

25 March 2009

AC Surveys Ltd
ALL ABOUT BUILDINGS



Ref: 09-01-001 - PVP Report

PO Box 206
Redcar
TS10 9AB

Page 1 of 8

VALUATION REPORT

Client:

Subject:

SAMPLE





Ref: 09-01-001 - PVP Report

PO Box 206
Redcar
TS10 9AB

Page 2 of 8

1. THE VALUER

The Valuer was Mr Derek M Askew, MRICS MCIQB, for and on behalf of AC Surveys Ltd. He is in a position to provide an objective and unbiased valuation, acting as an external Valuer; he has no material connection or involvement with the subject of this valuation assignment or the party commissioning this assignment; he is competent to undertake this valuation assignment, having experience of valuing this type of property in this locality.

2. CLIENT

The CLIENT is identified above.

3. PURPOSE OF VALUATION

I have been instructed to provide a valuation report in consideration of the Market Value of the asset detailed below, for property acquisition.

4. ASSET TO BE VALUED

The asset to be valued is identified as the freehold title of the SUBJECT property (as detailed above).

i. DATE OF INSPECTION:

The property was inspected by Mr Derek M Askew on Tuesday the 17th of April 2012.

ii. DESCRIPTION:

The property is a three bedroomed semi-detached house, with a detached garage to the rear.

iii. AGE:

It is believed that the property was constructed around 1930. It has been extended to the rear to enlarge the kitchen and first floor bedroom.

iv. CONSTRUCTION:

The property is of traditional brick faced cavity walls under a mostly pitched tiled roof. The garage and dormers are under felt covered flat roofs.

v. LOCATION:

The property is situated in an established residential location, which is not affected by any adverse environmental factors.

vi. SERVICES:

All main services are available and connected.

vii. ROADS:

The roads are made up and adopted.





viii. GENERAL OBSERVATIONS:

The property is currently in a satisfactory condition with only minor repairs typically dealt with under a normal maintenance regime being required.

Your attention is drawn to the terms (appended below), which form the basis on which the inspection and valuation has been undertaken.

5. BASIS OF VALUATION

The asset is valued on a Market Value basis. Market Value is defined as “The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.” This figure is given in Pounds Sterling.

All valuations are professional opinions on a stated basis, coupled with any appropriate assumptions or special assumptions. A valuation is not a fact, it is an opinion. The degree of subjectivity involved will inevitably vary from case to case, as will the degree of certainty – that is, the probability that the Valuer’s opinion of Market Value would exactly coincide with the price achieved were there an actual sale at the valuation date.

6. VALUATION DATE

The valuation date is given as the date of this report, as detailed below.

7. EXTENT OF INVESTIGATION

The subject property was given a visual non-destructive examination from ground level only (IT IS NOT A SURVEY!). These inspections and investigations were limited by the Valuer’s reasonable professional judgement to areas which were appropriate and possible in the particular circumstances. The inspection was limited to those parts clearly visible at the time of inspection, without opening up any areas. Therefore no comment is made on those parts of the property which were covered, unexposed or inaccessible. The Valuer has not arranged for the testing of electrical, heating, plant or other services. No comment is made on any item which does not have immediate effect upon the value of the asset.

8. NATURE AND SOURCE OF INFORMATION RELIED UPON

The Valuer has relied upon information provided by the Client and/or the Client's legal representative or other professional advisers relating to tenure, tenancies, rights of way, restrictive covenants and other relevant matters. The Valuer did not inspect the title deeds and has assumed that the property and its value are unaffected by any matters that may be revealed by a local search and replies to the usual enquiries or by any statutory notice.

No formal enquiries have been made of the Statutory Authorities, or investigations made to verify information as to the tenure and existence of rights or easements.



9. ASSUMPTIONS AND SPECIAL ASSUMPTIONS

It has been assumed that full freehold title and vacant possession will be available on the valuation date. It is also assumed where work has been carried out to the property in the past, (unless otherwise apparent to the surveyor) cannot warrant that this has been done in accordance with manufacturers' recommendations, British/European Standards and Codes of Practice, Agreement Certificates, and statutory regulations.

Upon reviewing available data of completed transactions I found limited relevant transactions within 10% of the instructed value. I have therefore relied upon a greater range of substantiated third party evidence of on-going sales or older sales that may provide guidance.

I found limited relevant transactions suitable for use as comparable evidence hence slightly dissimilar properties have been used to support this valuation.

No further special assumptions or departures from the Valuation Standards were made by the Valuer.

10. RESTRICTION ON USE, DISTRIBUTION AND PUBLICATION

The report is for the private and confidential use of the client, as identified above, for whom the report is undertaken and should not be reproduced in whole or part or relied upon by third parties for any use without the express written authority of AC Surveys Ltd.

11. CONFIRMATION OF STANDARDS

We can confirm that the valuation was undertaken in accordance with the RICS Valuation – Professional Standards 2014.

