
BOARD NOTICE RAADSKENNISGEWING

BOARD NOTICE 1 OF 2003 PROPERTY VALUERS PROFESSION ACT, 2000

CALL FOR COMMENT ON INTENDED AMENDMENT TO THE RULES FOR THE PROPERTY VALUERS PROFESSION, SO AS TO PROVIDE FOR THE SPECIFIED CATEGORIES OF PROFESSIONAL SINGLE RESIDENTIAL PROPERTY ASSESSOR AND CANDIDATE SINGLE RESIDENTIAL PROPERTY ASSESSOR

The South African Council for the Property Valuers Profession, under section 37 of the Property Valuers Profession Act, 2000 (Act No. 47 of 2000), intends to make the rules set out in the Annexure, to amend the Rules for the Property Valuers Profession.

Interested persons are invited to submit written comments on the proposed rules within thirty days of publication of this notice to the Registrar, South African Council for the Property Valuers Profession, by –

- mail to P O Box 114, MENLYN 0063;
- fax to 012-3487582;
- hand delivery to 77 Kariba Street, Lynnwood Glen, Pretoria; or
- e-mail to sacv-rw@mweb.co.za.

ANNEXURE

Explanatory note: Words in square brackets have been added to aid interpretation, and may not be retained, or may be adjusted, once the following is incorporated into the Rules and thus fit into context.

SPECIFIC RULES IN RESPECT OF PROFESSIONAL SINGLE RESIDENTIAL PROPERTY ASSESSORS AND CANDIDATE SINGLE RESIDENTIAL PROPERTY ASSESSORS

Prescribed examinations in respect of professional single residential property assessors and candidate single residential property assessors

1. (1) *The prescribed examinations contemplated in section 20(2)(a)(ii) of the Act in respect of professional single residential property assessors are:*

(a) as an academic qualification, the following subjects of the National Diploma in Real Estate (Property Valuation), namely Property Valuation 1, Property Practice 1, Property Economics & Finance 1, Law on Property Valuation, and Principles of Property Law; and

(b) as a test of practical competence, proficiency and experience –

(i) the Council Examination for Professional Single Residential Property Assessors; and

(ii) the Practical Examination for Professional Single Residential Property Assessors, consisting of the performance of a property valuation of a single residential property, including a fully motivated report.

(2) The prescribed examination contemplated in section 20(2)(b)(i) of the Act in respect of candidate single residential property assessors is that referred to in subitem (2)(a).

Practical experience in single residential property valuation required for registration as professional single residential property assessor

2. The practical experience in property valuation contemplated in section 20(2)(a)(iii) of the Act in respect of professional single residential property assessors, is as follows, namely that the applicant concerned -

(a) has attended the council's Practical Workschool for Professional Single Residential Property Assessors, presented by The South African Institute of Valuers, and has passed the examination conducted at the end thereof; and

(b) has gained practical experience of work in property valuation in the Republic of the scope, variety, nature and standard as set out in this Annexure.

Scope, variety, nature and standard of practical experience in single residential property valuation required for registration as professional single residential property assessor

3. (1) It is the responsibility of a candidate [single residential property assessor] and his or her supervisor to ensure that the candidate gains a sufficient scope, variety, nature and standard of practical experience of work in single residential property valuation by having him or her exposed to as many of the following as possible:-

(a) Purposes of property valuations:

- (i) purchase, sale and capital gains tax;
- (ii) rental determination;
- (iii) mortgage bonds and security;
- (iv) investments (pension funds, etc);
- (v) leasebacks;
- (vi) Land Bank;
- (vii) expropriation;
- (viii) endowment;
- (ix) compensation: town-planning schemes;
- (x) rating;
- (xi) deceased estates;
- (xii) financial statements; and
- (xiii) insurance;

(b) Types of properties:

- (i) vacant single residential land;

- (ii) single dwellings;
- (iii) individual flats (sectional title).

(2) For the purposes of this item, "supervisor" means the professional approved in terms of item 6.

Assessment of practical experience in property valuation required for registration as professional single residential property assessor

4. To assess, for the purposes of section 20(2)(a)(iii) of the Act, the practical experience of work in property valuation of an applicant applying in terms of section 20 of the Act in the category of professional single residential property assessor, the relative weights assigned to the various types of single residential properties for the different purposes of property valuations set out in Annexure C [to the Rules for the Property Valuers Profession-attached], shall be applied to the numbers of property valuations provided and substantiated by the applicant in his or her application form submitted by him or her, and shall be processed electronically to determine a total weight, which, together with the various types of single residential properties valued by the applicant for different purposes of property valuations shall form the basis for assessment.

Application of assessment outcome for purposes of registration as professional single residential property assessor

5. As a general norm, the minimum outcome reached in the assessment referred to in [rule 13 of the Rules for the Property Valuers Profession], shall be a credit or weight of 80 and one type of property valued for one purpose of property valuation.

