

**VALUATION REPORT
OF
FIXED ASSETS**
(For education loan)

CLIENT	:	Mrs. _____
ADDRESS	:	_____



OWNER OF THE PROPERTY	:	Mrs. _____
LOCATION OF THE PROPERTY	:	_____
PLOT NO.	:	_____
AREA IN LALPURJA	:	_____
		Ropani Sqm.

SUBMITTED TO:
M/S NABIL BANK LIMITED
Swoyambhu, Kathmandu

SUBMITTED BY:
EN-ARC PLANNERS (P.) LTD.
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SAMPLE

KATHMANDU
INFOSYS EDUCATIONAL
CONSULTANCY



Regd. No.: 22322/720

EN-ARC PLANNERS (P.) LTD.

[ENGINEERS, ARCHITECTS, PLANNERS & DESIGNERS]

To,
M/S NABIL BANK LIMITED
Swoyambhu, Kathmandu

Date: 15-5-2016

Subject: Valuation Certificate

Dear Sirs,
Valuation report of the properties, which are intended to be mortgaged for education loan to the bank by:

Owner of the property	Plot no.	Area in lalpurja sqm.	Location of property	Client	Address

In compliance with your instruction received on dated 7th May 2016 to evaluate the property of [REDACTED] We visited the site and conducted the valuation of the property and its fair and distress value is as under:

We hereby declare and certify that:

1. We have physically inspected, verified and measured the property on 8th May 2016.
2. We have no direct or indirect interest of the said company or properties.
3. The information furnished is true and correct to the best of our knowledge and belief that are based on the documents furnished by the client.
4. The value of the property with remarks (attached on the separate headings) as on relevant date 15th May 2016.

Property details

Property	considered area in aana	Market rate/aana	Gov.rate/aana	Weightage rate/aana	Fairmarket value	Adjusted value	Distress value(90% of adjusted value)
land	3.25	1400000.00	302172.40	1,070,651.72	4,550,000.00	3,479,618.09	3131656.28
Value of property					4,550,000.00	3,479,618.09	3131656.28

Distress value Rs. Thirty one lakhs thirty one thousand six hundred fifty six & paise
in words:- twenty eight only.

We are submitting a copy of valuation report for your kind perusal.

Thanking You
Very Truly

Er. Shyam Krishna Shrestha
(For- EAP)

SUMMARY OF VALUATION REPORT

Client name :
Address :
Citizenship no./ date :
Issued office :
Mobile No. :
Husband's name :
Father in law's :
name

Owner of the property

Name :
Address :
Husband's name :
Father in law's :
name
Citizenship no./ date :
Issued office :

Location of the property

Town/ village : Town

List of Property Evaluated Land

Present Plot No. :

Boundary of property (Chaar Killa) for plot no.124

On East On West On North On South

earthen road

<u>Description of property</u>					Area considered in aana
<u>Area of land</u>	As per Lal Purja		As per area verified		
Plot no.	sqm.	Aanas	sqm.	Aanas	
	103.32				
<u>Rates and Values of the Land</u>					
<u>Land Rates</u>					
Commercial Rate	:		Rs. 1400000.00	Per aana	
Government Rate	:		Rs. 302172.40	Per aana	
Average Market Rate	:		Rs. 1070651.72	Per aana	
Considered area	:		3.25	Aana	
Fair market value of	:		Rs. 4550000.00		
Adjuated Value	:		Rs. 3479618.09		
Distress Value	:		Rs. 3131656.28		

REMARKS AND LIMITATION

- 1) The options of the value stated are based upon facts and assumption identified in this report. The Valuer takes non-responsibility for changes in market condition.
- 2) The stated options of value are effective as of the date of value based upon information that was available to the valuer at the time of valuation analysis was conducted. Values may be changes substantially with time and the valuer reserve the right to alter stated options of value if relevant information later becomes available.
- 3) To the best of our knowledge, all matters of factual nature discussed in this report are true and correct. No important factors have been intentionally overlooked or withheld.
- 4) **Right of way**
The property is situated in _____ . **There is no right of way deduction requirement in this property .**
- 6) **Free access to the property**
There is 4m. Wide earthen road on West , acces is shown in blue print, client has submmitted char killa from the concern authority regarding the free access to the property.
- 7) **Impact of current Earthquake**
- 8) **Completion certificate of building**
- 9) **National building (construction) code**
The width of access should be minimum 8ft. for the plots up to Tropani or equivalent. Minimum 10ft. wide access is required if the land size is more than 1
- 11) Features like sewerage, dumping, electricity supply line (hitesion line), water logging, temple/shrine, river, hazardous factory, army barracks, cremation area,
- 12) Four boundary and area of the land is physically verified and tallied with the official survey map (Blue print) and confirmed there is no dispute with the neighbouring plots.
Prominent land mark nearest to the property
- 13) The type of land -Agriculture, residential,
- 14) Guthi land and land with tenants (Mohi)
- 15) The bank is requested to ask the client for insurance papers of the property.

Opinion

In our opinion, this property may be taken as mortgage, after taking the permission letter from the owner of the property for distress amount recommended in valuation certificate, however, all the remarks made shall be taken into consideration & all legal documents should be scrutinized by legal expert of the bank.

Remarks: There is 4m. Wide earthen road at site on West but plot no. is shown in blue print.