12. VALUATION APPROACH AND REASONING

The valuation has been drawn up taking into consideration the entire local market. With consideration of both; properties on the market (for sale) and, more importantly, recently sold properties. Deviations have been allowed for any differences in age, size, style or location of comparable properties. We have also used our knowledge of property values disclosed to bank, building societies and other legal institutions. As this evidence has been made available to us in the course of our business, it is considered to be confidential. It is accepted that should a legal challenge be made this information can be made available to another Valuer for verification. We also accept that this information may need to be disclosed to our regulatory body (the RICS) for monitoring or disciplinary purposes.



13. VALUATION

I am of the opinion that the asset has a Market Value of **£120,000 (one hundred and twenty thousand pounds)**.

14. DATE OF VALUATION REPORT

This report has been produced on 25/03/2009, and this is given as the date of valuation.

DECLARATIONS:

We are required to undertake reasonable checks that no conflict of interest exists with regard to this assignment, and are pleased to confirm, that to the best of our current knowledge, no such conflicts exists in this case.

Signed:

A handwritten signature in blue ink that reads "D Askew".

Name & Qualifications: Derek M Askew, MRICS MCIQB

Position: Chartered Surveyor

Office address: PO Box 206, REDCAR, TS10 9AB

Telephone number: 01642 497 595

Fax number: 08721 157 695

E-mail: derek@ac-surveys.co.uk

Website: www.ac-surveys.co.uk



The "Terms of Engagement" agreed were: -

This document sets out the contractual terms upon which we will advise the Client (as detailed above).

- 1) The Valuer will be Mr Derek M Askew, MRICS MCIQB, for and on behalf of AC Surveys Ltd. He is in a position to provide an objective and unbiased valuation, acting as an external valuer; he has no material connection or involvement with the subject of this valuation assignment or the party commissioning this assignment; he is competent to undertake this valuation assignment, having experience of valuing this type of property in this locality.
- 2) The client is identified as the addressee(s) of this letter.
- 3) The Valuation is provided to assist the client in the course of Property Acquisition.
- 4) The asset to be valued is identified as the freehold title of the SUBJECT (as detailed above) property.
- 5) The asset will be valued on a Market Value basis. Market Value is defined as "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion." This figure will be given in Pounds Sterling.
- 6) We would wish to provide an actual date of Valuation at this juncture. However, as the inspection is of an asset and suitable arrangements for inspection must be made, we can only confirm that the valuation date applicable will be the date of report. The report will be available within two working days from the inspection; we will make appropriate arrangements to inspect the property and will inform you of the date of inspection as soon as it is confirmed. When ready the report will be delivered as a pdf, via e-mail, as long as full payment has been received and we are in receipt of signed terms and conditions.
- 7) The subject property will be given a visual non-destructive examination from ground level only (IT IS NOT A SURVEY!). These inspections and investigations will be limited by the Valuer's reasonable professional judgement to areas which are appropriate and possible in the particular circumstances. This will have regard to the apparent state of repair and condition of the property but will not include those parts of the property which are covered, unexposed or inaccessible. The Valuer will not be under a duty to arrange for the testing of electrical, heating, plant or other services. The Valuer will inspect diligently but is not required to undertake any action which would risk damage to the property or injury to the Valuer.
- 8) The Valuer may rely upon information provided by the Client and/or the Client's legal representative or other professional advisers relating to tenure, tenancies, rights of way, restrictive covenants and other relevant matters. The Valuer will not inspect the title deeds and may assume that the property and its value are unaffected by any matters that may be revealed by a local search and replies to the usual enquiries or by any statutory notice.
- 9) In reporting the Value, the Valuer will meet the relevant requirements of the RICS Valuation – Professional Standards, January 2014, and will make the following assumptions which he will be under no duty to verify.
 - a. That unless otherwise advised or an inspection reveals matters to the contrary, an assumption is made that no contamination or potentially contaminative use is, or has been, carried out at the property. Unless specifically instructed we will not take any investigation into the past or present uses of either the property or any adjoining or nearby land to establish whether there is the potential for contamination from these uses and an assumption will be made that none exists.
 - b. That no high alumina cement concrete or calcium chloride additive composite panels or any other potential deleterious or hazardous materials or techniques have been used in the construction of the property or have since been incorporated.
 - c. However, should it be established subsequently that contamination exists at the property or on any neighbouring land or that the premises have been or are being put to any contaminative use this might reduce the values reported.
 - d. That vacant possession is provided (unless valued as an investment and subject to an occupational lease).
 - e. That good title can be shown to the property and it is not subject to any unusual or especially restrictive onerous restrictions, encumbrances or outgoings.
 - f. That inspection of those parts which have not been inspected would not reveal material defects or cause the Valuer to alter the Valuation materially.
 - g. That sewers, main services and roads giving access to the property have been adopted and that any lease provides rights of access and egress over all communal estate roadways, paths, corridors, stairways, communal grounds, parking areas and other facilities.
 - h. In the case of a new property where construction which has not been completed, that construction will be satisfactorily completed.
 - i. That in the case of newly constructed residential property it has been built under the NHBC Buildmark Scheme, Zurich Municipal New Build and Rebuild Scheme, Housing Association Property Mutual Scheme, Premier Guarantee or for private and completed housing or equivalent, under the supervision of a professional consultant and that an appropriate certificate of satisfactory completion has been issued.
 - j. We will not make any written enquiries of the Planning Authority and therefore will make the assumption that there are no known contraventions of planning law and that all buildings and structures which require planning consent and Building Regulation approval have the appropriate statutory consents.
 - k. We will not make any enquiries of the Health and Safety Executive and will not make any statement that the property conforms to the necessary legal requirements of this authority and or to the requirements of any legal enactment and we will assume that there are no contraventions that may affect the valuations.
 - l. We will not make any enquiries to obtain a mining report and will assume, unless there is compelling visual evidence, that there is potential subsidence which would affect the property.



