

# STANDARD TERMS OF ENGAGEMENT

**VALUER NAME & DETAILS**

Mr A M Gardner, BSc.(Hons)  
Managing Partner  
Gardner & Co Surveyors

Valuer/Surveyor status: Independent Surveyor/Valuer

I have carried out a due diligence check regarding any conflict of interest relating to this instruction. If there is a conflict of interest, I will have discussed this with you, and you have agreed to proceed with the instruction.

I confirm that to the best of my knowledge and belief, I have no personal or other impairments that will prevent me from acting independently and objectively in this matter.

**"CLIENT"**

.....

**PROPERTY TO BE VALUED**

.....

**PURPOSE OF INSTRUCTIONS**

Valuations by request ONLY.

**VALUATION / SURVEY DATE**

.....

**Note:** The valuation of the property only represents the value of said property on the date it was surveyed

**BASES OF VALUE**

The following definition of Bases of Value will be used. They are derived from the International Valuation Standards Council and unless otherwise stated and agreed will reflect **Open Market** valuation.

**Inheritance Tax**

Definition of value of Inheritance Tax under Section 160 of The Taxation of the Chargeable Gains Act 1992 (as amended by section 251 of the Finance Act 1994).

The price which the property might reasonably be expected to fetch if sold

**ASSUMPTIONS  
& SPECIAL  
ASSUMPTIONS**

in the **Open Market** at that time, but that price must not be assumed to be reduced on the grounds that the whole property is to be placed on the market at one and the same time.

The follow assumptions must be made:

- *the sale is hypothetical;*
- *the vendor is a hypothetical, prudent and willing party to the transaction;*
- *the purchaser is a hypothetical, prudent and willing party to the transaction (unless considered a special purchaser);*
- *for the purpose of the hypothetical sale, the vendor would divide the property to be valued into whatever natural lots would achieve the best overall price;*
- *all preliminary arrangements necessary for the sale to take place have been carried out prior to the date of the valuation;*
- *the property is offered for sale on the Open Market by whichever method of sale will achieve the best price;*
- *there is adequate publicity or advisement before the sale takes place so that it is brought to the attention of all likely purchasers;*
- *and the valuation should reflect the bid of any special purchaser in the market (provided the purchaser is willing and able to proceed).*

#### **Capital Gains Tax**

The basis of the valuation for Capital Gains Tax Purposes is in accordance with Section 272 of the Taxation and Chargeable Gains Act 1992 and is defined as follows: -

*"The price which the property might reasonably be expected to fetch if sold in the open market at that time, but that price must not be assumed to be reduced on the grounds that the whole property is to be placed on the market at one and the same time."*

I will have regard to the apparent state of repair and condition of the property but will not inspect those parts of the property which are covered, unexposed or inaccessible. Such parts will be assumed to be in repair and condition.

I will not be under a duty to arrange for the testing of electrical, heating, plant or other services. In reporting, I will meet the relevant requirements in accordance with professional standards and will make the following assumptions, which I am under no duty to verify:

**ASSUMPTIONS &  
EXTENT OF  
INVESTIGATIONS**

(a) That no harmful or hazardous material has been used in the construction of the property or has since been incorporated, and that there is no contamination in or from the ground, and it is not land filled ground.

(b) That good title can be shown and that the properties are not subject to any unusual or especially onerous restrictions, encumbrances or outgoings;

(c) That the property and its value are unaffected by any matters which would be revealed by a local search and complies to the usual enquiries, or by a statutory notice, and that neither the property, nor their condition, nor its use, nor its intended use, is or will be unlawful;

(d) That inspection of those parts which have not been inspected would neither reveal material defects nor cause me to alter the valuation materially.

Subject to the following caveats shall carry out such inspections and investigations as are, in my professional judgement, appropriate and possible in the particular circumstances.

**Title:**

We shall assume the property is freehold or a long lease over 90 years remaining; unless specifically instructed to investigate otherwise.

**Condition of buildings:**

You have selected a Building Survey and are content with your choice and the level of Building Survey is suitable for your needs.

**Services:**

I will not be under a duty to arrange for the testing of electrical, heating, plant or other services.

**Planning:**

No formal enquiries have been made with the local planning authority. It is assumed that all local authority and statutory approvals have been granted for the present use of the premises.

**Highways:**

Enquiries will be made with the Local Authority as to whether the road is adopted.

**Contamination and hazardous or deleterious materials:**

That no harmful or hazardous material has been used in the construction of

the property or has since been incorporated, and that there is no contamination in or from the ground, and it is not land filled ground.

**Environmental matters:**

Mining: I will not carry out a formal mining search but will comment if I am aware of any former mining activity which may have impact on the value or saleability and whether any further investigation is required to fully assess the risk.

**Flooding:**

I will not carry out a flood impact investigation, but I will advise you if I am aware of any historic or potential flooding which may have a material effect on the value of the interest and whether any further investigation is required to fully assess the risk.

**Radon Gas:**

I will investigate whether the interest is within an area considered to be at risk from Radon Gas.

I will not conduct an Environmental Survey but will advise you whether you should commission such in order to fully assess the risk.

**Sustainability:**

The Valuer/Surveyor will make enquiries as to the existence of the Energy Performance Certificate and comment accordingly.

