



## Fair Trading Facts

This fact sheet provides tips on how to locate and give instructions to a valuer. If you're thinking about buying a property, the Office of Fair Trading strongly recommends you have the property valued by an independent valuer *before* you sign a contract (or at least during the cooling-off period).

It is in your best interests to find your own valuer and not use someone referred to you by the seller or the seller's agent. If you do want to use the services of a valuer referred to you by the seller or their agent, make sure the seller or their agent discloses the nature of the relationship and any benefit (monetary or otherwise) any other person will receive as a result of the sale. They should disclose this information to you on an official form, *PAMD Form 27a*.

If you decide to locate your own valuer, make sure he/she is a registered valuer. Check with the Australian Property Institute on (07) 3832 3139 and the Valuers Registration Board on (07) 3221 3892.

Once you choose a valuer, write them a letter of instruction which states your requirements and provides information to help the valuer give you the most accurate advice.

### Your instructions to the valuer

Your instructions should be clear, and should include:

- your name and contact details and the party or parties to whom the valuation is to be addressed, and on whose behalf the valuer is to act (in most cases, this will be you);
- the type of property (e.g. vacant land, house and land, unit, townhouse), address and legal description of the property;
- the property's sales history – arrange to obtain this from your local office of Department of Natural Resources and Mines or in Brisbane on (07) 3227 6626;
- what you're going to use the valuation for (e.g. to assist you in the decision making process to purchase a property, or for mortgage purposes);
- who the valuer should contact to access the property – they will want to go inside;
- that the basis of the valuation is to be Market Value unless you specifically want it to be based on some other value. (Market Value is the estimated

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amount at the time of the valuation for which the property should exchange hands between a buyer and seller on the basis that all parties have acted knowledgeably, cautiously and of their own free will);

- a negotiated agreed fee and payment method;
- the seller's asking or contract price and a copy of the contract if appropriate;
- the date you want the property valued (the valuer will value the property on the date specified unless otherwise requested);
- when you want the valuation report by – set a date which is agreed upon by both you and the valuer;
- whether you want the report sent to you by fax, e-mail, post or courier; and
- the tender details, if it is a proposed dwelling, renovation or extension.

### What to expect in the report

The valuer's report should contain all information you've specifically requested, and may include any or all of the following (note, reports will vary according to the type of property and the purpose of the valuation):

- valuation summary;
- land and title;
- location;
- site description and services;
- town planning;
- improvements;
- environmental matters;
- comments on the property;
- basis of valuation including valuation rationale or approach and sales evidence;
- market review or summary;
- valuation; and
- qualifications and disclaimers.

The report may be supplemented by appendices including:

- location map;
- certificate of title;
- strata/unit plan;
- photographs; and
- any other relevant documentation.

## **Fees**

There is no set fee for the provision of valuation advice. You should negotiate a fee with your chosen valuer before the valuation proceeds.

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