Evidence and Capital Values for Rating Purposes does not contradict the analysis of other categories of evidence but otherwise the Tribunal finds it of little or no assistance.
46. The fundamental point that arose in connection with Strand 5, the Schedule of properties purchased by agreement in advance of vesting, was perhaps the key issue. Under normal circumstances, in most cases, the contract price would represent market value in or around the contract date. The Tribunal is satisfied, however, in this instance, the contract prices in Mr Crothers' schedule do not represent open market values pertaining at the valuation date. Rather they represent open market values pertaining at earlier "handshake" dates.
47. Having rejected the evidence of Strand 5, on which Mr Crothers primarily relied, placed little weight on that of Strands 4 and 6 and preferred the evidence of Strands 1 to 3, the Tribunal is content to accept the respondent's assessment of £79,000.

ORDERS ACCORDINGLY

3rd September 2013

**Henry M Spence MRICS Dip.Rating IRRV (Hons)
LANDS TRIBUNAL FOR NORTHERN IRELAND**

Appearances:

Claimants: Stephen Shaw QC instructed by Crothers, Chartered Surveyors.

Respondent: Michael Potter BL instructed by Geo L Maclaine & Co, Solicitors.