**SOURCE OF INFORMATION**

Comparable evidence will be obtained from internal/external sources and those sources will be disclosed in the report.

**RESTRICTIONS ON PUBLICATION**

Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear.

**THIRD PARTY LIABILITY**

Our survey/valuation is provided for your benefit alone and solely for the purposes of the instruction to which it relates. Our survey/valuation may not, without our written consent, be used or relied upon by any third party, even if that third party pays all or part of our fees or is permitted to see a copy of our report.

If we do provide written consent to a third party relying on our survey/valuation, any such third party is deemed to have accepted the terms of our engagement.

**PERSONAL  
LIABILITY**

None of our employees, partners or consultants individually has a contract with you or owes you a duty of care or personal responsibility. You agree that you will not bring any claim against such individuals personally in connection with our services.

If you do decide to bring a claim against our company this will only be dealt with through Alternative Dispute Resolution and will not go to any court not magistrates to deal with a contractual dispute. By signing this document, it is assumed that you agree to deal with matters by Alternative Dispute Resolution.

**NET  
CONTRIBUTIONS**

If you suffer loss as a result of our breach of contract or negligence, our liability shall be limited to a just and equitable proportion of your loss having regard to the extent of the responsibility or any other party.

Our liability shall not increase by reason of a shortfall in recovery from any other party regardless of the cause.

**PROFESSIONAL  
INDEMNITY  
INSURANCE**

Our present Professional Indemnity insurance cover is a project limit of £12,000,000 for each and every claim with a £250,000 claim limit. With respect to any instruction our liability is therefore capped at this sum as recommended by the RICS.

Our aggregate liability arising out of, or in connection with this survey/valuation, whether arising from negligence, breach of contract, or any other cause whatsoever, shall in no event exceed 3.5 times the base fee. This clause shall not exclude or limit our liability for actual fraud and shall not limit our liability for death or personal injury caused by our negligence.

If you suffer loss as a result of our breach of contract or negligence, our liability shall be limited to a just and equitable proportion of your loss having regard to the extent of responsibility of any other party. Our liability shall not increase by reason of a shortfall in recovery from any other party, whether that shortfall arises from an agreement between you and them, your difficulty in enforcement, or any other cause.

For a further copy relating to our Professional Indemnity Insurance and/or for a copy of our Professional Indemnity Certificate, please contact the office.

<p><b>VALUATION STANDARDS</b></p>	<p>The Valuation and Report will be prepared in accordance with International Valuation Standards (IVS), 31 January 2022". If there is a departure from these standards, then the client will be notified of this.</p>
<p><b>DESCRIPTION OF REPORT</b></p>	<p>The report will be made available in PDF format or by email. You can also request a hard copy for an additional £10.00.</p>
<p><b>FEE</b></p>	<p>The fee for the production of the report will be £[                    ] including VAT.</p>
<p><b>CONSUMER CONTRACTS REGULATIONS 2013</b></p>	<p>You have the right under The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 to a 14-day cooling off period during which you may cancel the contract.</p> <p>However, as it is agreed in your instructions that we are to provide our report within that 14-day period and that payment is due on or before publication of that report, we invite you to agree to waive your right to the cooling off period to enable us to complete your instructions within your required timescale.</p> <p>Unless you notify us to the contrary, we therefore assume that your signing of these terms is confirmation of your agreement to waive your rights to the 14-day cooling off period.</p>
<p><b>COMPLAINTS</b></p>	<p>The firm operates a Complaints Handling Procedure in accordance with RICS guidelines. If necessary, complaints will be dealt with via Alternative Dispute Resolution but will not go to court.</p> <p>A copy of the Property Ombudsman's Complaints Handling Procedure guidelines is available upon request.</p>
<p><b>RICS MONITORING</b></p>	<p>The Valuer is affiliated with the RICS and as such is subject to RICS monitoring procedures and your files may be shared with the RICS.</p>
<p><b>LENGTH OF VALIDITY</b></p>	<p>The Valuation and Report will be valid for a period of 6 months from the Date of Valuation which will be clearly stated within the Report.</p> <p>If the Valuation is required to be renewed after the 6 month period, further fees may apply to update the Report.</p>

**TERMS OF BUSINESS**

Fees are required along with a signed copy of this letter. If you wish to pay by cheque this will be held on file until our Valuation Report is ready to be issued. Alternatively, we require payment via electronic transfer prior to dispatch of report.

**AGREEMENT TO TERMS**

We accept these terms of engagement as an accurate summary of the instructions to provide a valuation.

Signed : .....

Print Name : .....

Date : .....

Signed : .....

Print Name : Gardner & Co Surveyors

Date : .....

Please sign the copy of this letter where indicated as confirmation of your instructions to proceed and return it to me electronically or via post.

*andrew@gardnersurveyors.co.uk* **or**

*Andrew Gardner  
 Gardner & Co. Surveyors  
 59 Market Street  
 Hoylake  
 CH47 2BQ*

If you wish to pay by direct bank transfer, our bank details are as follows:

*Account Name: Gardner Professional Services  
 Account No: 73615243  
 Sort Code: 20-51-08*

Cheques should be made payable to: Gardner Professional Services