

Standard Services & Basic Fee Guide

Annexed to this document is an excerpt from the Curriculum Vitae of our Managing Partner, Peter Phippen, showing the types of services Abbotts Valuers can provide. Our website www.abbottsvaluers.com.au and Mr. Phippen's website www.phippen.com.au provide additional information. Concerning fees, we provide the following as a basic guide.

To value anything, even if just required to provide a simple verbal opinion, valuers by law are required to undertake an extensive range of tasks before they are in a position to provide any opinions whatsoever. These include a comprehensive inspection of the property or entity being valued, where details are recorded. As the majority of our work involves the valuation of real property, details are recorded of the location of the property, its proximity to services, facilities and amenities, any positive (views, etc.) or negative (electricity power lines, etc.) features, etc. Then we record details such as the size, shape and topography of the land; the size, quality, level of accommodation, and state of repair and condition of the main improvements, i.e. house or other buildings, and details of any additional improvements, e.g. swimming pool, tennis court, etc.

Then extensive research is undertaken into the market in the area around the date or dates of valuation. This information is then analysed, followed by inspections of the comparable properties. Statutory enquiries reveal permissible land uses, and any inherent future potential. Ultimately, based upon the total work undertaken, an opinion of value is formed, and a valuer is then able to prepare a report detailing their findings.

Abbotts Valuers provide two standard types of report :

1. A Basic Valuation Report. This report, usually around 6 - 8 pages, gives the minimum of information, including Title Particulars, Location, Land Particulars including dimensions and area, details of Improvements, including size, quality and accommodation, a Comparable Sales Analysis and Valuation Rationale, and a Certificate of Value. These reports are designed to confirm value for pre-sale or pre-purchase purposes, and statutory purposes, such as the basis for calculation of Stamp Duty, and Land and other Taxes, including Good & Services Tax and Capital Gains Tax, however they are not recommended for contested litigation.
2. A Comprehensive Valuation Report. This includes all of the above information but in significantly greater detail, resulting in a substantial document averaging around 30+ pages. Copies of all relevant documents are annexed, including Title Search and Deposited or Strata Plan, and if available, building plans, S.149 Certificate, survey, etc., along with a comprehensive photographic portfolio. These reports are used predominantly in contested litigation cases (e.g. Family Law, disputes over Wills & Estates, and general litigation where the value of property or other entity is in dispute). They are also used in other situations, such as when a client wants to impress a new bank manager, obtain property development funding, listing in a registered prospectus, etc.

Obviously the cost of valuation reports varies, basically depending upon the location, nature and value of the property, the difficulty and the risk of the task, and particularly the amount of time taken to do the job (i.e. it takes more than twice as long to prepare a Comprehensive Report).

As a guide (GST inclusive) :

Assessed Value	Basic Report	Comprehensive Report
Up to \$500,000	\$660	\$2,200
\$500,000 - \$1m	\$825	\$3,300
\$1m - \$2.5m	\$1,375	\$4,400
\$2.5m - \$5m	\$1,980	\$5,500
\$5m - \$10m	\$3,300	\$9,900

Additional charges for Disbursements apply, moreso for Comprehensive Reports. These include Title Searches, Transportation Costs, Statutory Charges, Photography, etc. Also additional charges apply if subsequent services are required such as conferences with other parties, appearance in Court as an Expert Witness in litigation matters, etc. Full details of additional fees, costs and charges can be provided on request.

When you call to make an appointment to meet with one of the Abbotts Valuers team to begin preparation of your required report we will discuss your specific needs and provide a firm fee cost estimate. If you believe yours is a special case, we would be happy to discuss the matter, and the resultant costs of our services.

Valuers are required to provide clients with the terms and conditions under which they provide professional services, and to provide a Valuers Statement. These are provided on the following page.

Finally, Valuers are required by law to have instructions confirmed in writing. Once you confirm that you would like us to provide our professional services, we will request you to email us a completed and signed Confirmation of Instructions form – you can obtain a copy of this form via our website..

If you have any questions about our firm or our services, please fell free to call on us at any time.

Abbotts Valuers

Proud Members of :

The Australian Valuers Institute

The Australian Property Institute.

Valuers are required to provide all clients with the standard conditions, recommendations and qualifications that apply to a valuation report – these are as follows :

Standard Conditions & Recommendations of a Valuation Report

This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or part of the content of this valuation.

Neither the whole or any part of this valuation or any reference thereto may be included in any published documents, circular or statement, nor published in part or in full in any way, without written approval of the form and context in which it may appear.

Abbotts Valuers confirms that no employee, family member or any one associated with this practise has any pecuniary interest that could conflict with the valuation of the subject property.

