

# LEVEL 2 SURVEY AND VALUATION REPORT TERMS AND CONDITIONS OF ENGAGEMENT

J & E Shepherd



We write to confirm your instructions to inspect and provide a condition report and valuation. The instruction is based on the following information and is subject to the undernoted Terms and Conditions of Engagement.

INTEREST TO BE VALUED:	Heritable (Scottish equivalent of English Freehold) interest. Unless where otherwise stated, the property will be valued assuming vacant possession is available.
STATUS OF VALUER:	The name of the attending Surveyor/Valuer is stated above. The Surveyor/Valuer will be a member of the Royal Institution of Chartered Surveyors (RICS) and Accredited by the RICS Valuer's Registration Scheme (VRS). The Surveyor/Valuer will be in a position to provide an objective and un-biased valuation and will have no material connection or involvement with the subject asset or other parties to the valuation assignment. No conflicts of interest will have been identified. The Surveyor/Valuer will have the required skills, understanding and market knowledge to undertake the valuation competently.
PURPOSE OF SURVEY:	The report is provided for the personal use of the named Client and their professional advisers. Where a valuation/survey is required for a specific use or purpose, the Client's specific requirements should be disclosed to us at the time of instruction in order that the correct valuation/survey criteria can be applied.
BASIS OF VALUE:	Except where otherwise requested/stated, the valuation is provided on the basis of market value which is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.
FEE:	At the amount stated on the SurvPoint instruction or contained in the covering letter or email if SurvPoint has not been used to manage the instruction. If the fee is payable 'On Account' to your Agent or Solicitor this will be based on our Pre-Agreed fee scale with your Agent/Solicitor.

Unless otherwise agreed, the fee invoice will be made out in the name of the instructing party who will be liable for payment. It is expected that payment will be received on receipt of these Terms and Conditions of engagement.

In the event of our fee for the services provided in terms of this Contract, V.A.T thereon and/or outlays incurred on your behalf in connection therewith not being settled we reserve the right to cancel this instruction or to withhold any report or information gathered in the fulfilment of this instruction or part thereof. In the event of our fee remaining unpaid for a period of 14 days, we reserve the right: -

1. To instruct Solicitors, Debt Collection Agents or other third parties to endeavour to collect said fees, VAT and outlays for us. It is a specific condition of our accepting instructions from you that in the event of said Solicitors, Debt Collection Agents or third parties being instructed by us, you will be liable to reimburse us for the whole fees and other costs charged by them to us and thereby incurred in that connection; and
2. To exercise our statutory right under the Late Payment of Commercial Debts (Interest) Act, 1998 as amended by the Late Payment of Commercial Debts Regulations, 2002 and any subsequent legislation to claim interest and compensation for debt recovery costs under such legislation.

## Conditions of Engagement

We are not aware of any conflict of interest that would preclude us from providing the valuation advice requested. The Valuer shall inspect the property to be valued/surveyed and shall provide a written report and valuation.

The Level 2 Survey/Valuation will be undertaken in accordance with the RICS – Global Standards 2017 (or latest edition if superseded) incorporating the IVSC International Valuation Standards and on the basis of our Scope of Work and Valuation Assumptions below. Compliance with these standards and an external inspection of the report may be required during investigation by the RICS for the purposes of administration of the Institutions conduct and disciplinary regulations.

The Condition/Valuation Report is prepared solely for the use of The Client. No responsibility is accepted to any other party for the whole or any part of its contents. It may be disclosed to another professional advisor assisting in respect of the purpose for which this valuation/survey is prepared. Neither the whole nor any part of the Report, nor reference thereto may be included in any published document, without the Valuers written approval over the form and context in which it may appear.

## CONSUMER CONTRACTS

If you are a consumer you have a right to cancel your contract with us under the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 ("Regulations") if your contract with us is an off-premises or distance contract. Please read this information carefully.

You have the right to cancel an off-premises or distance contract with us without giving any reason. The cancellation period will expire at the end of 14 days after the day on which you receive these terms and conditions. To exercise the right to cancel, you must inform us of your decision to cancel this contract by a clear statement (e.g. a letter sent by post, fax or e-mail to us at the address on the letter enclosing these terms). To meet the cancellation deadline, it is sufficient for you to send your communication concerning your exercise of the right to cancel before the cancellation period has expired.

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If you exercise your right to cancel, we will reimburse to you all payments received from you pursuant to this letter of engagement. We will make the reimbursement without undue delay, and not later than 14 days after the day on which we are informed about your decision to cancel the contract. We will make the reimbursement using the same means of payment as you used to make the payment to us, unless you have expressly agreed otherwise. In any event, you will not incur any fees as a result of the reimbursement.

