Handbook for the Property Valuation Inspector

GOVERNMENT OF BERMUDA
Department of Land Valuation

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"We value Bermuda"

Purpose of the Handbook

The purpose of this Handbook is to provide a ***comprehensive overview*** of the role and responsibilities of the Property Valuation Inspector (PVI), including the Department's policies and procedures in relation to your duties. The Handbook is therefore a useful tool and ***reference manual*** to assist PVIs in their roles. Whilst the document is for ***internal*** use, a redacted copy is also located on the Department's website on gov.bm.

The work of the PVI is critical and important to maintaining the land tax assessments in the Valuation List and consequently, land tax revenue. Therefore, the work of the PVI must be completed in a timely and judicious fashion and to a very high standard, to not only secure revenue, but to ensure the taxpayer's confidence in the accuracy and equity of the assessments in the Valuation List.

Additionally, the PVI must have the ability to deal with a wide spectrum of persons, including taxpayers, real estate agents, lawyers etc., in a courteous and professional manner and on technical matters. Due to the very nature of the Department's work (assessments for taxation), the PVI must possess the ability to tactfully deal with the occasional angry and aggressive taxpayer in a safe, respectful and professional manner.

Topics covered:

1. Responsibilities
2. Specific Work Objectives
3. Amending the Valuation List
4. Case Management
5. Onsite Inspections
6. Back in the Office
7. Property Valuation Methodology
8. Measuring Practice Guidelines
9. Apex drawing standards

1. Responsibilities

Duties

As the PVI, you are responsible for undertaking ***the accurate survey of properties*** and ***the collection of property data*** for the purpose of assessing properties for land tax. The PVI also ***creates computer aided drawings*** of properties from the survey data collected, showing the accommodation, ancillary uses, amenities and any other valuation related data. Additionally, the PVI undertakes administrative duties associated with the provision of survey duties and any associated duties, as requested.

Decision Making

You are responsible for ***managing your case load*** to ensure that cases are processed in an efficient and effective manner. The PVI makes operational decisions in respect to the survey of properties and advises the Assistant Director(s) of any factors that would affect the valuation to be placed on the valuation unit.

Direct Report

The PVIs report directly to the Assistant Director responsible for the Valuation Section (Maintenance of the Valuation List). However, due to the shared maintenance of the List work, the PVIs also receive work from the Assistant Director responsible for the Appraisals Section.

Requisite Technical Knowledge and Skills

As the PVI, you must have/develop a good working knowledge of the ***Land Valuation and Tax Act 1967***, the legislative process for amending the Valuation List and real estate in Bermuda, including legal interests in land, real estate terminology, Planning and development control matters, construction methods, building materials, building uses, property values and rent control matters. Additionally, the PVI must demonstrate ***spatial awareness***, ***mathematical*** aptitude, capable of ***reading and interpreting architectural plans*** and measuring and drawing buildings using digital drawing software.

2. Specific Work Objectives

One of the objectives of the Department is to maintain an up-to-date and accurate Valuation List for Bermuda under the authority of the Land Valuation and Tax Act 1967. In this regard, the Department has committed to amending the Valuation List for all changes within twenty (20) working days of receiving notification of a change to a property.

The role of the PVI is essential to meeting this performance measure and thus, each PVI has the following ***specific work objectives*** that contribute to the success of the Department:

1. Undertake the accurate survey of properties and the collection of property data in accordance with Department guidelines and procedures for the purpose of assessing properties for land tax. This includes the inspection, measurement and collection of data of demolished, altered or new properties.

2. Create annotated digital drawings for each case from the survey data collected, showing the accommodation, ancillary uses, amenities and any other valuation related data in accordance with the Department's Apex drawing standards.

3. Maintain a high standard of on-site data capture and transcription to the Department's MAGI IT database to ensure the accuracy and veracity of land tax assessments.

4. Efficiently and effectively manage assigned cases to ensure that performance targets are met: (a) submit Maintenance of the List cases for valuation weekly and within 15 working days of assignment; (b) submit for valuation an average target of 25 Maintenance of the List cases per month; (c) respond to inquiries within 2 working days of receipt.

3. Amending the Valuation List

As existing properties are altered, new properties built or others demolished, the Department makes modifications to the Annual Rental Values (ARVs) in the Valuation List to reflect these changes.

A property inspection is usually the result of three (3) triggers:

- receipt of a Certificate of Completion and Occupancy from the Department of Planning;
- notification to the Department of property changes by members of the public, external entities, or other Government Departments; or
- the creation of proactive cases internally by the Department

The process for amending the Valuation List is in the following stages:

Stage 1 – Notification to taxpayer of impending inspection
Stage 2 – Survey of the property
Stage 3 – Valuation of the property based on the works undertaken
Stage 4 – Proposal letter notifying the taxpayer of the changes to the property
Stage 5 – Objection period

Statistics

There are approximately ***36,500 valuation units*** in the 2015 Valuation List. The first two (2) digits of the nine (9) digit assessment number indicates the Parish and the Corporations as follows:

Utilities	01
City of Hamilton	02
Sandys	03
Devonshire	04
St. George's	05
St. George's Corporation	06
Paget	07
Hamilton	08
Southampton	09
Warwick	10
Smiths	11
Pembroke	12

The Department completes on average ***600 MoL cases per year***, which result in roughly the same number of proposals served to amend the Valuation List annually. For example, in 2022 the Department completed 523 cases and served a total of 574 proposals to amend the Valuation List. In 2021, 580 completed MoL cases generated 650 proposals.

