

VALUATION CASE STUDY RIGHT OF WAY

The Challenge

This 50 acre lot and recreational home had no ocean frontage but it did enjoy the benefit of a right of way to the beach ... or so the purchasers believed when they acquired the property. Unfortunately such was not the case as they discovered when they attempted to utilise "their right of way". They contacted their title insurer and turned to Turner Drake for help in assessing their loss.

Turner Drake's Approach

We met with the owners and completed a detailed inspection of the property. Utilising our proprietary information technology (IT) platform CompuVal® and the Multiple Listing Service® we researched sales of properties with no ocean access, and non-waterfront lots with a shared right of way to the water. In addition to high resolution satellite imagery from Google Earth, our team utilised Pictometry®, ultra high definition aerial photography which provided three dimensional imagery. This afforded our valuers visual access, in stunning detail, to most properties in our service area. In concert with the sales data and on-line access to the provincial property records we were able to measure the benefit to a property of right of way access to the ocean. Our analysis determined that the incremental benefit of a right of way to a beach was a function of its ubiquity. Rights of way which were restricted to three property owners added more value to the property that benefited than an access easement shared by a dozen homes. Armed with this data we valued the subject property with and without the benefit of the right of way, to calculate the loss in value.

Winning Results

Turner Drake furnished the property owner with a well documented Valuation Report containing verifiable evidence of the price differential between properties with and without beach access. The title insurance company settled the claim.