REPORT

LOCATION

- a) The property is located as such :
- b) Road, street or lane on which the property is abutting
- d) Location Map :

COMMERCIAL IMPORTANCE

Present importance of locality is as follows

- a) Proximity to Civil, amenities e.g. Market, School, Hospital Office, etc. around 2.5km.
- b) Means & proximity surface :
Transportation by which locality is served.
- c) Uses of land Building e.g. Vacant, farm, Garden, barren land, Developed for residential purpose, or as a factory, godown residence
- d) Features for increase of value of property :

DESCRIPTION OF LAND

- a. Shape of land e.g. Rectangular, *Triangular, Trapezoidal and irregular.* :
- b. Frontage, depth & facing of land :
- c. Requirement of filling :
- d. Area recorded on legal document
Plot no. :
- e. :
Area verified by Tape measurement
- f. Classification of land :
- g. **Facts requiring critical examination in the Valuation Report**
 - The width of access should be minimum 8ft. for the plots up to 1ropani or equivalent. Minimum 10ft. wide access is required if the land size is more than 1 ropani or equivalent.
 - h. Features like sewerage, dumping, electricity supply line(hitesion line), water logging, temple/shrine, river, hazardous factory, army barracks, cremation area, fuel storage depot etc.
 - i. Four boundary and area of the land is physically verified and tallied with the official survey map(Blue print) and confirmed there is no dispute with the neighbouring plots.
 - j. The type of land -Agriculture, residential, commercial etc
 - k. Guthi land and land with tenants (Mohi)

METHODS OF VALUATION

A. Land value

While considering the value of the land, lesser area recorded in the Land Ownership Documents and that measured at the site is considered for valuation. There are two methods for estimating value of the land.

B. Comparative Method

In this method, sales or transactions of land in the vicinity are studied and then a fair price for the land is fixed based on the collected data. The physical characters such as length, width, situation etc. are considered in detail before fixing up the price.

Extensive inquiry is carried out by our associates with the local residents namely familiar with the property transaction around the locality to find out the current buying and selling price of the land. Minimum registration rate of the land charged by Government Registration Department is also noted. Information from the Real Estate Company or broker is also collected and weight age is given to all the information collected and consequently most probable Current Land Rate is fixed and adopted.

C. PLINTH AREA METHOD

Determination of cost by detailed measurement and bill of quantities is laborious and lengthy. Without detailed drawing determination of cost is not possible for analysis so, here we use the 'Plinth Area Method'. The plinth area of the building is measured and the present day plinth area rate of similar building in the locality is obtained by inquiries and then cost is calculated. To fix the plinth area rate, it is necessary to examine thoroughly the different parts of the building viz the foundation, structure floor, roof, doors and window, finishing etc. Since the calculation is judiciously worked out, the cost determined by plinth area method will be fairly correct and sufficient for practical

LEGAL ASPECT

Following related documents have been checked and noted as under:

Land Ownership Document (Lalpurja)

- a. Type of ownership
- b. Ownership of land
- c. Name of the owner
- d. Location of property

- e. Area recorded in documents

- f. Relation between the client and the owner of the property
- g. Comments (If any)

Land Revenue (Malpot)

- a. Whether Current Revenue has been paid
- b. Date of regd.
- c. Normal sale/gift
- d. Whether 1 year 35 days in case of normal sale (as per Mulki Act Chap. 17, clauses 20 & 2 years 35 days in case gift) (as per Mulki Act chap. 19 Clause 5) has elapsed.
- e. Comments (If any)

Map of the plot prepared by Govt. Survey Department

- a. Whether the plot is indicated in the map
- b. Whether access is clearly marked on the map prepared by Govt. Survey Department
- c. Whether the shape of land in field tally with map
- d. Comments (If any)

VALUATION TABLE OF LAND

- OWNER'S NAME :
- Plot no:
- 1 Land area in :
ownership
- 2 Area verified by :
mesurement
- 3 Net area considered :
for valuation
- 4 Land rate adopted
in this valuation
- 6 LAND RATE ADOPTED IN THIS
VALUATION (Market rate/aana)
- 7 GOVERNMENT RATE per aana
- A. Current Market rate by local inqu
(70% of serial No. 06)
- B. Government rate (30% of S. no. 07)
- 8 LAND RATE ADOPTED IN THIS
VALUATION (Weighed Rate/aana)
- 5 Total value of land
- a) Fairmarket value of land
- b) Adjusted value of land
- c) Distress value of land

LAND RATE

OWNER'S NAME

01. Source of information :
Sale/Prevailing Market Price :
Govt. rate :
Location of land :

02. Current Market required from local resident Rs./aana
03. Minimum Regd Gov rate. Per aana
a. Market rate by local inquiry (70% of S No. 02)
b. Market rate adopted by tax department (30% of S No. 03)
04. Land rate adopted in this valuation (Weighed Rate/ aana)

Description		Per ropani	Per aana	Total Cost
Market rate		22,400,000.00	1400000.00	
Govt. rate		4,834,758.40	302172.40	(Per sqm.9500)
Market 70 %	70	15,680,000.00	980,000.00	
Gov 30%	30	1,450,427.52	90,651.72	
Adjusted rate		17,130,427.52	1,070,651.72	
Actual Land weight		0.00	3.25	
Adjusted value		0.00	3,479,618.09	3,479,618.09
Fair Market value		0.00	4,550,000.00	4,550,000.00

