



## TOKYO Land values slide

THE VALUE of land along Japan's major roads fell 8.3% from a year earlier for the fifth straight year of decline, reports the Japan Times (Aug.19). Drawing on data from the National Tax Administration Agency, the report states that the most expensive plots in Tokyo and Osaka are now worth between 20% and 30% of their value in 1991-1992.

- For the 12th consecutive year, the most expensive piece of land is under the Kyukyodo stationery store in Tokyo. The lot was assessed at 11.36 million yen per sq. meter.
- The Tokyo area saw an average fall of 10.5 % this year, Osaka 8.3% and Nagoya 7.%. The rate of decline last year was 16.1% in Tokyo, 14.6% in Osaka, and 13.1% in Nagoya.
- The decline in average values will lessen the landholding tax burden on companies owning land for office buildings and factories. But the companies want the tax scrapped. It was introduced in 1992 to put a brake on speculative land deals and help restrict land price surges.
- Mitsubishi Estate Co., which has vast landholdings in Tokyo's Marunouchi business district and has paid the biggest amount of landholding taxes each year, is a major opponent of the levy.

## POLPERRO Beside the Sea

A CAR PARK space in this Cornish village in the West of England is offered for sale at £12,000. The space, 15ft x 6ft, works out at £133 per square foot. If the buyer rents out the space at the current rate of £7.50 a week it would take 30 years to recover the investment. But the estate agent has a better idea. He says the buyer should sell it next year when it will probably be worth another £1,000.

## PHOENIX Relative values (1)

ARIZONA governor J. Fife Symington the Third indulged in some creative business deals. This has led to his conviction for fraud following his bankruptcy with debts of \$24 million from 13 failed property projects. In one case, involving an FBI investigation into the claim that he falsely inflated his wealth to borrow money, he was said to have estimated the value of an industrial property at \$1.8 million. He later admitted that that would be its value in 15 years time. "Valuations are highly subjective," he told lawyers.

## ROME Relative values (2)

THE LONGEST running dispute over the assessment of the value of a plot of land may finally be coming to a conclusion. The saga began 181 years ago in the Sicilian province of Agrigento. Now a court has agreed to rule on the dispute which began with a land deal in 1816, in which the parties fell out over the value of the land. The dispute was taken to court, since when it has dragged on until recently when one of the town councils involved demanded the return of its land.

## MANILA Golfing mania

RICH FOLK in the Philippines have revealed a taste for golf but this is playing havoc with the culture and ecology of the country. According to environmentalists the rapid spread of golf courses is displacing indigenous tribal and farming communities and valuable water resources are being wasted to maintain the greens.

Golf and country clubs are now recognised as money machines for investors, with average gains out-performing the yield of stocks and government securities.

Forest land that was for-

merly of little economic value is being bulldozed to make way for the courses as property developers scramble to acquire tracts before they become too expensive.

## ST PETERSBURG Assassination

THE FIGHT TO privatise the land of Russia spilled over into murder once again in August with the assassination of Mikhail Manevich, 36, head of the city's State Property Committee. He was shot dead by a sniper as his car pulled away from his apartment building. Commentators have no doubt that the killing was linked to the victim's work as an arch privatiser of property.

Boris Nemtsov was brought in to the Federal government by President Yeltsin to clean up corruption, and he claims to be making progress. But so far the contract killers continue to escape after claiming their victims. One observer suggested that the death might not have been over "a local real estate squabble, but a warning from higher up".

## LONDON Housing giveaway

EVIDENCE continues to surface of the scale of giveaways under the Thatcher-inspired privatisation programme over the last 18 years.

In the latest scandal, former Tory defence minister Michael Portillo was officially revealed to have sold taxpayers short to the tune of £139 million. Mr. Portillo sold Ministry of Defence homes to a Japanese-led consortium for £1.7 bn. Now, the National Audit Office reveals that Mr. Portillo knew that over a period of 25-30 years it would have paid to retain ownership and sell only quarters that were surplus.

Only on the most absurd assumptions - that property values would grow by less than 0.5% and the number of family quarters required fell by

more than half over 25 years - would the selling price have been commercially fair.

Under the deal, the buyers will lease back the properties to the government on 200-year contracts.

## NAIROBI Land fraud

SURVIVAL INTERNATIONAL, a London-based organisation which campaigns for tribal peoples, has revealed a scandal which has marred the parliamentary elections in Kenya. The charity claims that President Daniel Arap Moi is likely to renege on a promise to return lands to the Massai.

In 1988 the Massai were told that their lands, which they held in common, would have to be divided into private plots. Government officials parcelled out the land to outsiders, including the wife of the Minister of Lands, local officials, and members of the business and political elite.

Pressure by Survival International appeared to swing events in favour of the Massai, but the autumn election threatens to reverse the gains. A Bill that was to have restored the rights of the Massai now faces the axe as the President campaigns for votes among the landowners.

## NEW YORK Tuxedo Prices

A FOUR-bedroomed house will cost you \$800,000 if you want to live in Tuxedo Park, 38 miles from New York in the part of Orange County which gave its name to a dinner jacket. It was in 1886 that a tobacco baron turned up at an autumn ball with the tails of his dinner jacket cut off. Thus was born the Tuxedo.

The millionaire homes passed through good times and bad. In the Depression of the thirties some were blown up to avoid property taxes. But the good times are back and the house prices are going back up, tuxedo-style.