
STATUTORY INSTRUMENTS

1994 No. 1974

The Land Registration Fees Order 1994

PART III

VALUATION

Valuation (first registration)

7.—(1) In the case of an application to which article 2(1) applies (first registration of title to land otherwise than by the original grantee under a lease or his personal representatives) made within one year of a sale (other than an exchange, whether or not money is paid for equality, or the sale of a share only in the proceeds of sale of such land) the value of the land shall be taken to be the amount of the monetary consideration given together with the amount outstanding at the time of the purchase under any charge or mortgage subject to which the land was purchased.

(2) In the case of an application:

- (a) to which article 2(1) applies, other than one falling within paragraph (1); or
- (b) to which article 2(3) applies,

the value of the land or lease (as the case may be) shall be ascertained by the Registrar at such sum as in his opinion it would fetch if sold in the open market at the date of the application free from any charge or mortgage.

(3) As evidence of such value the Registrar may require a statement in writing, signed by the applicant or his solicitor or licensed conveyancer or by any other person who, in the Registrar's opinion, is competent to make such a statement.

(4) Where an application for first registration is made on the purchase of a leasehold estate by the reversioner or of a reversion by the leaseholder or on any other like occasion and determination of an unregistered interest, by way of merger, surrender or otherwise, takes place, the value of the land shall be the combined value of the reversionary and determined interests assessed in accordance with paragraphs (1) to (3).

Valuation (registered land)

8.—(1) Where the value of the land in a registered title falls to be determined under this Order it shall be ascertained by the Registrar at such sum as in his opinion the land would fetch if sold in the open market free from any charge or mortgage:

- (a) in the case of a surrender at a date immediately prior to the surrender;
- (b) in any other case at the date of the application.

(2) As evidence of such value the Registrar may require a statement in writing, signed by the applicant or his solicitor or licensed conveyancer or by any other person who, in the Registrar's opinion, is competent to make such a statement.

Valuation (charges)

9.—(1) Subject to paragraph (5), where the amount of a charge falls to be determined under this Order it shall be taken to be:

- (a) in the case of a charge to secure a fixed amount, the amount secured by the charge;
- (b) in the case of a charge to secure further advances, where the total amount of the advances or of the money to be owing at any one time is in any way limited, the amount so limited;
- (c) in the case of a charge to secure further advances, where the total amount of the advances or of the money to be owing at any one time is in no way limited, an amount equal to the value of the registered land comprised in the charge after deducting therefrom the amount secured on it by any prior registered charge.

(2) Where a charge of a kind referred to in paragraph (1)(a) or (1)(b) is secured on unregistered land or other property as well as on registered land, the fee in accordance with article 5 shall be payable on an amount calculated in accordance with the following formula:

$$A - \frac{V_R \times C}{V_C}$$

where

A is the amount on which the fee is payable, V_R is the value of the registered land, V_C is the value of all the property comprised in the charge, and C is the amount of the charge determined in accordance with paragraph (1).

(3) The fee for the registration of a charge by way of additional or substituted security or by way of guarantee shall be payable on the lesser of:

- (a) the amount secured or guaranteed; or
- (b) the value of the land after deducting the amount secured on the land by any prior registered charge.

(4) Subject to paragraph (5), the fee for the registration of a charge to secure an obligation or liability which is contingent upon the happening of a future event (not being a charge falling within paragraph (3)) shall be payable on the value of the land after deducting the amount secured on the land by any prior registered charge.

(5) If in relation to a charge to which paragraph (4) applies, the maximum amount or value of the obligation or liability which may arise is in any way limited under the charge and is capable of being ascertained at the time of the application to register the charge then the fee shall be payable on that amount or value, if less than the value of the land after deducting the amount secured on the land by any prior registered charge.

(6) For the purpose of this Order, where two or more charges are contained in the same instrument and secure the same debt, the instrument shall be treated as creating a single charge by the chargor (or where there is more than one chargor, a single separate charge by each of the chargors) the amount of the charge (or the charge by each chargor) being equal to the lesser of:

- (a) the whole debt; or
- (b) the value of the registered land charged by that chargor after deducting therefrom the amount secured on it by any prior registered charge.