

LAND ACQUISITION ACT

APPEALS BOARD

AB 1999.111

In the Matter of the Acquisition of Land at
Lot 146-51 of Mukim 2
Block 120 Margaret Drive #01-830

Between

Tang Chee Meng as administrator of the estate of Tung
Heng deceased
... Appellant

And

Collector of Land Revenue
... Respondent

DECISION

The decision of this Board is:

(1) That the award of the Collector of Land Revenue of compensation in an amount of \$267 000 in respect of the land at Lot 146-51 of Mukim 2 be increased to \$300 000;

And

(2) That the Collector of Land Revenue pay to the Appellant the balance of the award together with interest at 6% per annum from the date when he took possession of the acquired land down to the date of payment;

And

(3) That the deposit paid by the Appellant be paid out to the Appellant;

And

(4) That there be no order as to costs.

BRIEF STATEMENT OF REASONS

The reasons for the Decision/Order are:

(1) The acquired land comprises 129.1sm of land at Lot 146-51 of Mukim 2 together with a 2 storey terrace house on it known as Block 120 Margaret Drive #01-830 of which the Appellant as administrator of the estate of Tung Heng deceased was at the time the award was made the proprietor for the residue of the term of 99 years which would have expired on 31 October 2055.

(2) At the inquiry held under s 10 the Appellant claimed \$700 000 for the acquired land. On 17 June 1999 the Collector of Land Revenue made an award of \$267 000 as the compensation which in his opinion should be allowed for the acquired land.

(3) The Appellant appeals against the award on the ground that it is inadequate. In his petition of appeal the Appellant does not state the amount of his claim but before this Board he produced a valuation report of Ong Han Boon of OHB Real Estate Consultants & Services Pte Ltd dated 30 March 2001 which states that the market value of the acquired land as at 4 March 1999 was \$500 000 and he claimed this amount.

(4) Section 33 of the Land Acquisition Act provides:

(1) In determining the amount of compensation to be awarded for land acquired under this Act, the Board shall ... take into consideration the following matters and no others:

(a) the market value -

(i) ...

(C) as at 1st January 1995 in respect of land acquired on or after 27th September 1995 ... or

(iii) as at the date of publication of the declaration made under section 5,

whichever is the lowest

(5) The declaration made under s 5 was published on 4 March 1999.

(6) Lim Meng Chuan also of OHB Real Estate Consultants & Services Pte Ltd testifying for the Appellant said that the market value of the acquired land as at 1 January 1995 was \$400 000.

(7) Rachel Ng testifying for the Collector of Land Revenue agreed that the market value as at 1 January 1995 was \$400 000 and this Board finds accordingly.

(8) Ong Han Boon said that the market value of the acquired land as at 4 March 1999 was \$500 000. He relied on the following sale transactions:

<i>Property</i>	<i>Site Area</i>	<i>Price</i>	<i>Contract</i>
		<i>Date</i>	
1 BI 41 Stirling Rd #01-514	122.5sm	\$500 000	1 Oct 98
2 BI 46 Stirling Rd #01-524	130.7sm	\$420 000	19 Jan 99
3 BI 41 Stirling Rd #01-508	119.6sm	\$505 000	2 Jan 99
4 BI 46 Stirling Rd #01-518	130.7sm	\$500 000	7 Jun 99

He derived an average site area rate of \$3 992/sm and made a net adjustment of -2.85% for differences between the acquired land and the properties at Stirling Road. He applied the adjusted site area rate of \$3 878.23/sm to the site area of 129.1sm of the acquired land to derive the market value of the acquired land which he rounded down to \$500 000.

(9) Rachel Ng said that the market value of the acquired land as at 4 March 1999 was \$267 000. She relied on the following sale transactions:

<i>Property</i>	<i>Land Area</i>	<i>Price</i>	<i>Contract</i>
		<i>Date</i>	
1 BI 119 Margaret Dr #01-620	129.1sm	\$440 000	1 Dec 95
2 BI 120 Margaret Dr #01-814	129.1sm	\$380 000	7 Aug 95
3 BI 120 Margaret Dr #01-822	129.1sm	\$430 000	9 Jun 95
4 BI 119 Margaret Dr #01-634	129.1sm	\$340 000	10 Mar 95

She said that she derived a site area rate for each of the 4 transactions. She then identified sale transactions in respect of freehold terrace houses in the MacPherson area to compare market values between the contract dates of each of the 4 transactions and 4 March 1999. She found a fall of 38% from 1 December 1995 and a fall of 36% from the contract dates of the remaining 3 transactions and she made adjustments to reflect these falls. She derived a "base" value of \$240 000 for the acquired land as at 4 March 1999. She took into account the cost (at March 1999 prices) less depreciation for the improvements which she estimated at \$27 000 and said that the market value as at 4 March 1999 was \$267 000.

(10) There were no sale transactions in respect of comparable properties in Margaret Drive in 1999 or at any time after 1996.

(11) The Stirling Road properties are held under HDB leases for which facilities for financing on favourable terms are available from HDB and CPF funds may be applied in the purchase while the acquired land is held under a Crown lease with less than 60 years to run as at 4 March 1999 and such facilities are not available. This is a substantial difference and there was no material before this Board on the basis of which to estimate the adjustment that would have to be made to deduce the market value of the acquired land from transactions in respect of the Stirling Road properties.

(12) On the evidence adduced this Board finds that between January 1995 and 4 March 1999 there was a sharp fall in the market value of terrace houses other than those held under HDB leases although this fall was partly compensated for by the rise in the market value of terrace houses in Stirling Road and further finds that the market value of the acquired land as at 4 March 1999 was \$300 000. As this is lower than the market value as at 1 January 1995 this Board will take into consideration the market value as at 4 March 1999.

(13) The Appellant succeeds in this appeal but as his claim exceeds the amount awarded by this Board by more than 20% he is not entitled to his costs under s 32(4).

Dated 2001 April 28

Commissioner of Appeals T Q Lim
Assessor Yap Neng Chew
Assessor Teo Pin