This valuation has been based on information provided by other entities, which may include the client, their solicitor, accountant or other advisers; local real estate agents; other valuers; providers of data bases of property sales and leasings; and statutory records. The information provided is assumed to be correct, however if any of this information is found to be incorrect, this valuation should be returned immediately for review. Whilst every effort has been made to ensure the accuracy and reliability of the information contained in this valuation, any reference made herein relating to any of the following are subject to the referred to qualification :

ITEM	QUALIFICATION
Area / Dimensions	Subject to Survey.
Title	Subject to Title Searches.
Zoning & Land Use	Subject to a full Section 149 Certificate from the relevant Local Government Authority.
State of Repair	Subject to a satisfactory report by an engineer and/or licensed builder as to the quality of any improvements on the land, and their structural state.
Comparable Values	Subject to reliability of information supplied by the client, real estate agents, other valuers, and statutory records.

This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 3 months from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

Valuations for Mortgage Security Purposes state that the valuation is prepared on the assumption that the proposed lender may rely on the valuation for mortgage finance purposes and the lender has complied with its own lending guidelines as well as prudent finance industry lending practices, and has considered all prudent aspects of credit risk for any potential borrower, including the borrower's ability to service and repay any mortgage loan. Further, the valuation is prepared on the assumption that the lender is providing mortgage financing at a conservative and prudent loan to value ratio.

Valuers are also required to include a Valuers Statement in all valuation reports – this is as follows :

Valuers Statement

I/we, the undersigned valuer/s who has/have prepared this report, confirm :

1. I/we have made all of the enquiries I/we believe are necessary and appropriate and to my/our knowledge there have not been any relevant matters omitted from this report, except as otherwise specifically stated in this report;
2. I/we believe that the facts within my/our knowledge that have been stated in this report are true;
3. The opinions I/we have expressed in this report are independent and impartial; and
4. I/we have complied with the requirements of professional Codes of Conduct or protocols that apply to me/us, including the Professional Practice Standards and Rules of Conduct of the Australian Valuers Institute, and the Australian Property Institute, and the NSW Valuers Registration Regulation 2001 – Schedule 1.

If a valuation report is prepared for use in any type of litigation (i.e. Family Law, disputes over wills or estates, resumptions and acquisitions, easements and covenants, professional disputes, etc. – basically any type of matter potentially involving the valuation to be presented to a Court and/or the valuer appearing in Court as an Expert Witness), the report must also carry a statement similar to the following :

Prior to preparing this report I, the valuer who has prepared this report, confirm that I have read the (name of Court – e.g. the New South Wales Land and Environment Court / Local Court / Supreme Court / District Court, or the Family Court / Federal Court / High Court of Australia) Expert Witness Practice Direction and I agree to be bound by the Expert Witness Code of Conduct contained in that Practice Direction.

PROFESSIONAL APPOINTMENTS

REAL PROPERTY Mr. Phippen has acted since the mid-1970's throughout the Eastern Australian States as agent/broker, consultant and/or valuer/appraiser for many thousands of freehold and leasehold owners and occupants of all types of real property including :

Torrens Title, Community Title, Strata Title, leasehold and freehold;

Residential - vacant land, developed and en globo; houses of all types and sizes, apartment blocks, density developments, individual apartments / home units / town houses / villa homes / flats (existing and off-the-plan).

Commercial / Industrial / Retail - development sites, offices, office blocks and towers, showrooms, factories, workshops and warehouses, low and high rise, suburban shops, and local and regional shopping centres.

Tourism / Resort - vacant land, developed and en globo, freehold and time-share apartments and villas in coastal resorts and estates, caravan parks, maritime leaseholds and permissive occupancies.

Licensed Premises - leasehold and freehold hotels, motels, restaurants and reception/function/convention centres and facilities.

Rural - vacant land, developed and en globo, broad acre grazing, cropping and mixed farms, olive and fruit orchards, vegetable/floral market gardens.

Special Uses - including hospitals & medical centres; marinas & dockyards; mobile home parks; schools; nuclear facilities; freeways; easements and rights-of-way; etc.

Resumptions & Acquisitions, Statutory Valuation Objections - valuations of whole or part properties for Local, State and Federal Government Departments / Authorities acquisitions, Land Tax Objections.

CORPORATIONS & BUSINESSES Mr. Phippen has acted as agent/broker, consultant and/or valuer/appraiser for owners of corporations and registered businesses of all types and sizes and for many different purposes including sale and purchase, pre-sale and pre-purchase assessments, mortgage security, internal accounting and Public Company statutory reporting and prospectus requirements.

Abbotts Valuers and Mr. Phippen have provided services for every imaginable purposes, including valuations for :

- * mortgage security;
- * pre-sale and pre-purchase assessments;
- * statutory acquisitions and resumptions;
- * lease and rental disputes and negotiations;
- * objections to Statutory Land Value Assessments and Land Tax;
- * valuations for use in the Family / Federal / High Courts of Australia, and the New South Wales Land & Environment / Local / Supreme / District Courts; and
- * valuations for a variety of insurance and related purposes.