This can only be accomplished because of the work of the PVI in surveying properties for alterations and changes, as most of the amendments to the Valuation List stem from the data collected onsite by the PVIs.

4. Case Management

All Maintenance of the List (MoL) cases are managed in the ***MAGI database*** via the My Dashboard screen and the case itself.

This home screen contains the following:

- My Assigned Cases
- My Assigned Actions
- My Case Stats
- Outstanding Cases
- Calendar
- Map depicting the location of your assigned cases
- Office In/Out Digital Board

As the Department strives to be a ***"paperless" office***, all paperwork is scanned and attached to the relevant case in MAGI and is then shredded. MAGI logs also extend to all email correspondence, pertinent phone logs, photos and Apex digital drawings.

Once selected in MAGI, the status of the case is managed via the Status field (Active, Inspected, On Hold, Valuation etc.) in the Information tab. It is ***important that this field is updated*** depending on the status of the case i.e. change the status to On Hold if you are awaiting an inspection appointment or information etc.; change to Inspected once you have completed the site visit; change to Valuation once you have transcribed the areas to MAGI, attached all relevant logs and the Apex drawing.

Case Assignment

All MoL cases are created in the MAGI database by the Office Manager or the Management Team. The Notes field will state the reason for the case and any other pertinent case information, with supporting documentation attached as a log e.g. completion certificate, letter, email etc. Additionally, contact details for the applicant(s) will be included in the Contact Details field.

Cases are electronically assigned to a PVI either:

- three (3) days after the Inspection Letter has been sent in the mail; or
- immediately to the PVI if the Inspection Letter has been emailed or hand delivered; or
- when a taxpayer has been in direct contact with Management and requests immediate progress of the case

You will receive ***an Action in MAGI*** in My Assigned Actions on your Dashboard notifying you of a newly assigned case, which is to be signed off within the case upon receipt. This will trigger an email to be sent to the originator of the Action, thus notifying them that the Action has been acknowledged and signed off by yourself.

Conflicts of Interest

When cases are assigned to you, review each case thoroughly. If you are conflicted because the applicant/taxpayer is a relative, friend, neighbour or other reason, speak to your line manager to have the case reassigned, if warranted.

5. *Onsite Inspections*

In accordance with the provisions of the Land Valuation and Tax Act 1967, you are authorized to enter, survey and value any valuation unit and these powers are cited on the ***Inspection Letter*** that is sent to taxpayers, as well as on the back of your photo ID card. Persons are to be given 24 hours notification in writing of the pending inspection and this is done by the Management Team.

- The Inspection Letter that is sent to the taxpayer will have the address of the subject property, Case ID number, your name and contact details (phone number and email address) on it. Thus, you will receive enquiries from taxpayers regarding the pending inspection. Please ensure to record additional phone numbers and email addresses in the Contact Details field in MAGI if this is obtained prior to the on-site inspection.

It should also be noted that it is an offence to willfully delay or obstruct you in the exercise of your duties (see Obstruction of Duties in this section).

Check List for PVIs for Onsite Inspections

This Check List is for use as a quick reference guide whilst conducting onsite inspections and provides additional information/guidance to assist with data collection whilst in the field.

Check list for PVIs – for onsite inspections

Please remember that the aim of the inspection is to collect all the data in one visit. Please do not give advice on site.

On Site	Remarks
Only check out cases that you are intending to inspect	
Residentials - Make an appointment **only** if you need to get in or the taxpayer has requested to be present. Commercial/tourist inspections – most are by appointment as these are internal.	If you do have to make an appointment, mark your calendar as soon as the appointment is made
Make note of owner's details if you meet them on site	If no one is home and you need access, leave a door hanger with all pertinent information
Take your photo ID with you and show to the person onsite	Also show it to a Ringo/Security type doorbell if there is no one present
Your safety is paramount - Trust your intuition re dogs, hostile owners etc.	If you don't feel safe, leave the site immediately and let management know
Record times of arrival and departure, and the date on Site sketch	Add further times and dates if you return to the property
Show property address on site sketch	
Take photos of all elevations, amenities and ancills. Check date and time stamp are correct.	
If appropriate, find out effective date of changes if owner is on site	If no one on site, make a note if additions look recent or not
If there is a new unit via an internal subdivision, please make a note if it has been modernised or if it has been in existence for some time.	Internally inspect all subdivisions and take internal photos
Make a note if you see a separate unit where you see an internal connecting door but do not give advice to block it up	Make a note, take a photo, find out if planning permission was sought, and if so, when and get details. Note the layout of the 'separate' unit, note who occupies etc
Record any particular characteristics of the property that might be relevant to the valuation	E.g. dangerous access, particularly large lot, small sized swimming pool etc
Before you leave the site, ensure all necessary data has been collected and measurements are double-checked to avoid any unnecessary return visits	Including information on open to below areas, internal doors, historic works and date of completion, unauthorized units, uninhabitable units discovered on site etc.
Accidents	If you have an accident, immediately contact management and complete an incident report form asap
When finished, if owner is present, inform them you are leaving the site	

Taxpayers' requests to be present during the Inspection

- If a taxpayer request to be present during your site visit, do not inspect the property without first making an appointment with the taxpayer.

- Conversely, if you are trying to arrange an inspection with the taxpayer and it appears that they are deliberately delaying an appointment to inspect, log all communications in MAGI and speak to your line manager.

