Neutral Citation Number: [2026] EWHC 2321 (Comm)

Case No: CL-2026-000235

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
KING'S BENCH DIVISION
COMMERCIAL COURT

Royal Courts of Justice, Rolls Building
Fetter Lane, London, EC4A 1NL

Date: 8 September 2026

Before:

THE HON MR JUSTICE ROBIN KNOWLES CBE

- -

Between:

TOUR DES FINANCES NV GVBF	**Claimant**
- and -	
CBRE LOAN SERVICES LIMITED	**Defendant**

- -
- -

Robert Anderson KC and Rupert Hamilton (instructed by **Boies Schiller Flexner (UK) LLP**) for the **Claimant**
Stephen Robins KC and Ryan Perkins (instructed by **Allen Overy Shearman Sterling LLP**) for the **Defendant**

Hearing dates: 11-13 August 2026 and subsequent written material 18-22 August 2026

- -

Approved Judgment

This judgment was handed down remotely at 13:00 on 8 September 2026 by circulation to the parties or their representatives by e-mail and by release to the National Archives.

....

Robin Knowles J, CBE:

Introduction

1. The Tour des Finances ("the Property") is said to be the largest office building in Belgium. Its primary tenant is the Belgian federal government. The Claimant's valuation expert at trial agreed with the description provided by the Defendant of the Property as unique and unusual and did not demur from the suggestion that it is one of the most valuable commercial properties in Belgium.

2. The Claimant financed its acquisition of the Property in 2020 with lending on the terms of what is now an Amended Facilities Agreement, dated 12 December 2024 (the **"AFA"**). The purchase was at a price exceeding €1.2 billion.

3. The Defendant is the Agent and Security Agent under the terms of the AFA. It acts, in those capacities, on behalf of eight commercial lenders (the **"Lenders"**), who are also parties to the AFA. PIMCO Prime Real Estate GmbH ("PIMCO") acts as investment managers for Lenders in relation to their lending under the AFA.

4. The AFA provides for what the parties described as a "Cash Trap Event" where the loan to value ratio of the Property, using a valuation as defined, went above a defined level. A "Cash Trap Event" would divert rental income into a "Cash Trap Account".

5. A valuation by Jones Lang LaSalle ("JLL"), and relied on by the Lenders, puts the loan to value ratio above the defined level. In the circumstances of the case, the triggering of the Cash Trap Event has serious consequences for the Claimant. It is also said to be material for the Claimant's parent companies (its ultimate parent is a publicly listed real estate investment trust in the Republic of Korea).

6. According to the Claimant, in order to achieve a "Cash Trap Event", the Defendant and the Lenders obtained a valuation of the Property that did not reflect its true value. The Claimant alleges that the Defendant or one or more of the Lenders interfered with the valuation by JLL, including by giving instructions in relation to what the conclusion of the valuation should be (or should not be). According to the Claimant, JLL was not independent and was biased. JLL's valuation was not, contends the Claimant, a Valuation as defined by the AFA.

7. In this litigation the Claimant seeks a declaration that the valuation by JLL has been obtained in breach of the terms of the AFA and an order that rental income that has been withheld on the basis of the Cash Trap Event should be released to the Claimant.

8. The Court has expedited the trial of the claim given the overall commercial context, and this judgment is produced on an expedited basis.

Valuation and the AFA

9. The AFA defined a "Valuer" as:

> "**Valuer** means BNP Paribas Real Estate, Colliers, Cushman & Wakefield, Jones Lang LaSalle or CBRE or any other surveyor or valuer, in all cases appointed by

> the Agent (acting on the instructions of the Majority Lenders, in consultation with the Borrower for seven Business Days (or such longer or shorter period as the Agent and the Borrower may agree)) …"

10. "Valuation" was defined as:

> "**Valuation** means a valuation of the Property by the Valuer, instructed and supplied at the request of the Agent, … in accordance with Clause 15.3 (Valuations), addressed to the Finance Parties and prepared on the basis of the market value as that term is defined in the then current Statements of Asset Valuation Practice and Guidance Notes issued by the Royal Institution of Chartered Surveyors …".

11. There was no material difference between the parties on core principles of and approach to contract interpretation. The Court, "when interpreting any contract, can use [textualism and contextualism] as tools to ascertain the objective meaning of the language which the parties have chosen to express their agreement": <u>Wood v Capita Insurance Services Ltd</u> [2017] UKSC 24; [2017] AC 1173, per Lord Hodge at [12]-[13]. The process of construing a commercial contract "involves an iterative process by which each suggested interpretation is checked against the provisions of the contract and its commercial consequences are investigated".

