



PROPERTY VALUATION - for whom, for what purpose and for why all this needed?

The property seller, regardless of the property type, always want to sell it for a favorable price which has reflected in the market. To get an adequate value in relation to the features which has a property, it is the best to use services of an expert in this area, namely the property valuer.

Who prepare the property valuation so who is the property valuer?

This is a public trust profession created for our comfort and support. The task of the property valuer is to determine value of the property considering all attributes and factors which have an impact on such property. That profession obliges to perform the operations of the property valuation in accordance with accepted rules and standards which are result of the law provisions and professional standards with extreme care and rules of professional ethics, guided by the rule of fairness in valuation. The property valuer estimating the property value for variety purposes can not be influenced by any of the parties. This rule allows to give an objective opinion about the property value. The valuer is independent of the parties will in an objective way. The only bond between the parties is an agreement which indicates the subject of valuation (property) and the purpose of it. The valuer determines which and to whom are entitled the rights to the property, he analyzes the market to aiming the indentification factors which affect to the property value. Basing on it he selected the method of determining the property value. Verifies and checks the validity and reliability of the documents received from client. Specifying the property value shall not be referred with the expected financial possibilities of the client. The result of valuation is the operat made by the property valuer.

Appraisal report - what is it?

It is a author`s property valuer opinion about appraised property value. Illustrates the whole procedurę carried out by the property valuer in the result of which will be determined the value of the property. Before preparing the valuation the property valuer is carried out site inspection. For this target he goes to the property which is the subject of valuation to determine its physical condition. Having an image of valuated property, the documents showing the subject of valuation, analysing the local market and obtaining information about destiny of valuated property which arises from the local plan, the valuer can proceed to prepare the appraisal report. Depending on what is the valuation

purpose, the nature and location of the property, destination in the spacial development plan, the level of equipment in the technical infrastructure, state of development, available datas about the prices, an incomes and similar properties characteristics, the valuer makes the right choice about the approaches, methods and techniques of estimating the property.

It is worth to mention that the property valuation is carry out by using approaches:

- Comarative
- Income
- Costing
- Mixed with elements of other approaches

Property valuer presents a methodology of calculation and the final result in his paper. He enclosed also the photographic documentation, a extract from the land and mortgage register, extract form land register with an extract from the record map. Obligatory the author of the valuation signs the appraisal report using for it an oval stamp containing the basic valuer datas and the numer of his professional qualifications.

What is the aim of preparing the appraisal report?

Appraisal report is a confirmation of the property value.

The valuation target can be the result of the law provisions, it may also involved making an important decisions.

Example objectives of determining the property value:

- Establish of the purchase price
- Establish of the starting selling priceUpdating of perpetual usufruct fees
- Determining the amortization
- Determining size of the credit security
- Determining size of the stamp duty (tax on inheritance and donations or on civil-law activities)
- Establish sale prices for the perpetual user
- Calculation of compensation for expropriation
- Calculation of compensation for damages
- Determining the amount of insurance
- From enfranchisement of the legal person
- Calculation of incurred expenditures
- Calculation of adjacency fee
- Calculation of planning fee
- Calculation of charges for exclusion farmland (forest) from production
- Set the assets abandoned abroad off against arrears of purchasing the property

Presented targets of the valuation different types of assets are related to the most common cases. They do not exhaust ofcourse all situations in which it is possible and necessary to determine property value.

Who can use the services of the valuer?

Anyone who need to determine the property valuke:

- Individuals
- Banks
- Offices
- Courts
- Companies, businesses
- Other entities

Property value and the price for the property

Many of us seems that the property value and its price is the same. Well, there are two different issues. The valuer who determines the property value is doing it by the rules which are the result of the law provisions and professional

standards issued by the Polish Federation of Valuers Associations.

Definition of the market property value without going into details and professional intricacies is as follows: the market property value is the most probable its price possible to gain on the market under certain conditions. In other words it is the equilibrium price in which will meet conscious buyer with the conscious seller having a rational intention to make a transaction. So what the value differences from the price, if it is the most probable price. Well, the different is that the prices noted in the market are the result of the market users behavior which operates from very different reasons, often in forced situations. They are not often the result of the behavior and conditions which must occur to have to do with the market value, so that the most probable price.

Documents needed for the property valuation

The catalog of necessary documents is agreed individually depending on the type of the property, the purpose and range of the valuation.

Basic, required documents are:

- Current copy of land register
- Extract from the land register
- Notarial act or other document specifying the rights to the property (eg. court order, donation agreements, lease, rental)
- Decision about allocation of the property
- Certificate about independence of the property
- Technical documentation of the building

Additional documents:

- Certificate about intended of the land in the zoning plan
- Decision about the objects development conditions (buildings) located on the valuated property
- Decision approving the construction project for the buildings and structures
- Building objects books for commercial properties

How much costs the valuers service?

The task which the valuer is taking is very responsible which requires a lot of attention and time. The cost of services depends mainly on the type and size of the property which is the subject of the valuation. It has an importance if it is a parcel of land, developed property, housing or service unit. Valuers who are cooperating with us are doing their job reliable and professionally, so their rates are definitely adequate to the preparations quality. On their behalf, we invite you to cooperation.

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