

INFORMATION SHEET



ACT
Government
Community Services

SALE PRICE VALUATION GUIDELINES

The aim of this document is to provide Valuation Guidelines for tenants intending to purchase Housing ACT homes. These guidelines apply to both the Sale to Tenant and Shared Equity Schemes.

Valuation Factors

Important factors to be considered by the valuer when determining the sale price of the property are:

- property type
- location
- aspect
- site area
- aspect and topography of the block
- current land value
- size of dwelling
- construction date
- comparable sales evidence
- level of market activity in the area and
- market value price range in the area.

Tenant Improvements

Tenants must note that, in accordance with their Tenancy Agreement, the tenant must not make any alterations and must not add any fixtures or fittings without the consent of the lessor, Housing ACT. Only those items which have Housing ACT approval and are deemed assessable (see below) and may be considered as assessable improvements for valuation purposes.

Improvements you have made to the property may be taken into consideration and deducted from the market value. The value of the improvements will be based on the value they add to the property, **not** the cost to the tenant to erect or install.

INFORMATION SHEET



ACT
Government
Community Services

Eligible tenants for the **Shared Equity Scheme** are advised that deductions for tenant improvements are only applicable at the **initial** valuation prior to purchase. In further valuations to ascertain the market value, improvements will not be deducted to assess the amount of repayments.

Assessable improvements:

Assessable items are those which:

- the tenant has received approval in writing from Housing ACT to undertake the improvements;
- where applicable, approvals required from other government agencies have been obtained and a copy submitted to Housing ACT; and
- are not provided via a Housing ACT program of maintenance (re-painting, fencing, floor covering replacement and wet areas and Kitchen upgrades by tenants are not assessable under this scheme)

A member of the panel of qualified valuers, engaged by Housing ACT to provide this service, will assess the value the approved assessable improvements have added to the property and these may be deducted from the sale price.

Assessable tenant improvements that may be considered are:

External

Pergola
Decking
Shed
Carport
Garage

Internal

Ducted Air Conditioning
Ducted Heating
Built in robes

Where any of the items listed above require building approval (e.g. Certificate of Occupancy), it is the tenant's responsibility to obtain these. You are required to produce evidence of the approval when the appointed valuer inspects the property. If proof of approval is not produced, the items will not be considered by the valuer as an 'assessable improvement' and the value will not be deducted from the sale price. This is a precautionary step to ensure that those items that have been installed/erected meet all required Standards and do not present a Health and Safety risk to tenants.

Housing ACT retains absolute discretionary power when supporting the sale price as it is determined by its contracted qualified valuer and the **sale price offered is non-negotiable**.

Important: The tenants' list of "assessable improvements" must be stated on the Proceed to Valuation form prior to the valuation being arranged.

INFORMATION SHEET



ACT
Government
Community Services

Further Information

For more information, contact the Community Services Directorate on **133 427**.

Accessibility

The ACT Government is committed to making its information, services, events and venues, accessible to as many people as possible.

If you have difficulty reading a standard printed document and would like to receive this publication in an **alternative format** – such as large print or audio – please telephone **(02) 6205 0282**.

If English is not your first language and you require the **translating and interpreting services** – please telephone **131 450**.

If you are deaf or hearing impaired and require the **National Relay Service**, phone **133 677** then ask for **133 427**