

IN THE HIGH COURT OF JUSTICE

Claim No: 14B11369

BUSINESS AND PROPERTY COURT

BETWEEN:

POOR LANDOWNER

CLAIMANT

AND

NASTY DEVELOPER LTD

DEFENDANT

SUMMARY

1. On the attached plan is land outlined in red (“the Red Land”) and land outlined in blue (“the Blue Land”). Nasty Developer has bought:
 - a) The Red Land from its owner, Poor Landowner; and
 - b) The adjoining Blue Land from a different owner.

Nasty Developer has already sold on part of the Blue Land to Hopeless Homes.
2. In order to facilitate development of the Red Land and the Blue Land major infrastructure works are required, including the construction of a substantial new Relief Road which will run along the western boundary of the Red Land.
3. Before Poor Landowner sold the Red Land to Nasty Developer he came to an agreement with the owner of the Blue Land. The Blue Land would be granted easements to gain access to the Relief Road (and to connect into services etc.) in exchange for a “Connection Charge” (“CC”).
4. As part of the purchase price of the Red Land, it was agreed that Nasty Developer would share with Poor Landowner certain payments received from the owners of the Blue Land.
5. Nasty Developer believes that no payments are due to Poor Landowner as there is an alternative route into the Blue Land via Acacia Avenue to the south.
6. There is a trial in Court to decide how much the Nasty Developer should pay for the CC which the owner of the Blue Land would have to pay to Poor Landowner if the alternative access could or could not be provided.

7. Nigel Jones FRICS is the expert witness instructed on behalf of Nasty Developer. His opinion is:
- a) The Blue Land with a right to connect to and use the roads and services on the Red Land has a gross value of £41,793,422 and a net value of £27,600,000,
 - b) The value of the Blue Land without the right to connect to and use the roads on the Red Land could be calculated in one of three ways:
 - (i) If CC of circa £14m is paid £13,400,000;
 - (ii) Paying a ransom calculated on Stokes v. Cambridge £18,400,000;
 - (iii) Possible use of an alternative access £21,000,000:
 - c) However, since there is a chance of obtaining access from Acacia Avenue, whilst the owner of the Blue Land might pay something for the certainty of being able to go through the Red Land, he would not pay more than about £2.125m.
8. The barrister for Poor Landowner hopes to persuade the judge that a figure around £14m would be paid and the barrister for Nasty Developer hopes to persuade the judge that no more than £2.125m would be paid.