- For residential units, PVIs should not be phoning taxpayers prior to a site inspection, unless expressly requested to do so. There is normally no need for the taxpayer to be present for an inspection as the measurements taken are external. However, if it is clear from the plans attached to the case that an area may not be accessible, the taxpayer would need to be contacted to arrange access.

- In respect of dogs, the PVI can refer to the Property Dog List as opposed to calling each taxpayer.

- Commercial properties, on the other hand, usually require arrangements to be made due to internal inspections being required.

Items required for the Inspection

You should have the following items and equipment when surveying each property:

- Wearing work issued clothing with Department name/Government logo for added identification purposes
- Photo ID card
- Case Details Report from MAGI
- Copy of Inspection Letter (optional)
- Location map (for directions)
- Copy of the most recent survey (manual survey, Portacad drawing or Apex drawing) for existing valuation units
- Disto laser, which is the primary device for measuring and efficiency. The measuring tape is not to be the primary device for measuring and is only to be used when a measurement either cannot or cannot easily be obtained with the disto.
- Batteries for the camera and for the disto, where applicable, if not pre-charged.
- Mitre gauge
- Camera
- Calculator
- Clipboard
- Pencils/pens for drawing
- Personal Protective Equipment (PPE) – steel toe work boots, hard hat, reflective vest, safety goggles, earplugs (As of 1st December 2016, it is an offence under the Occupational Safety and Health Regulations 2012 to be on a construction site without wearing the appropriate PPE. Safety infractions can result in $500 fines to you individually.)

Disto Laser Measuring Device

Before using the device, it is mandatory that you first carefully read the User Manual which covers Safety Instructions, Instrument set up, Operations, Settings, Functions etc. You are to be aware of the permitted use, maintenance, care and associated hazards/warnings. Additionally, it is also mandatory that you attend the scheduled refresher training sessions when provided following your initial orientation with using the device.

The measuring device is a potentially harmful piece of equipment as it produces visible laser beams, which are emitted from the instrument. Consequently, great care must be taken when operating the device and the following **WARNINGS** must be strictly adhered to by all users:

- Do not stare into the laser beam or direct it towards other people unnecessarily.

- Looking into the laser beam may be hazardous to the eyes.
- Make sure the laser is not aimed at the face and especially nowhere near the eyes.
- Looking directly into the beam with optical aids can be hazardous.

It is the responsibility of the person in charge of the instrument:

- To understand the safety instructions on the product and the instructions in the User Manual.
- To ensure that the equipment is used in accordance with the instructions.
- To be familiar with local safety regulations relating to accident prevention.
- Always prevent access to the product by unauthorized personnel.

Permitted Uses

- Measuring distances
- Computing functions e.g. areas and volumes
- Measuring tilts

Prohibited Uses

- Using the device without instruction from the User Manual and/or training from other team members experienced with using the device.
- Using outside the stated limits.
- Deactivation of safety systems and removal of explanatory and hazard labels,
- Opening of the equipment by using tools (screwdrivers, etc.), as far as not specifically permitted for certain cases.
- Carrying out modification or conversion of the product.
- Use of accessories from other manufacturers without the express approval of Leica Geosystems.
- Deliberate dazzling of third parties; also in the dark.
- Inadequate safeguards at the surveying site (e.g. when measuring on roads, construction sites, etc.)
- Deliberate or irresponsible behaviour on scaffolding, when using ladders, when measuring near machines which are running or near parts of machines or installations which are unprotected.
- Aiming directly in the sun.

Maintenance and Care

- Clean the device with a damp, soft cloth.
- Never immerse the device in water.
- Never use aggressive cleaning agents or solvents.
- Use the correct batteries and regularly check batteries are not corroding inside the device.

- Carry out periodic test measurements. Particularly after the instrument has been subject to abnormal use, and before, during and after important measurements.
- Make sure the Leica DISTO™ optics are kept clean and that there is no mechanical damage to the bumpers.
- Never attempt to repair the instrument yourself. In case of damage, hand in the instrument to either your Line Manager or the Director and inform them of the issue as soon as possible.

Confirmation

All users of the Disto laser measuring devices will be required annually to sign a document confirming the following (and as amended for future use):

1. I confirm that I have read the associated User Manual for the Leica Disto measuring device that I am currently in possession/operation of and that I understand the safety instructions on the product and the instructions in the User Manual.

2. I undertake to ensure that the device is used in accordance with the instructions, care, maintenance and associated warnings/precautions/hazards contained in the User Manual, in conjunction with the Department's Internal Policies.

3. I confirm that I will not use the device in a manner that is prohibited, nor in a manner that could cause harm to either myself or another person.

4. I agree to regularly review the contents of the User Manual and internal policy documents in relation to the device.

5. I agree to attend refresher training sessions on the permitted use, operations, care, associated warnings etc. in respect of the device.

6. I agree to ask my line manager or colleagues that use the device any questions if I am unsure how to use the device as soon as possible.

7. I agree to report any problems with the device to my line manager or the Director as a soon as possible.

Checking Out Cases for Inspection

On your My Dashboard screen in MAGI, use the Office In/Out Board to ***check yourself out of the office***, as well as your cases for inspection that day (this is done by clicking the Check Out of Office button). This is important for both safety reasons and dealing with enquiries from members of the public for those in the office. Also ensure that your phone is on forward (DND) when leaving the office for your inspections.

At the Property

- Always knock on the front door or call at reception, as appropriate, produce your ***photo ID*** when introducing yourself onsite and explain the purpose of your visit.

- If no one is home and there is a Ringo/security doorbell with a camera, show your ID card to the camera for identification purposes.