12. The reference in the definition of Valuation to "Statements of Asset Valuation Practice and Guidance Notes" is a reference to what is now the "Valuation – Global Standards" published by the Royal Institution of Chartered Surveyors ("RICS"), commonly referred to as the "Red Book". The 2022 edition of the Red Book was in force at the time the AFA was agreed.

13. The Defendant takes the point that the specific reference to the Statements and Guidance Notes in the definition of "Valuation" in the AFA is confined to the definition of "the market value". I consider the Claimant is correct that the reference to value in context leaves no doubt that the parties contemplated a professional valuation by a professional valuer to appropriate professional standards.

14. Paragraph 3.1 of VPGA 2 in Part 5 of the 2022 Red Book, dealing with valuations for secured lending states that:

> "Members are reminded that … they must at all times act with integrity, independence and objectivity, and avoid conflicts of interest and any actions or situations that are inconsistent with their professional obligations. Additionally, members are reminded that they must also declare any potential conflicts of interest – personal or professional – to all relevant parties. It will be appreciated that these requirements are of special relevance and importance in the context of secured lending."

15. Part 3 of the 2022 Red Book, section PS2, dealing with professional standards and ethics, competency, objectivity and disclosures, states that:

> "… it is fundamental to the integrity of the valuation process, all members practising as valuers … must always act in a professional and ethical manner free from any undue influence, bias or conflict of interest".

16. Part 5.2 of section PS2 deals specifically with valuations where there may be reliance by third parties. Paragraph 5.2.3 states that, in relation to such valuations:

> "There are often specific stipulations that the member must meet in order to be deemed suitable to provide a truly objective and independent view. Where that is not the case, the onus is on the member to ensure that there is an awareness of potential conflicts and other threats to independence and objectivity."

Paragraph 5.3.1 notes that:

> "… the requirement for the member to act with independence, integrity and objectivity as described above is clear".

17. The International Valuation Standards ("IVS"), the 2022 version of which is included as Part 6 in the 2022 Red Book, identifies as a "Core Principle of Valuation":

> "Valuers must follow the ethical principles of integrity, objectivity, impartiality, confidentiality, competence and professionalism to promote and preserve the public trust."

18. The Claimant further points out, in my view correctly, that the express terms of the AFA provide that the "Valuation" is to be carried out by the "Valuer" and that does not mean by the Defendant or by the Lenders. The Claimant however accepted that it may be permissible for the Defendant or the Lenders to raise questions and comments in relation to a draft Valuation for consideration by the Valuer when preparing any further draft or final Valuation.

19. The care needed in exchanges with a valuer in the context is the subject of treatment by the relevant RICS guidance. Section PS 2 in the 2022 Red Book includes these passages highlighted by the Claimant:

> "3.10 A threat to the member's objectivity can arise where the outcome of a valuation is discussed before its completion with either the client or another party with an interest in the valuation. While such discussions are not improper, and indeed may be beneficial to both the member and the client, the member must be alert to the potential influence that such discussions may have on their fundamental duty to provide an objective opinion".
>
> …
>
> 3.13 Where discussions with a client occur after the provision of preliminary material or opinions, it is important that such discussions do not, and can be shown not to, lead to any perception that the [valuer's] opinion has been influenced by those discussions, other than to correct inaccuracies or incorporate any further information provided."

20. The Claimant argues that on a common sense reading of the relevant terms of the AFA in context, the kind of conduct that the Defendant is alleged by the Claimant to have engaged in would (if proved) plainly be regarded as commercially unacceptable by ordinary businesspeople. It was not, argues the Claimant, permissible under the express terms of the AFA.

21. In this regard, and although this was a contribution of fact or opinion not law, I note also that Mr Dord of PIMCO, a person holding senior office at one of the Lenders, agreed when giving evidence that it would be wrong for a lender or agent to put undue pressure on a valuer in the context of a valuation. He used the word "absolutely" to emphasise the completeness of his agreement.

The JLL valuation

22. BNP Paribas Real Estate Belgium had provided a number of valuations of the Property over the years. The most recent of which, from 31 October 2024, gave a value of €1.105 billion. That was however down from €1.332 billion in 2020.

23. Knight Frank LLP ("Knight Frank") had indicated a valuation of €1.071 billion, in circumstances discussed further below. An informal valuation prepared by Colliers, on the instructions of the Claimant's Investment and Asset Manager, The Valesco Group Limited ("Valesco"), provided an indicative assessment of €1.069 billion. As a result, the Claimant requested the Defendant to appoint Colliers to provide the Valuation. The figure would not trigger a "Cash Trap Event" under the AFA.

