

BOARD NOTICE 77 OF 2009**Publication of Professional fees in terms of section 35 (2) of the Property Valuers Profession Act, 2000 (Act No. 47 of 2000).**

In terms of section 35 (2) of the Property Valuers Profession Act, 2000 (Act No. 47 of 2000), the Council must, annually after consultation with the voluntary associations, representatives of service providers and clients in the public and private sector, determine professional fees and publish those fees in the *Gazette*.

The Council hereby invites interested persons to submit any written substantiated comments or submissions on the proposed draft document **on or before 24 August 2009**. Submissions should be addressed to the Registrar: Mr M C Seota and may be forwarded in any of the following ways:

1. delivered by hand to the SA Council for the Property Valuers Profession at 77 Kariba Street, Lynnwood Glen, Pretoria;
2. mailed to P.O. Box 114, Menlyn, 0063
3. faxed to 012 348-7528
4. emailed to registrar@sacpvp.co.za or avhatakali@sacpvp.co.za

Any enquiries should be directed to Mr M C Seota or Avhatakali Khorommmbi at (012) 348-8643



M C Seota
Registrar

PROPERTY VALUERS PROFESSION ACT, 2000 (ACT NO. 47 OF 2000)

Guideline Professional Fees determined in terms of Section 35(2) of the Act.

NOTES:

- (i) The fees that a registered person may charge, include an *ad valorem* fee, as well as charges for time, travelling, accommodation costs and other actual expenditure.
- (ii) All valuations must be fully motivated unless specifically otherwise instructed by the client and the time spent drafting such report should be charged in terms of paragraph 2.0.
- (iii) The fees do not include value added tax or any other tax which may be imposed by the Government.
- (iv) Registered persons must ensure that their instructions regarding valuations are clearly defined.

1.0 PROFESSIONAL FEES FOR VALUATIONS

1.1 AD VALOREM TARIFF- Proposed figures

NOTE: The *ad valorem* fees include time spent inspecting the subject property.

Value of Property	Basic Tariff	Additional to Basic Tariff
Up to R50 000	R500	
From R50 000 to R150 000	R500	R12 per R1 000 over R50 000
From R150 000 to R350 000	R1 700	R8,00 per R1 000 over R150 000
From R350 000 to R500 000	R3 300	R6,00 per R1 000 over R350 000
From R500 000 to R750 000	R4 200	R4,80 per R1 000 over R500 000
From R750 000 to R1 000 000	R5 400	R3,60 per R1 000 over R750 000
From R1 000 000 to R5 000 000	R6 300	R1,50 per R1 000 over R1 000 000
From R5 000 000 to R10 000 000	R12 300	R1,34 per R1 000 over R5 000 000
From R10 000 000 to R25 000 000	R19 000	R0,80 per R1 000 over R10 000 000
From R25 000 000 to R50 000 000	R31 000	R0,60 per R1 000 over R25 000 000
From R50 000 000 to R100 000 000	R46 000	R0,30 per R1 000 over R50 000 000
Over R100 000 000	R61 000	R0,15 per R1 000 over R100 000 000

1.2 WHERE MORE THAN ONE VALUATION IS REQUIRED

Where a client requires more than one value for a property (eg market value and insurance value) an additional charge of 30% of the fee for the first valuation is suggested in respect of the second valuation.

1.3 WHERE PRESCRIBED FORMS ARE REQUIRED

Where a client requires the completion of specific forms in addition to the valuation, the applicable fee may be increased by 25%, subject to a maximum increase of R250,00 per property.

1.4 CONTINUOUS AND SEPARATE VALUATIONS

Where a client instructs a registered person, in one instruction, to prepare continuous valuations, the registered person may charge a fee based upon the total of the continuous valuation at the relevant tariff fee.

Continuous valuation means the valuation of two or more properties having similar attributes.

1.5 REVALUATIONS

Where a registered person is instructed to revalue a property which he or she has valued within the preceding period of 12 months, and the property or the interest therein has not changed materially since the first valuation, the fee should be reduced by 50%.

1.6 SECTIONAL TITLE UNITS

For the valuation of sectional title units, the rate set out in 2.1 for investigation should be charged in addition to the *ad valorem* tariff fee.

1.7 "BEFORE AND AFTER" VALUATIONS

When instructed to prepare two valuations, such as "before and after", of a single property, a registered person may charge for each of the valuations separately in terms of 1.1, provided that where the work involved in preparing the second valuation does not amount to performance of a completely separate valuation, the registered person should charge in terms of 1.1 on the higher of the two valuations only.

1.8 VALUATION OF PART OF A PROPERTY

Where a registered person is required to value a portion of, or an undivided share in, a property and it is necessary to value the whole property in order to determine the value of the part, or the share, the fee may be based on the value of the whole property.

2.0 TIME CHARGE

2.1 The guideline charges per hour, or part thereof, are as follows:

2.1.1 Professional Valuer

With more than 10 years experience: R1 500

With less than 10 years experience: R1 200

2.1.2 Professional Associated Valuer

With more than 10 years experience: R 1 200

With less than 10 years experience: R 1 000

2.1.3 Candidate Valuer

With the prescribed or a recognised academic qualification: R 600

Without the prescribed or a recognised academic qualification

More than 3 years practical experience: R 500

1-3 years practical experience: R 400

2.2 ALTERNATIVE TO AD VALOREM TARIFF

A registered person may charge for a valuation at the fee as set out in 2.1, provided that the resultant fee should not be less than the fee calculated in terms of 1.1.

2.3 ADDITIONAL TO AD VALOREM TARIFF

For market research, Deeds Office searches or other investigations, a registered person may charge an additional fee based on the rate set out in 2.1 .