- A typical survey includes taking measurements of all elevations (residentials) or all internal spaces (commercials). The most recent survey is normally used as the site sketch for drawing. However, there are occasions when there is no previous survey or it's better to draw from scratch.

- Taking ***photographs*** is an integral part of the survey. You should, at a minimum, take a photograph of each elevation, the ancillaries and amenities. Photographs are important when it comes to replicating your site sketch in the Apex drawing software. Additionally, the photographs are vital to the person who will be doing the valuation as they enable the valuer to "walk around the valuation unit".

- In some cases, it is necessary to take internal photographs, particularly in substantial completion cases, either internally or through a window. Be aware of the sensitivities when doing this and explain the reasons why you are taking them, if queried.

- All photos must be date and time stamped via the camera feature.

- Be sure to record all pertinent information e.g. ***change of use, effective dates, standard of finish/condition particularly for new units created via internal conversion, unique characteristics/features to the property, locational and typographic characteristics and anything else which you think may have some relevance on the property's ARV which the valuer should know.*** This information gathered during the survey should be logged in the Inspection Notes field in MAGI, as well as any relevant onsite discussions with the taxpayer/occupier. This information may be used as evidence if the case is subject to subsequent litigation. All contact details e.g. mailing addresses, phone numbers and email addresses are to be recorded in the Notes field in MAGI.

- Record date, property address, North arrow and arrival and departure time of inspection onsite sketch.

- If the taxpayer is not present during the site visit and contact with the taxpayer is required, make sure to leave your contact card at the property with the case number, date, your name, phone number and email address. Where appropriate, include a brief description on the contact card of what is requested for the survey.

- The unit(s) should ideally only be surveyed once. Before leaving the site, ensure that all necessary data has been collected and you have double checked your lengths and widths.

- Make sure to let the taxpayer/occupier know that you are finished your inspection and are leaving the site.

Enquiries from Taxpayers

- As a PVI, your role during the site inspection is to ***collect data***. Therefore, **DO NOT** provide advice to taxpayers on the valuation of the unit(s), rent control and land tax matters, blocking up internal doors, what if scenarios etc. Report such enquiries to the respective Valuer upon your return to the office.

- Additionally, depending on the nature of the enquiry, where suitable, direct the taxpayer to your line manager, the Department's FAQ page on the website or another Government department(s), as appropriate.

Obstruction of Duties

- It is ***an offence under the Land Valuation and Tax Act 1967*** for anyone to willfully delay or obstruct you in carrying out your duties, which is stated on the back of your photo ID card.

- If you are threatened or obstructed in any way, immediately leave the property and contact your line manager as soon as possible. Make sure to log the incident in MAGI once back in the office.

- Trust your gut feeling when onsite. If you feel uncomfortable or something is not quite right, immediately leave the property and contact your line manager.

Mileage Allowance

- The Department has use of a dedicated Government vehicle (GP32) for onsite inspections. The car can be booked via the car booking spreadsheet on the network drive.

- However, when your own vehicle is used for inspections, you are eligible to be paid a mileage allowance based on the prevailing rate.

- Mileage claims are to be submitted monthly by the 5th of the month and claims must be submitted within two months of the date of the inspection.

- Claims submitted after the two-month deadline will not be honoured.

Safety Measures

- Ensure that only the cases you intend to inspect are checked out for inspection in MAGI via the Office In/Out Board in My Dashboard. Do not check out an unrealistic number of cases for inspection.

- Ensure that all appointments are included in your calendar in Outlook.

- Appointments outside of normal working hours should be an exception. However, if you need to make appointments outside of normal working hours, inform your line manager by email, copying all staff members in the email.

- If you are not returning to the office after your last inspection, you must contact your line manager to inform them.

- As much as possible, make a mental note of the surroundings at the property/site for possible risks and hazards, such as the potential for steps hidden by overgrown grass etc.

- Check out the site before accessing for dogs (including reviewing the current list of properties with registered dogs prior to the inspection). Keep abreast of the tips provided via the Occupational Dog Bite Safety training as you may need to use these should you have an encounter with a dog.

- Should you unfortunately have an accident or incident (a fall, dog attack, vehicular accident etc.) whilst onsite or in the performance of your duties, inform your line manager as well as the Department's Safety and Health Representative as soon as possible. Additionally, an Incident Report Form must be completed within 24 hours of the incident, where feasible.

6. <u>*Back in the Office*</u>

Office In/Out Board

Once back in the office, log back in MAGI which will update the Office In/Out board. This action will automatically check in your inspection cases for that day. Additionally, ensure to take your phone off forward.

Check List for PVIs – On Return to Office

This Check List is for use as a quick reference guide when returning to the office and provides additional information/guidance to assist with completing the case and promoting it to Valuation.