Supervision and control

6. For the purposes of this Annexure, the professional under the supervision and control of whom a candidate single residential property assessor must perform his or her work as provided for in section 19(3) of the Act, shall be a professional valuer or professional associated valuer without restrictions -

- (a) approved by the council; and
- (b) who counter-signs all property valuation reports and other documentation relating to work in the property valuers profession prepared by the candidate or for the candidate, as verification of the fact that the supervisor has exercised the supervision and control contemplated by the said section 19(3) in respect of that work.

Restrictions and conditions

7. (1) A person registered in the category of professional single residential property assessor or candidate single residential property assessor, shall be restricted to the performance of work in property valuation in respect of single residential properties.

(2) The provisions of subitem (1) shall not derogate from the council's powers under section 20(3) of the Act, in respect of any applicant applying [in terms of section 20(1) of the

Act] in the category of professional single residential property assessor or candidate single residential property assessor.

Cancellation or variation of restrictions and conditions

8. A person registered in terms of this Annexure who wishes the restrictions and conditions referred to in item 7 to be cancelled or varied, must comply with all the prescribed academic qualification and practical experience requirements applicable to the registration of a candidate valuer as a professional valuer or a professional associated valuer, including any requirements determined by the Council from time to time.

Transitional provision

9. (1) Notwithstanding the provisions of items 1 to 7 of this Annexure, any person -

(a) who provides proof to the council that he or she has regularly practised, for a continuous period of not less than five years immediately prior to the commencement of this item, as an estate agent as defined in section 1 of the Estate Agency Affairs Act, 1976 (Act No.112 of 1976); and

(b) who has received exemption, from a Technikon or similar academic institution offering the National Diploma in Real Estate, for the subjects referred to in item 1(1)(a);

(c) who has passed the test of practical competence, proficiency and experience referred to in item 1(b) of this Annexure; and

(d) who has, subject to subitem (2) of this item, complied with the provisions of item 2 of this Annexure; and

(e) who otherwise complies with the provisions of section 20(1) and 20(2)(a)(i) of the Act,

may within a period of six months after the commencement of this Annexure, or within such a further period as the council may in a particular case allow, apply to the council, on the prescribed application form, to be registered as a professional single residential property assessor.

(2) For the purposes of item 2(b) of this Annexure, items 3, 4 and 5 of the said Annexure shall with the necessary changes apply, and for such purposes, further, an applicant for registration as a professional single residential property assessor shall be deemed -

(a) to have been registered as a candidate single residential property assessor; and

(b) to have performed the work in property valuation provided and substantiated by the applicant in his or her application form, under the supervision and control of a supervisor.

Definition

10. In this Annexure, "single residential property" means vacant single residential land, single dwellings, and individual single residential sectional title units, corresponding to the types of properties numbered 01, 03 and 05 in Annexure C [to the Rules for the Property Valuers Profession].

ANNEXURE C**Rule 13**

Weights (credits) for different types of properties valued for different purposes of property valuation														
		Purchase, Sale and Capital Gains Tax	Rental Determination	Mortgage Bonds and Security	Investments (Pension Funds, etc)	Leasebacks	Land Bank	Expropriation	Endowment	Compensation: Town- planning Schemes	Rating	Deceased Estates	Financial Statements	Insurance
		00	01	02	03	04	05	06	07	08	09	10	11	12
Vacant single residential land	01	5	4	3	8	8	0	12	2	5	1	2	3	0
Vacant general residential land (Flats)	02	75	60	45	120	120	0	180	30	75	15	30	45	0
Single dwellings	03	25	20	15	40	40	0	60	10	25	5	10	15	5
Blocks of flats	04	125	100	75	200	200	0	300	50	125	25	50	75	20
Individual flats (Sectional Title)	05	25	20	15	40	40	0	60	10	25	5	10	15	5
Share Block Schemes	06	150	120	90	240	240	0	360	60	150	30	60	90	20
Timeshare Schemes	07	200	160	120	320	320	0	480	80	200	40	80	120	20
Leasehold	08	175	140	105	280	280	0	420	0	175	35	70	105	20
Vacant business land	09	100	80	60	160	160	0	240	40	100	20	40	60	0
Business properties	10	175	140	105	280	280	0	420	70	175	35	70	105	20
Vacant industrial land	11	50	40	30	80	80	0	120	20	50	10	20	30	0
Industries/Warehouses	12	150	120	90	240	240	0	360	60	150	30	60	90	20
Potential township land	13	150	120	90	240	240	0	360	60	150	30	60	90	0
Partially developed townships	14	250	200	150	400	400	0	600	100	250	50	100	150	0
Agricultural holdings (Small holdings)	15	50	40	30	80	80	20	120	20	50	10	20	30	5
Servitudes	16	150	120	0	240	240	30	360	0	0	30	60	90	0
Land on which mines are situated	17	175	140	105	280	280	0	420	70	175	35	70	105	20
Farms	18	175	140	105	280	280	70	420	70	175	35	70	105	10
Special type properties	19	175	140	105	280	280	70	420	70	175	35	70	105	20