If you requested us to begin the performance of services during the cancellation period (see below), you are liable to pay us an amount which is in proportion to what has been performed until you have communicated to us your cancellation of this contract, in comparison with the full coverage of the contract.

In terms of the Regulations, we cannot start to provide services to you under this letter of engagement during the cancellation period unless you expressly request us to do so. If you ask us to supply services during the cancellation period you will lose your right to cancel your contract with us if, having made the request, the services are fully performed during the cancellation period; and if you exercise your right to cancel during the cancellation period, and the services have been partly performed, you will be have to pay us an amount which is in proportion to what has been performed until you have communicated to us your cancellation of this contract, in comparison with the full coverage of the contract.

## DATA PROTECTION

In the course of providing services to you, we may collect or receive personal data or sensitive personal data relating to you and (where the client is a company) your employees, officers, and shareholders or (where the client is an individual) members of your family. We will use such personal information for the purpose of providing services to you in accordance with our Appointment. We will also use personal information for related purposes, such as updating our client records, carrying out identity checks in accordance with money laundering requirements (as further set out below) and carrying out credit checks. We may use third party data processors to carry out such activities on our behalf. Data processors may be located in any part of the world. We will ensure that data processors take adequate steps to protect your personal information. If you provide personal information to us relating to another person, you must ensure that you are permitted to pass such information to us and that the individual concerned is aware that you are passing their personal information to us.

If you instruct us to transmit or store any of your information via or on a file sharing service or site (including cloud computing), we will not be responsible for its security or maintaining confidentiality. There are a number of risks which currently exist with file sharing services and sites such as: they do not guarantee confidentiality; we have no control over any changes they may make to their software; and we have no control over the service provided or their security and access policies. You therefore accept the risks that exist with such types of service and sites.

## LIMITATION OF LIABILITY

Neither party will be liable for any loss of profit (other than in respect of our fees, costs or charges), loss of business or goodwill, or for any special, indirect or consequential loss or damage suffered by the other (including as a result of an action brought by a third party), save that nothing in these Terms of Engagement will exclude or restrict any liability which either party may have for death or personal injury arising out of negligence; fraudulent misrepresentation or any other liability which cannot be restricted or excluded by law. We will not be liable for any loss which may occur as a result of your reliance on a subsequent valuation in, among other things, any discharge of any loan or advance of further funds.

We will not be liable for any loss as a result of your receipt of any information, data or communications supplied or sent by us electronically, where through no fault of our own the relevant information, data or communication has been corrupted or otherwise modified as a result of it being supplied or sent electronically. You will be responsible for ensuring that any materials you provide or send us by any electronic medium and/or by hardware storage are, and remain, virus free.

Subject to the above, our total liability in contract, including negligence or breach statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of this appointment or otherwise under the Terms of Engagement, unless otherwise agreed in writing, be on the basis of a liability cap set at a level which is proportionate to the instruction as follows:

### Market Value of the Property as Existing

£250,000 and below  
£250,001 to £500,000  
£500,001 to £1,000,000  
  
£1,000,000 or above

### Liability Capped at:

£10,000  
£20,000  
£40,000  
50% of any loss attributable to us after the application of the following provisions on just and equitable shares, up to a maximum of £500,000

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Without prejudice to any other exclusion or limitation of liability, damages, loss, expense or costs our liability if any for any loss or damage ('the loss and damage') under this Appointment shall not exceed such sum as it would be just and equitable for us to pay having regard to the extent of our responsibility for the loss or damage and on the assumptions that:

- all other consultants, contractors, sub-contractors, project managers and advisers engaged in connection with the transaction have provided contractual undertakings on terms no less onerous than those set out here;
- there are no exclusions of or limitations of liability nor joint insurance or coinsurance provisions between you and any other party referred to in this clause and any such other party who is responsible to any extent for the loss and damage is contractually liable to you for the loss and damage; and
- all the parties referred to in this clause have paid you such proportion of the loss and damage which it would be just and equitable for them to pay having regard to the extent of their responsibility for the loss and damage.

Claims shall be brought only against the firm of J&E Shepherd and no liability shall rest with any individual partner (save through J&E Shepherd), employee or agent of J & E Shepherd.

Should any part of this section be held to be unenforceable for any reason, the remainder of the agreement and this section shall remain in full force and effect.

## COMPLAINTS PROCEDURE

In accordance with the Royal Institution of Chartered Surveyors Rules of Conduct, J&E Shepherd, Chartered Surveyors operate a formal procedure to deal with complaints from clients and others. Our Complaints Handling Procedure is intended to:-

Provide certainty for both the company and individuals; Ensure a fair and transparent process is adhered to; Enable a written policy to be provided on request, to satisfy the expectations or externally consumers and the RICS.