Check List for PVIs – On return to Office

In Office	Remarks
Update case status to inspected and input inspection date	ASAP after returning to the office
Input inspection notes – • If anyone was present • Brief summary of what was found • Record if you met anyone and what was discussed	Use spell check for notes!
Record every inspection	Please record every time you visit, even if it is just to leave a door hanger
Attach photos with the relevant elevation in the file name	Please number photos of ancills and amenities if more than one of the same type – e.g. PA1, PA2
Attach site sketch	Preferably the same orientation as the Apex drawing
Add North point to drawing	Where possible, please have the Apex drawing orientated to the north
Add cross reference points to drawing	'A', 'B' etc
Add subject information to Apex drawing	Please add more than just 'alterations and additions'! Give some detail about why you went and what has changed
Add date, initials and case number to Apex drawing	
Shade new areas (incl ancillaries)	
Add Effective Date and reason for that date	For example, CCO, historic, date of inspection etc
Use the Misc line entry for anything out of the ordinary	For example, a store that is of poorer construction than other storage on site, or a patio that is made up of pavers (if there are other patios as well). This enables the Valuer to ascribe a different rate if appropriate.
Update Situation Address if appropriate	
Add all notes of phone calls and emails associated with the case	If voicemail left, put a brief note of what you said
Change the case status from inspected to valuation once everything is completed and inspection is signed off	
Submit mileage claim	Needs to be submitted by the 5th of each month and within 2 months of inspection

MAGI

As soon as possible, complete the following in MAGI against the case:

- Update case Status from Active to Inspected
- Input Inspection Date
- Input Inspection Notes, commenting on whether anyone was present for the inspection and any other relevant notes regarding the inspection. Depending on the information obtained, copy the Inspection Notes to a log under Site Visit.
- On the odd occasion that you must re-inspect the property, the second inspection date is to be recorded in the Inspection Notes with the reason for the additional inspection, who was present and any other pertinent information. Depending on the case, information on the Site Visit can additionally be recorded and logged as a Site Visit.
- Attach photos, with the elevation (north, south, east, west) or ancillary/amenity saved as the File Name. All photos can now be attached at once by the "Drag and Drop" feature.

It is ***important that the above steps are done as soon as possible following the site visit***. Enquiries are frequently made by taxpayers and if you are absent, anyone in the Department can still ably deal with the enquiry if all the inspection details have been inputted in MAGI in a timely fashion.

Provisional Assessment Numbers

Where the unit is a new build and does not have an existing assessment number, send an Action to the appropriate person in the management team requesting the creation of a ***provisional assessment number***. The action must include the situational address for the new unit e.g. Upper Apt #1, Lower North Apt etc.

Inspection Viewer

This is where you will record the changes to the floor areas, ancillaries, amenities etc. in MAGI ***following completion of the Apex drawing***. Select the Insp button under Stage in the Assessments tab and this will open the Inspection Viewer.

You are also responsible for updating the Situation Address with the unit name, apartment number, floor level etc. In the past, the floor levels were noted as 1^{st} Floor, 2^{nd} Floor etc. but this caused confusion as some called the 1^{st} Floor the Ground Floor and vice versa. This practice has subsequently been changed and floor levels are now to be recorded as Upper Floor, Lower Floor etc. for clarity. Additionally, apartments should be referenced as "Apt" and geographic location (north, east etc.) and numbers should also be used as appropriate e.g. Lower North Apt, Upper Apt #1 etc.

The effective date of the alteration is to be recorded in the Effective Date field via the calendar. The reason for the effective date must be recorded in the Effective Date Reason box. This is usually the date on the Completion Certificate, but the effective date can also be an earlier date e.g. for historic or retroactive works or if you have been informed that occupation took place prior to the date on the Completion Certificate. Additionally, in some circumstances, the effective date can be the date of the actual inspection. It should be noted, that in accordance with the provisions of the Land Valuation and Tax Act 1967, an effective date cannot precede the 1^{st} January of the current year.

Once all the Assessment, Floor, Ancillary, Amenity and Other Details are updated correctly, check the Inspection Complete box, which will auto populate the Completed By and Completed On fields with your user name and the current date.

Selecting the Save button will change the Stage from Insp to Value. Once changed to Value, the PVI will no longer be able to access or make changes unless the case is demoted back to Insp by the Valuer.

Progressing the case to Valuation

You are to change the status of the case from Inspection to Valuation in the Information tab, once the following has also been recorded or logged and attached in MAGI under the correct Log Type:

- Onsite sketch
- Apex drawing (new drawing will be page 1 if there are previous Apex drawings) [see Section 8 for detailed information on the Apex drawing standards]
- All emails and phone logs associated with the case
- All relevant paperwork/documents e.g. copies of floor plans, leases, reports etc.
- All assessment numbers on the case have been changed from Insp to Value.

As of 1st January 2018, all cases are submitted electronically within MAGI, thereby eliminating the paper trail. Thus, it is imperative that all associated paperwork in relation to the case is scanned and attached in MAGI and is legible.

Progressing a case to Valuation via the case Status is important as this is the trigger for getting credit for a case submission. Changing the status to Valuation also indicates that all the relevant case information is recorded and/or attached in MAGI and ***the details inputted in the Inspection Viewer have been double checked and are correct***. However, if required, assessments can be demoted either upon request from a PVI or by the valuer so that additional changes can be made prior to the valuation stage.

Valuation Stage

The case is now ready for review and valuation by a valuer (part of the Management Team).

In most instances, ***the valuer*** has not physically inspected the property and therefore, ***relies solely on the information collected by the PVI to undertake the valuation***.

The valuer reviews the PVI's site sketch and double checks the measurements against the Apex drawing. Utilizing both the Apex drawing and photos, the valuer can walk around the property and check that the details (floor areas, amenities etc.) inputted by the PVI in the Inspection Viewer correlates with what is physically on the ground.

Therefore it is imperative for the PVI to collect all the relevant information during their site inspection and to record/log this information in MAGI. If there are any questions regarding the recorded/attached information, the valuer will contact the PVI directly and/or send a Case Action.

