

The Webb Chart: A Simple Fast Method for Valuing Fractional Interests

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SUMMARY

The Webb Chart embodies 20 years of market data and observations and 10 years of intense development in the U.S. in an easily-used collaboration tool that helps valuers breeze past blind spots that have existed for decades. Discover how fractional ownership affects value in a way that is easily understood and communicated – for the benefit of valuers, lawyers, taxing authorities, property owners and their partners. This simple tool values interests in limited partnerships and other holding companies, general partnerships and joint ventures, direct ownership (tenants-in-common) and circumstantial impairment of real estate assets themselves. Multidisciplinary valuation naturally generates blind spots that often frustrate judges, tax authorities, lawyers and especially valuers. Major collaborative efforts to resolve these blind spots began 10 years ago with a collaborative endeavor between the taxing authorities and the principal valuation associations in the U.S. At that time a) my textbook on fractional interests in real estate was published; b) the U.S. Congress gave extraordinary powers to the IRS deal with compliance issues; and c) a series of valuation symposia was begun at the behest of IRS. The Webb Chart offers the cumulative results of these efforts. The Webb Chart is a simple, clear and essential but easy-to-learn Key to Fractional Interest Understanding – A tool for interdisciplinary collaboration that penetrates and dissolves history's blind spots. The Webb Chart takes valuation technology developed at great effort in the U.S. and makes it available for all valuers and users of fractional interest valuations. It is now possible to build a domestic valuation best practice in this interdisciplinary field.