24. The Defendant did not take up that request. On 12 March 2026, JLL was instructed to produce a Valuation within the terms of the AFA. This followed a meeting between PIMCO and JLL at which the "sensitivity" of a valuation at that stage was referred to. A formal letter of instruction was signed on 16 March 2026.

25. On 27 March 2026, JLL shared a first draft of its valuation calculation with the Lenders, giving a value of approximately €920 million.

26. JLL shared a full draft valuation report with Lenders on 2 April 2026. This arrived at the same valuation as the first draft calculation provided previously, that is, €920 million. The Lenders made comments on JLL's draft report. JLL made narrative amendments to reflect many of the Lenders' comments.

27. The Defendant did not share JLL's first draft calculation, or the figure it produced, with the Claimant. Drafts were not supplied to the Claimant until after close of business on Friday 10 April 2026. Comments from the Claimant were requested to be provided by 2pm on Monday 13 April 2026.

28. Ms Greet Hex, Head of JLL's Value and Risk Advisory Department in Brussels was to say this of the process in her evidence at trial:

> "The Q&A process was surprisingly quick – it was completed in approximately one week with just one round of questions, which was unusual. I had expected it to take considerably longer for such a large mandate, involving multiple lenders.
>
> Having provided responses to the initial queries received from Lenders on 13 April 2026, I then received an instruction from [the Defendant] on 14 April to finalise and issue the report, which we were informed had to be done by the following day … From my perspective, this was the only unusual aspect of the engagement – i.e. the limited Q&A process and speed with which the final report needed to be produced at the end of the process."

29. I have read and listened to the evidence of three witnesses from JLL called by the Defendant. The first of these was Mr Jeremy Greenfield, a Senior Valuer in JLL's Value and Risk Advisory Department. I am conscious of the limitations of an assessment made from a limited, single appearance in the witness box. I do not question his honesty, but I was left cautious and underconfident about his evidence. I found him to be a person who was perhaps a little out of his depth in the work he was doing.

30. The second witness from JLL was Ms Hex. She was a clear and convincing witness. The third of the three witnesses from JLL was Mr Paul Cooper, Lead Director for JLL's Southern European office valuation team and Mr Greenfield's line manager.

31. Mr Greenfield had primary responsibility for preparing the valuation by JLL. Ms Hex provided input into the valuation at an early stage. Mr Cooper was involved in reviewing the draft valuation prepared by Mr Greenfield and to which Ms Hex contributed.

32. The Court also read and heard evidence from two employees of PIMCO. Ms Julia Marciano, Head of PIMCO's European Loan Asset Management, Paris Branch, is responsible for loan asset management matters. She came across as an honest witness.

33. Mr Bruno Dord, Head of the Paris Branch of PIMCO's European Debt Origination, was involved in the refinancing and negotiation of the AFA in December 2024 and also in obtaining a valuation of the Property in late 2025/early 2026. He gave evidence that was precise and that I found myself able to accept.

34. Having read and listened to this evidence, I first accept that in appointing JLL, the Defendant expected that JLL would produce a valuation that valued the Property at €950 million or less, a level that would trigger a Cash Trap Event. I also accept that one or more of the Lenders wanted that result, and that JLL probably appreciated that fact by the time it finalised its valuation.

35. But knowing or wanting the consequences of a particular valuation does not mean bringing it about improperly. I am not satisfied that JLL was instructed or pressured improperly to deliver a valuation at a particular level or at a level that would trigger a Cash Trap Event, or breached the standards referred to above. I am also not satisfied that JLL in fact lost its independence and was biased.

36. It is a matter of comment that the combination of a single valuer, having one party but not the other as its client, taken with the imbalance of access as between the two parties to that valuer, and the potential seriousness of the consequences of the valuation, may in practice and at times lead to lack of confidence on the part of the second party in the process, in the valuer and in the valuation. A provision for a Cash Trap Event may alter the position between borrower and lender by causing a focus on shorter term self-interest rather than longer term relationship. These may be weaknesses in the process that the parties agreed.

37. The Claimant says that even if there was not actual bias, apparent bias would suffice to disqualify a valuation as a Valuation, but I disagree. It is the fact of bias, and not the absence but appearance of bias, that is relevant in the context of a case such as the present. In other contexts, the position may of course be different.