Quality vs Quantity

As aforementioned, the work of the PVI is critical and important to maintaining the land tax assessments in the Valuation List and consequently, land tax revenue. Therefore, the work of the PVI must be completed in a timely and judicious fashion and to a very high standard, to not only secure revenue, but to ensure the taxpayer's confidence in the accuracy and equity of the assessments in the Valuation List. In a nutshell, the work of the Department all has a financial impact on taxpayers, as our errors directly impacts a taxpayer's land tax liability.

Whilst the Department is committed to completing MoL cases within twenty (20) working days of receipt and consequently, the PVI to submitting to valuation cases within fifteen (15) working days of assignment and averaging twenty-five (25) cases per month, ***it is imperative that the quality of your work is not sacrificed for simply meeting the numbers***.

It is more important to ensure that the work you submit is ***accurate*** and of a ***high standard***, as opposed to submitting huge volumes of substandard quality. With experience and time, you will be able to achieve both quality and quantity.

7. *Property Valuation Methodology*

The Department uses the following factors to analyse rents, carry out revaluations and ensure fairness and equity between Annual Rental Values (ARVs) in the Valuation List:

- ***Geographical location***, which also reflects views and typical lot size for the neighbourhood
- ***Property type*** e.g. house, apartment, condominium, office, retail shop etc.
- ***Size of the unit*** area e.g. living accommodation area for residentials which is measured on Gross External Area (GEA)
- ***Size of any ancillary accommodation*** e.g. porches, covered verandahs, garages etc., which are also measured on a Gross External Basis
- ***Amenities*** e.g. swimming pool, docks, tennis courts etc.
- ***Unique characteristics*** i.e. any characteristics specific to the individual unit which affect its rental value (e.g. adjacent to a sewage treatment plant).

These six primary factors used by the Department provide a yardstick that enables an equitable assessment and comparison to be made between valuation units. These have been accepted not just by the Tribunal, but taxpayers as well. Every property in Bermuda has been surveyed by the Department for land taxation purposes at some point with its value specific data collected onsite and maintained in the Department's MAGI database.

The methodology used by the Department quantifies the major attributes of a property that affect its rental value. As such, properties across the Island are assessed on the same basis and their Annual Rental Values (ARVs) can be compared allowing for the differences in their value attributes.

Like a giant jigsaw puzzle, the residential assessments across the Island relate to each other and in this way the fairness and equity in the ARVs are maintained.

Ancillaries

Ancillary areas are those parts of a residential property which are not living accommodation, but do add some value i.e. parts of the house which do not form part of the main dwelling directly.

Ancillaries	Apex Abbrev	Valn Factor	Definition
Balcony	BA	0.17	A platform with a rail or parapet projecting outside an upper storey of a building.
Basment Store	BS	0.25	Externally accessed storage area in the basement of a building, not finished to living accommodation standard.
Boat House/Store	BH/BST	0.25	An on dock storage building or building over the water that is used for the storage of a boat.
Car Port	CP	0.20	An open sided car shelter.
Covered Patio	CPA	0.25	A roofed patio area, including covered verandahs, gazebos, covered pergolas etc.
External Laundry	EL	0.25	An area not part of the living accommodation with its own access used for laundry purposes.
External Store	ES	0.25	An area not part of the living accommodation with its own access used for general storage purposes.
Garage	GA	0.33	A building attached or detached with garage door for car storage, not finished to living accommodation standard.
Greenhouse	GH	0.17	An enclosed structure used for cultivating plants, usually of glass or plastic covering.
Living Accommodation (poor)	LA (POOR)	0.75	An area which is used as living accommodation, but is poorer quality than the main living accommodation and has internal access. Typically a converted basement storage with poor natural light.
Office (Domestic)	OFD	0.99	An office not internally connected to the living accommodation, but which does not warrant a separate commercial assessment.
Patio	PA	0.17	A hard surfaced area, typically for sitting outside.
Pool House	PH	0.99	A building ancillary to a pool and finished to living accommodation standard.
Porch	P	0.25	A small covering in front of an access door and not capable of any other use.
Refridgerated Store	RFS	0.50	A cold storage area.
Slat House	SH	0.17	Similar to a greenhouse, but made of slats.
Stable	STB	0.25	A building in which horses are kept, not finished to living accommodation standard.
Sun Porch	SP	0.75	An enclosed porch similar to a conservatory, inferior quality to the main living accommdation.

Amenities

Amenities are those facilities which enhance the value of a property that are not reflected in the living accommodation or ancillary areas. They include the following:

Amenity	Standard %
Beach	5%
Beach Adjacent	5%
Dock	5%
Jetty	5%
Swimming Pool	15%
Sauna	3%
Shared S/Pool	10%
Slip	2%
Squash Court	8%
Tennis Court	8%

8. *Measuring Practice Guidelines*

The purpose of the Guidelines is to provide definitions and clarity to permit the accurate measurement of buildings and the calculation of areas on a ***common and consistent basis***. These Guidelines will not address every single type of property, but will look at the standard measuring practices to be used for primary use classes – residential, commercial (not specialist classes) and tourist properties.

As the PVI, you should measure all areas onsite, irrespective of whether they are eventually included in the ARV calculation.

Metrication

In accordance with the Royal Institution of Chartered Surveyors (RICS) Guidance Notes, the Department adopted ***metric*** as the standard system of measurement some twenty plus (20+) years ago. Occasionally, you will see imperial measurements on the older manual survey drawings, which have been converted to metric.

Definition of Valuation Unit

In accordance with Section 1 of the Land Valuation and Tax Act 1967, a valuation unit means:

"any land, building or part of a building occupied or capable of beneficial occupation as a separate unit."