Full details of our Complaints Handling Procedure are available from [Complaints@shepherd.co.uk](mailto:Complaints@shepherd.co.uk).

If you remain dissatisfied with any aspect of our handling of your complaint, then we will attempt to resolve this promptly through negotiations and otherwise agree to enter into mediation via the Centre for Effective Dispute Resolution (CEDR), an independent service set up to adjudicate on disputes between Chartered Surveyor firms and consumers. Should this body discontinue to offer this service we will engage with an RICS approved alternative organisation on the same basis.

The Firm and Valuer are registered with RICS Valuer Registration. Our files may be subject to monitoring under the Institution's conduct and disciplinary regulations.

## GOVERNING LAW

This agreement shall be governed by and construed in accordance with the law of Scotland and is subject to the exclusive jurisdiction of the Scottish Courts.

## Scope of Work and Valuation Assumptions

The Valuer will inspect the property for the purpose of providing an opinion of Market Value and a Level 2 condition report, as instructed. The Valuer will undertake a visual inspection of so much of the exterior and interior of the property as is accessible safely and without undue difficulty. The inspection will be carried out whilst standing at ground level within the boundaries of the site and adjacent public/communal areas and whilst standing at the various floor levels.

## REPAIR AND CONDITION - What we do for a Level 2 Survey and Valuation report

Inspect the exterior of the house from ground level only. Comment on major defects visible and apparent at the time. Make an interior inspection, room by room and measure the overall area of the house. Inspect readily accessible parts of the walls, floors, ceilings and roof spaces, to the extent that safe access is available. Normally defined as being from a 3 metre ladder within the property. Roof, chimneyheads, etc, will be reported on, only in so far as clearly visible from ground level. Inspect roof coverings where visible from attic windows or skylights or readily opened hatches. Comment on (but not test); drains, electric, gas, heating and water services. Comment on essential repairs required, which are visible at the time of inspection. Damp readings will be taken randomly and where appropriate, without moving heavy furniture, fixtures or fittings. Large areas of garden or additional land will be inspected from available vantage points.

## WHAT WE DO NOT DO

Move fitted carpets or furniture. Climb onto sloping roofs or open locked hatches. Inspect or report on snow or frost covered roofs. Test drains, electrical, gas, heating, chimneys/flues or water services. Test Solar/PV, Turbine or other renewable energy apparatus. Sub-floor areas are inspected only to the extent visible from a readily accessible and unfixed hatch by way of an inverted "head and shoulders" inspection at the access point. Physical access to the sub-floor area may be taken if the surveyor deems it safe and reasonable to do so and subject to a minimum clearance of 1 metre between the underside of floor joists and the solum as determined from the access hatch. In the case of tenement or flatted property, communal roof spaces will only be inspected where access is readily and safely available. Insulation materials will not be moved or disturbed. Non heritable outbuildings will not be inspected or reported on.

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## STATUTORY ENQUIRIES

We have not secured a written planning history from the local authority nor have we made formal enquiries to other relevant bodies. We have assumed that a full planning history and further formal enquiries will be conducted by your legal advisors. Any discrepancy should be immediately notified to ourselves in order that we may advise whether this may impact our valuation(s) reported.

Unless stated otherwise within this report and in the absence of any information to the contrary, we have assumed that:

- all buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;
- the property is not adversely affected by town planning or road proposals.
- all alterations, additions or extension to the property have received all necessary Town Planning Consents, Building Authority Approvals (Building Warrants) and Completion Certificates.
- The property complies with all relevant statutory and local authority requirements, including but not limited to Fire Regulations, The Equality Act, The Control of Asbestos Act, Health and Safety Regulations, Environmental Health Regulations, Regulations governing Residential Tenancies and similar.

## INFORMATION SOURCES

Information used in the research and preparation of this Report will have been obtained from various sources including the Client, Seller/existing Owner of the property (if different), restricted and publicly accessed databases and websites relating to registered property sales, marketing history and other relevant information as well as the office records of the Surveyor/Valuer's' Firm.

## TITLE, TENURE AND TENANCIES

It is assumed that there are no encumbrances or unduly onerous restrictions, easements, servitudes, outgoing, conditions or other burdens that would have an adverse effect upon the value of the property and that a good and marketable title is held. Any information recorded in this report represents our understanding of any relevant documents provided. We should emphasise that the interpretation of the documents of title (including relevant deeds, leases and planning consents), is the responsibility of your legal advisor.