38. All this said, in the present case in a number of areas the quality of work undertaken by JLL was open to criticism. I could not be satisfied that Mr Greenfield had done the work he might have done. Mr Greenfield did not seem to grasp quite how serious his work could be in terms of its consequences for both the Claimant and the Lenders. One example was Mr Greenfield's approach to a discounted cash flow cross check on the valuation reached; this was at best cursory. Another was an unexplained failure to address some of the points on the draft valuation that were raised even by some of the Lenders.

39. However, the availability of this criticism is not sufficient for the Claimant to succeed. There was no lack of honesty or good faith or impropriety, and there was no bias. The Claimant says that a failing in relation to the discounted cashflow cross check would disqualify the Valuation because that was a departure from the instructions given to JLL. I disagree. There was nonetheless a Valuation meeting the terms of the definition in the AFA. Further, discounted cashflow (with its own potential for imprecision as a method) was a cross check and not one that I was satisfied, in the circumstances, would have put the valuation reached in a different light.

40. The Court had the benefit of expert evidence from Mr Taco Brink for the Claimant and Mr Tristan Dhondt for the Defendant. Each was independent and expert and sought to assist the Court, and the Court is grateful to them both. As between the two, Mr Brink has more direct experience of carrying out valuation. But Mr Dhondt has more experience of the relevant Belgian market. Both types of experience are material and contributed to my understanding of the expert issues and my ability to reach conclusions on them. But in the context of such an exceptional property as the Property, I found Mr Dhondt's command of the detail of the location and region involved and of the specific market particularly valuable.

41. The reports of the experts and their oral evidence revealed legitimate and understandable differences in professional opinion. This did not mean, in any degree, that either was wrong. In the result, Mr Brink would reject the valuation reached by JLL, but Mr Dhondt would not. Mr Brink was to put the value of the Property at between €1.09 and €1.10 billion, but that is simply one end of a range, and on the evidence, I was not satisfied that JLL was outside that range, albeit at the lower end, where Mr Dhondt's contribution (albeit not itself a valuation) would put it. Again it is a matter of comment that the case shows the vulnerability of a process, agreed between the parties to the AFA, that provided for things to turn in the way they did on the pinpoint of a valuation when valuation is in truth very blunt-ended. Further they sought a figure, when valuation is more about a range.

42. The Claimant's allegations included the allegation that JLL's assumptions were so unreasonable that no reasonable valuer would have adopted them unless instructed to do so in order to reach a low valuation, and that they were adopted in order to reach that low valuation. Here, Mr Brink made reference in his expert report in these terms:

> "… many of the assumptions employed in the JLL Valuation are in direct contrast to market data and based on my experience, inconsistent with how a reasonable and independent valuer would view the market and Property, suggesting that the assumptions were adopted because JLL was pressured to do so.
>
> …

> The skewed JLL valuation assumptions, which may be within a reasonable range when viewed individually, consistently trend towards a lower valuation and when taken as a whole result in an unsupported analysis that is inconsistent with a well thought out reasonable, market supported valuation analysis that suggests that JLL was instructed to adopt at least some of those assumptions. …"

In the joint memorandum prepared by the experts after meeting as directed by the Court following their reports Mr Brink chose the language

> "… as a reviewer I would not accept the report".

43. I appreciate that in his report Mr Brink used the language of "suggestion". He was entitled to raise a possibility when it was in his mind. It was not improper for the Claimant to make the allegation of improper pressure or instruction. But the conclusion whether there was pressure or instruction (beyond the instruction in the letter of instruction) is one which is for trial, and having read and heard the evidence at trial I am not satisfied that the suggestion is borne out.

44. Mr Brink's reference to the fact that the JLL valuation assumptions "may be within a reasonable range when viewed individually" is, moreover, not to be overlooked. Of course, I recognise his point was broader.

45. It is relevant to note some individual elements going to the overall valuation:

(a) The probability of the current tenant, the government, renewing or extending its lease of the Property was put at 80% by JLL. I accept that some would take a higher figure, but to others this is already a very high percentage figure for a future prediction. One expert's 80% may be another's 95% or 100%.

(b) Mr Brink considered an estimated rental value ("ERV") for the Property of €233.96/sqm too low. But there is room for difference of opinion. Mr Dhondt considered the adopted ERV to be within a reasonable range, although "JLL could have documented its ERV rationale more fully".

(c) Mr Brink took the costs of tenant improvements at €500/sqm (in case the government renewed or extended its lease) or €1,000/sqm (in case the government vacated when its current lease comes to an end in 2034). Mr Dhondt regarded this as "not so far removed from market practice" and "within the range that a competent valuer could reasonably have adopted".