- 10) The report is for the private and confidential use of the client, as identified above, for whom the report is undertaken and should not be reproduced in whole or part or relied upon by third parties for any use without the express written authority of AC Surveys Ltd.
- 11) We can confirm that the valuation will be undertaken in accordance with the RICS Valuation – Professional Standards 2014.
- 12) The report shall be completed to the minimum standards set out in Valuation Practice Statement 3 (VPS3). When ready the report will be delivered as a pdf, via e-mail, as long as full payment has been received and we are in receipt of signed terms and conditions. If a physical copy of the report is required, this can be issued, in a bound copy via the post, for an additional charge of £12 to cover administrative, production and delivery costs.
- 13) As agreed the fee is detailed in the attached invoice with payment terms. We can confirm that we do not pay a referral fee or equivalent inducement to any party who may have recommended our services. The Client will pay the agreed fee together with any VAT which is applicable and any disbursements or additional fees required for the appropriate preparation of the report and agreed prior to the release of the report. We reserve the right to charge additional fees based on our current hourly charging rate for professional services should the nature of the instruction evolve beyond the original instruction and we will seek to agree this departure prior to incurring such costs. Full payment must be made in advance of the release of the report. Fees and costs are subject to Value Added Tax at the prevailing rate and will be payable upon presentation of an invoice. Under the Late Payment of Commercial Debts Interest Act 1998 we are entitled to claim interest at the rate of Bank Rate plus 8% from the date the monies become due. In the event of permissible cancellation by the client (as detailed below) an Administrative charge of £50 may be levied from any refund applicable.
- 14) AC Surveys Ltd operates an RICS approved complaints handling procedure and a copy of this is available upon written request.
- 15) In order to ensure compliance with the Valuation Standards of RICS, this file and all contents may be subject to monitoring under the institution's conduct and disciplinary regulations. As such this may include full disclosure of the all information to an investigating officer of the RICS.

LIMITATIONS TO LIABILITY

- 16) We will make every effort to ensure that our service meets your requirements, but we recognise that occasionally things can go wrong. You should understand that in order to balance risk fairly between us, we have capped some of our legal liabilities in accordance with RICS recommendations. This means that if we are in breach of contract or a duty of care that we owe to you, the maximum compensation that we should be obliged to pay you would be as follows: -
 - For a breach of contract or a duty of care relating to our valuation: 10% of our valuation of the Property. For example, if we value the Property at £300,000, any damages you could recover from us would be limited to £30,000.
 - For a breach of contract or a duty of care relating to a defect: an amount equivalent to twenty times the fee you have paid for this service. For example, if you paid £400, our maximum compensation that we are obliged to pay you would be limited to £8,000.
 - There is no limitation of liability in the event of any claim against us for death, personal injury or fraud.
- 17) The report will be prepared by a Chartered Surveyor ('the Employee') on behalf of AC Surveys Ltd ('the Employer'). The statements and opinions expressed in this report are expressed on behalf of the Employer, who accepts full responsibility for these. Without prejudice and separately to the above, the Employee will have no personal liability in respect of any statements and opinions contained in this report, which shall at all times remain the sole responsibility of the Employer to the exclusion of the Employee. To the extent that any part of this notification is a restriction of liability within the meaning of the Unfair Contract Terms Act 1977 it does not apply to death or personal injury resulting from negligence.

CANCELLATION

- 18) The Client will be entitled to cancel this contract by notifying the surveyors' office at least 24 hours before the scheduled inspection, in which case any monies paid by the Client for the service will be refunded except for any expenses reasonably incurred up to the date (see above).
- 19) If the Client wishes to cancel the instruction the Client should notify us immediately of the intention. If cancellation occurs after the surveyor has undertaken an inspection, but before the provision of the final report, a charge of 50% of the agreed fee will be made. The Surveyor may cancel the instruction at any time, and will make full reimbursement of any monies received, should such cancellation become necessary. Please note: The 'distance selling' regulatory 'cooling off' period do not apply to this contract, as the service commences immediately upon your request to us to provide the service.



Declaration of acceptance and agreement to the above Terms of
Engagement

The client has confirmed that these terms have been read and the information contained within is fully understood, the extent and basis of the selected inspection and report is fully appreciated and accepted, and the instruction to proceed was duly confirmed.

SAMPLE