When conducting your inspection and you discover either the creation of an unauthorized (without Planning permission) residential valuation unit or the existence of an internal door between units, note this against the case in MAGI and bring to the attention of the Management Team.

Residential Valuation Units

Residential valuation units comprise approximately 90% of the assessments in the Valuation List, and hence, the bulk of the properties you will be inspecting and measuring. There are six (6) main residential descriptions:

Apartment	(3 or more units are touching irrespective of size difference)
House	(single residential unit not touching any other unit)
Cottage	(single residential unit less than 60m2 living accommodation)
Condo	(multiple unit complex which are individually owned)
Townhouse	(typically semi-detached houses, usually on two or three levels, sharing party walls)
Hotel Condo	(residential unit within a hotel development which may be included in the hotel inventory for a period during a year)

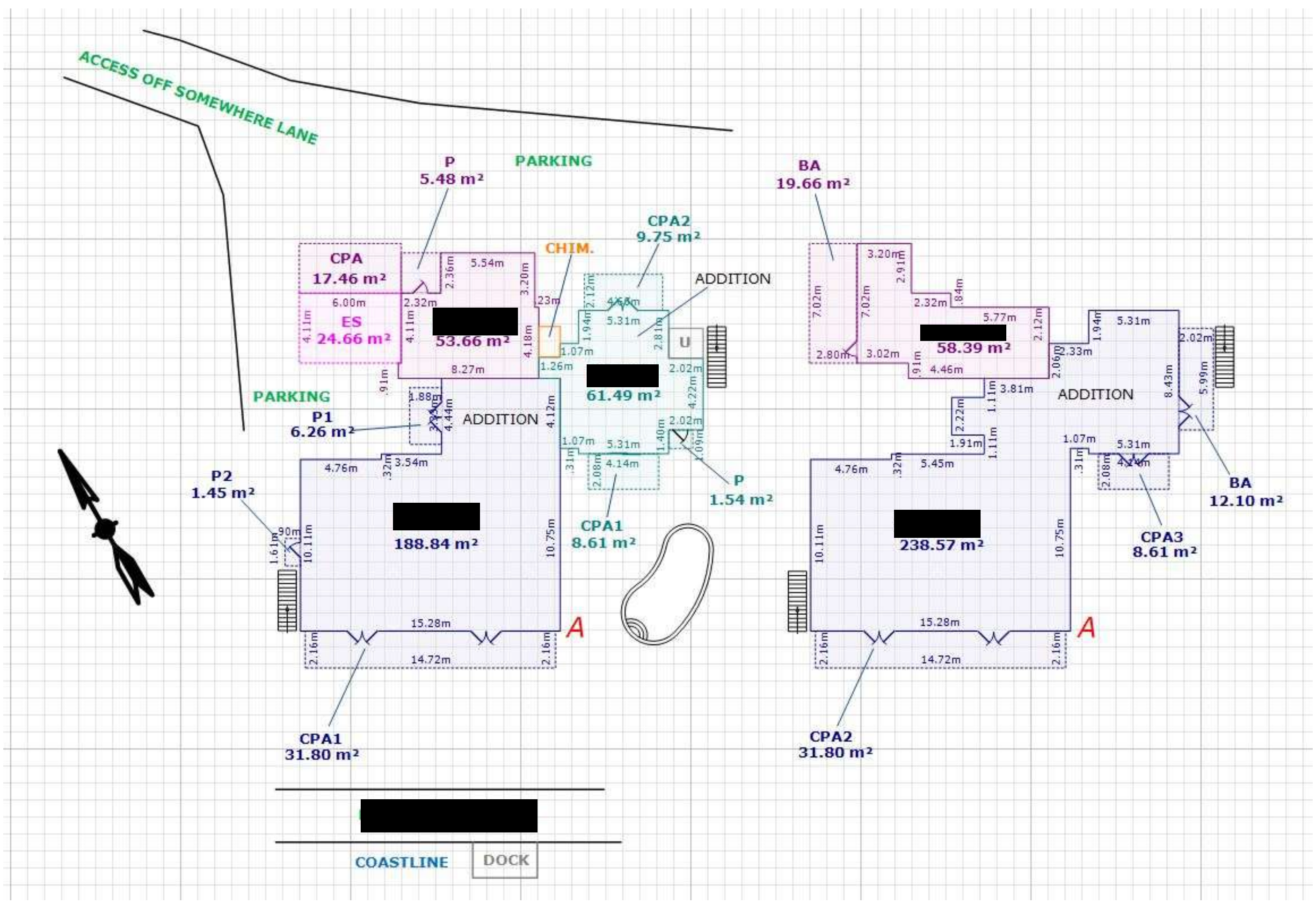
All Residential valuation units and Ancillary areas are to be measured on a ***Gross External Area*** (GEA) basis.

Gross External Area Definition

GEA is the area of a building measured externally at each floor level.

Including	**Excluding**
Perimeter wall thickness	Ancillaries (see Section 7)
Internal stairwells, lift-wells and the like	Chimneys
Mezzanine areas	Utility and mechanical rooms (are still measured)
Internal double height areas	Areas with a headroom of less than 1.5m

Residential Unit Apex Drawing Example



Commercial Valuation Units

Commercial valuation units comprise approximately 10% of the assessments in the Valuation List, and comprise over 100 different property types ranging from small “mom and pop” shops to large power stations.

The bulk class Commercials comprise mainly of shops, offices and warehouses/workshops and there are four (4) specialist commercial property types (car parks, gas stations, hotel shops and hotel cycle liveries).

