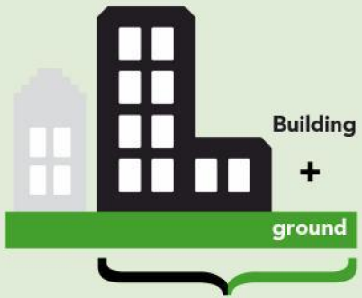
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Advice Land Value Appraisal Commission

18 June 2015

Calculation land value



= reconstruction costs × ageing factor

WOZ-VALUE – BUILDING VALUE = LAND VALUE

fixed date 1 January 2014

Calculation ground lease

LAND VALUE × % GROUND RENT RATE = (ANNUAL) GROUND RENT

Current interest & Inflation & Risk surcharge

Three ways to pay ground lease:

- Buy-out
- Fixed annual fee
- Indexed annual fee

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