

WE ARGUED THAT THIS ART, IS A PROCESS OF AN ASSESSMENT AND NOT AN INVENTION.

BEFORE A VALUER COMES IN, THERE ALREADY EXISTS A MARKET VALUE DETERMINED BY MARKET VARIABLES AND PLAYERS.



THE VALUATION PROCESS

-Physical and Legal Identification

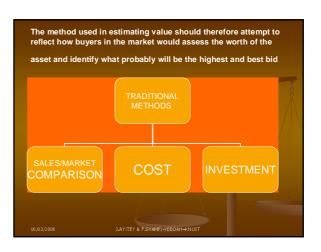
-Identify Property Rights to be Valued

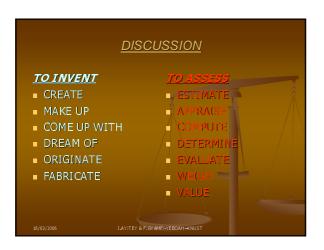
-Specify the Purpose of the Appraisal

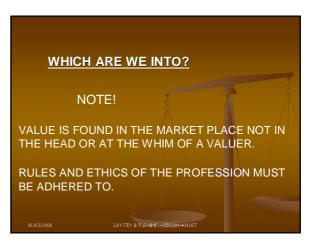
-Specify Effective Date of the Appraisal

-Gather and analyse market data

-Apply techniques to estimate value









To do this genuinely and avoid value invention, we recommend the following:

-An increase in the use of the Sales Comparison approach in most cases, especially when it comes to price/value assessment. Capitalization should be mainly used for worth assessment whilst Cost method is rarely resorted to.

-A shift toward modern/DCF techniques but not complete closure to the traditional methods. A collaborative approach will be ideal
 -More and comprehensive information needs to be given to clients about the valuation exercise. The process and levels of uncertainty hidden in the figures must be made known to clients.

-At least two methods should be used in estimating value and the result must be expressed as a range of possible obtainable figures. If possible such range of figures should be accompanied by probabilities. As much as possible valuation reports should be very comprehensive.

To build confidence in the profession, lets be value estimators/assessors rather than inventors.