Unless otherwise stated and in the absence of any information to the contrary, we have assumed that the property has full vacant possession and:-

- A) That no formal environmental assessment or investigation of the site/property has been undertaken and the property had been valued on the assumption that there is no land contamination;
- B) That no deleterious or hazardous materials or techniques have been used in the construction or alteration of the property (including but not restricted to asbestos, flammable insulation or cladding materials) and that it is impracticable to comment on the state of any wall ties;
- C) That the house/flat is not subject to any unusual or especially onerous restrictions, encumbrances or outgoing and that good title can be shown;
- D) That the house/flat and its value are unaffected by any matters which would be revealed by a Search and replies to the Usual Enquiries, or by a Statutory Notice, and that neither the property, nor its condition, nor its use, nor its intended use, is or will be unlawful;
- E) That inspection of those parts which have not been inspected would neither reveal material defects nor cause us to alter the valuation materially;
- F) That the common parts of blocks of flats are covered by The Control of Asbestos Regulations 2006 and your legal adviser should confirm with the Duty Holder the availability of an Asbestos Register and the existence of any asbestos containing material;
- G) That if it is the intention to let out the property, further advice should be obtained prior to purchase regarding the required standards of repair, fire safety and all other statutory requirements and, if applicable, the terms of legislation covering the licensing of houses in multiple occupancy;
- H) That we cannot be held liable for damage caused to properties affect by flash flooding, flooding caused by blocked/poorly maintained ditches/drains, ineffective floor/coastal defences or abnormal weather conditions;
- I) That, unless otherwise stated within our Report, the property is not within a Conservation Area nor is a Listed Building nor located within an area of flood risk as identified by the SEPA website. Any other assumptions made in arriving at our valuation and conclusions within this Report will be stated in general remarks.
- J) That there is no Japanese Knotweed or other invasive plant species within the boundaries of the property or in neighbouring properties. We have not carried out an inspection for Japanese Knotweed or other invasive plant species.

Where structural alterations have been carried out to the property, it is assumed in arriving at the valuation reported that all required Local Authority permissions are available. It is further assumed that all required permissions are available in respect of private fuel stores, drainage arrangements and private energy sources such as wind turbines, solar/photovoltaic panels etc. It is assumed there are no outstanding financial liabilities relating to private energy sources or other plant items.

We have assumed there are no EPC, asbestos, Radon gas, Japanese Knotweed, invasive species or flooding issues that would affect value. We reserve the right to amend our valuations on sight of any further information with regard to any of these items as noted herein and above.

No tests have been carried out to determine whether or not any deleterious or hazardous building materials including (but not limited to) asbestos, RAAC concrete, composite panelling and flammable insulation have been incorporated in the construction or subsequent alterations to the property. We have, unless otherwise stated, assumed that there are no deleterious or hazardous materials within the property which might adversely affect the current or future occupation, development or value of the property. Specifically the Valuer has not carried out an Asbestos Inspection and has not acted as an Asbestos Inspector in completing the valuation inspection of the property.

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## REINSTATEMENT COST ASSESSMENT

Any reinstatement figure indicated within this report is provided for guidance purposes only, as a formal estimate for insurance purposes can only be given by a Quantity Surveyor or other person with sufficient current experience of replacement costs.

Unless otherwise stated, the calculation is based upon the building in its present form including the cost of demolition, site clearance and professional fees but excluding:

- a. VAT
- b. Loss of rent or turnover
- c. Cost of alternative accommodation for the reinstatement period.
- d. Any other consequential loss.

**Should any of the assumptions or any additional stated assumptions prove to be incorrect (or inappropriate), we reserve the right to revise our opinion(s) of value accordingly.**

The foregoing Instruction Acknowledgement and Conditions of Engagement sets out the basis upon which we are to prepare our report and valuation of the property at the Property To Be Valued noted herein.

**Please check that these incorporate your instructions and advise us immediately should these Terms & Conditions not meet with your approval.** If appropriate, please pass a copy of this Instruction Acknowledgement and Conditions of Engagement to your client.

## Confirmation of Instruction

Please use SurvPoint to accept these Terms and Conditions and our Privacy Policy. If you have not accepted these online via SurvPoint, can you please complete the below. Your signature will confirm you have read and accept our Terms & Conditions and Privacy Policy. Please return this to our office either by email or post. We may share your data to pursue our legitimate interests in a way which might reasonably be expected when we pursue our aims and objectives as an organisation and which does not materially impact your rights, freedom or interests. For example, we may use personal details to send information to our clients about our services. Please note any delay in returning and accepting our Terms and Conditions will delay your survey appointment and report.

<b>Property/Survey Address:-</b>	
<b>Print Name:-</b>	<b>Date:-</b>
<b>Signature:-</b>	<b>Fee:- £</b>