(d) Mr Greenfield was cross-examined on the post-2034 yield taken at 5.5%. But Mr Dhondt's expert evidence is that JLL's reversionary yield assumptions were reasonable.

46. I was invited by the Claimant to draw adverse inferences against the Defendant for its failure to call two further witnesses from JLL, Ms Edwards and Mr Kemper. The adverse inferences sought were that JLL knew about the Cash Trap Event under the AFA and that the Cash Trap Event would be triggered if the valuation came out at more than a 52.5% loan to value ratio by 15 April being the April interest date and that, in those circumstances, JLL "did what was required".

47. I decline to draw inferences framed in those terms. The most material part is that which I have placed in quotation marks. With its connotation of impropriety, it goes beyond what I could safely conclude from the fact that these witnesses were not called in all the circumstances of this case. Their evidence might have borne out that JLL knew of the position on Cash Trap Event but that does not mean that JLL was prepared to or did behave improperly.

The Knight Frank valuation

48. A lot of attention was given by the parties in preparation and at the trial to the part played by Knight Frank. The Claimant alleged that PIMCO had previously sought to interfere with Knight Frank's valuation of the Property, because it considered that their valuation was too high, and (it was alleged) this interference cause Knight Frank to feel compelled to resign.

49. I do not regard that allegation as ultimately relevant, or that it was proved that the resignation was from interference as alleged.

50. Knight Frank was instructed on 18 November 2025 to produce a valuation of the Property. Knight Frank initially assessed the value of the Property at approximately €1.081 billion, which figure they shared with the Defendant and the Lenders on 9 December 2025. They shared a very slightly revised calculation on 16 December 2025, still at approximately €1.081 billion.

51. There followed many comments and criticisms from or on behalf of Lenders. Things reached the point on 23 January 2026, with PIMCO emailing Knight Frank directly. They complained that Knight Frank had failed to respond on what they termed "critical points" raised by the Lenders, saying that the "situation [was] no longer acceptable" and demanding "written, point-by-point responses" to its comments and "corresponding updates to the report" by 27 January 2026.

52. At a meeting between PIMCO's Mr Dord and Knight Frank's Mr Cormack, on 26 January 2026, PIMCO's comments and criticisms were repeated.

53. Knight Frank resigned on 30 January 2026 from its role as valuer. Mr Cormack stated by email that Knight Frank's position was untenable because of:

> "… the nature of the questioning [from Lenders], lack of confidence and undue pressure exerted on the valuation process".

Of his face-to-face meeting with Mr Dord, Mr Cormack said that it was clear to him:

> "… that Pimco have a set view on the desired outcome of this instruction and are not prepared to accept our valuation unless it is in line with this expectation".

He continued that Pimco were:

> "… prepared to engage with other consultancy firms if our valuation is not reported at a level they deem appropriate."

54. Mr Dord of PIMCO accepted that, at his meeting with Mr Cormack, he identified €950 million as a potential valuation figure for the Property. I do not accept that this was

something that took matters to the places that Mr Cormack described in his language set out above.

55. In the event, the evidence available at trial, which was not complete on this collateral issue, suggested that Knight Frank may have resigned because they were or felt compromised because they had previously led the Claimant to expect a higher valuation.

56. I read and heard evidence from Mr Stephen Cahoon of Valesco on the interaction between Valesco on behalf of the Claimant and Knight Frank. At one point in his evidence in chief Mr Cahoon stated:

> "I further understand from my solicitor that criticism has been made in correspondence of my email to Mr Moon on 10 November 2025 in which I reported the outcome of these preliminary discussions with Knight Frank … In that email, I described having "managed to encourage" Knight Frank's preliminary figure upward. By that, I simply meant that I had discussed the assumptions and information underlying its initial indication and had sought to ensure that Knight Frank considered the relevant information and, where valuation inputs involve judgment, they felt comfortable to adopt a less conservative view due to sufficient understanding of the asset and tenant".

57. Mr Moon is a director of the Claimant, and I had the benefit of his witness statement; he was not tendered for cross examination by the Claimant. Knight Frank were not a party in the litigation and were not represented and I do not consider it necessary or appropriate to say more.

Conclusions

58. The Cash Trap Event occurred. JLL's valuation may not have been an impressive piece of work. JLL could have done a much better piece of work, and it is, respectfully, for them to reflect on that because these things go to reputation. But the valuation was nonetheless a Valuation within the definition required by the parties' contract, the AFA.

59. The Claimant cannot succeed in its case against the Defendant. Put colloquially and in summary, and with the imprecision that will attend that, the job done by JLL may not have been a good job but it was a sufficient job and it was not a "put up job".