All bulk class Commercial valuation units and Ancillary areas are to be measured on a ***Net Internal Area*** (NIA) basis.

Net Internal Area Definition

NIA is the usable area within a building measured to the internal face of the perimeter walls at each floor level.

Including	**Excluding**
Atria, entrance halls and lobbies (not communal)	Ancillaries (see Section 7)
Mezzanine areas	Communal atria, entrance halls and lobbies
Hallways	Utility and mechanical rooms
Toilets, kitchens etc. (not communal)	Communal toilets
	Elevators and stairwells
	Areas with a headroom of less than 1.5m

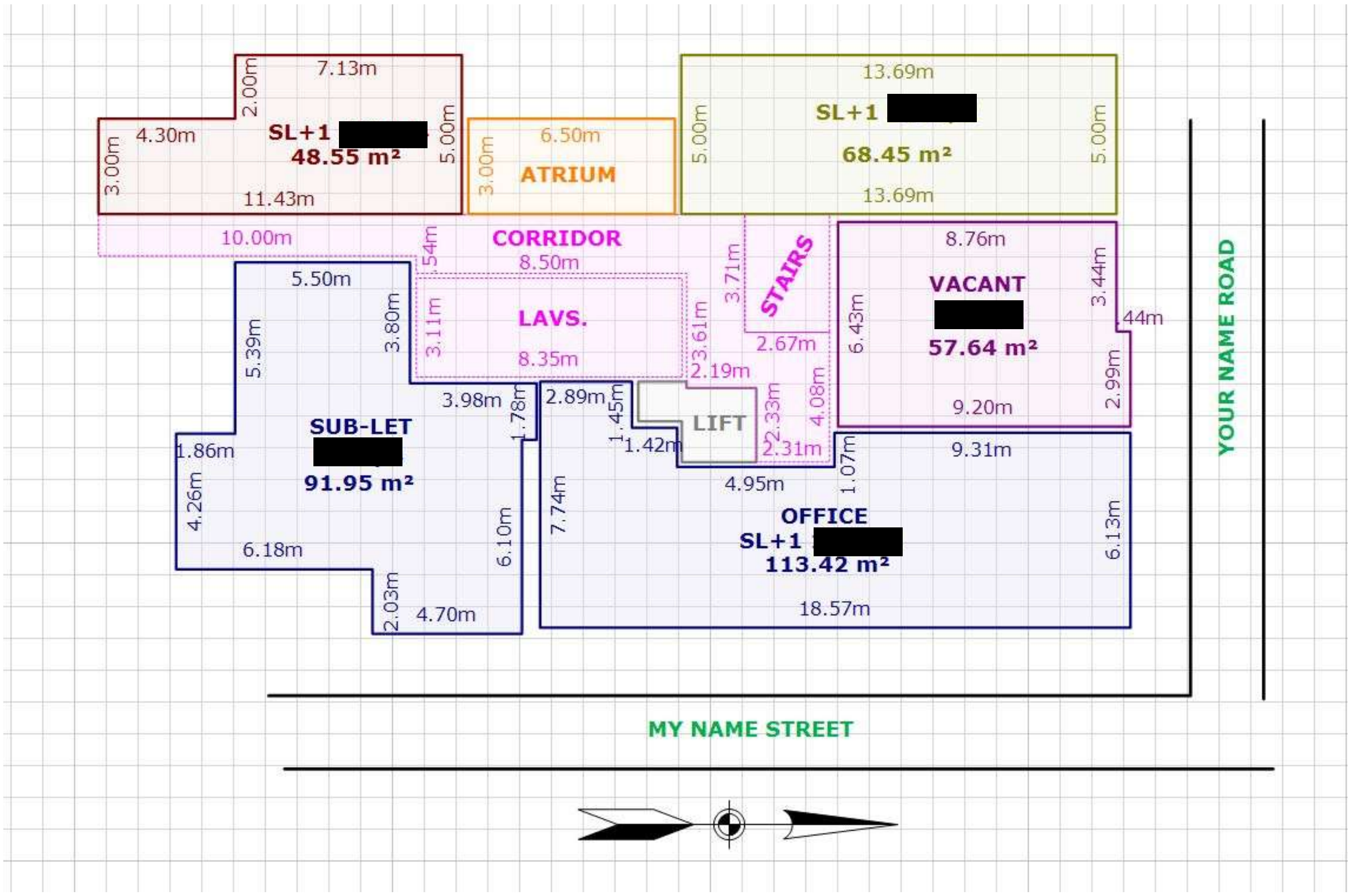
Zoning

Most of the shop assessments are valued on an overall basis. However, shops located in the prime parts of Front and Reid Streets in the City of Hamilton are measured on a zoning basis of 10-meter zones/depths on the ground floor.

Not Sure What Measuring Basis to Adopt

The existing commercial survey drawing usually provides guidance as to the measuring basis to adopt. However, depending on the case details and/or property type, simply speak to the commercial valuer prior to conducting the inspection for clarity.

Commercial Unit Apex Drawing Example



Tourist Valuation Units

There are approximately 100 tourist valuation units in the Valuation List in the following main descriptions:

Hotels

Cottage colonies

Guest Houses

Tourist Apartments/Cottages

Fractionals

Always speak to the commercial valuer prior to inspecting a tourist valuation unit to determine what needs to be captured during the site inspection.

Bed Space

As a rule of thumb, hotels and cottage colonies are valued on a price per bed space rate and therefore do not require measuring.

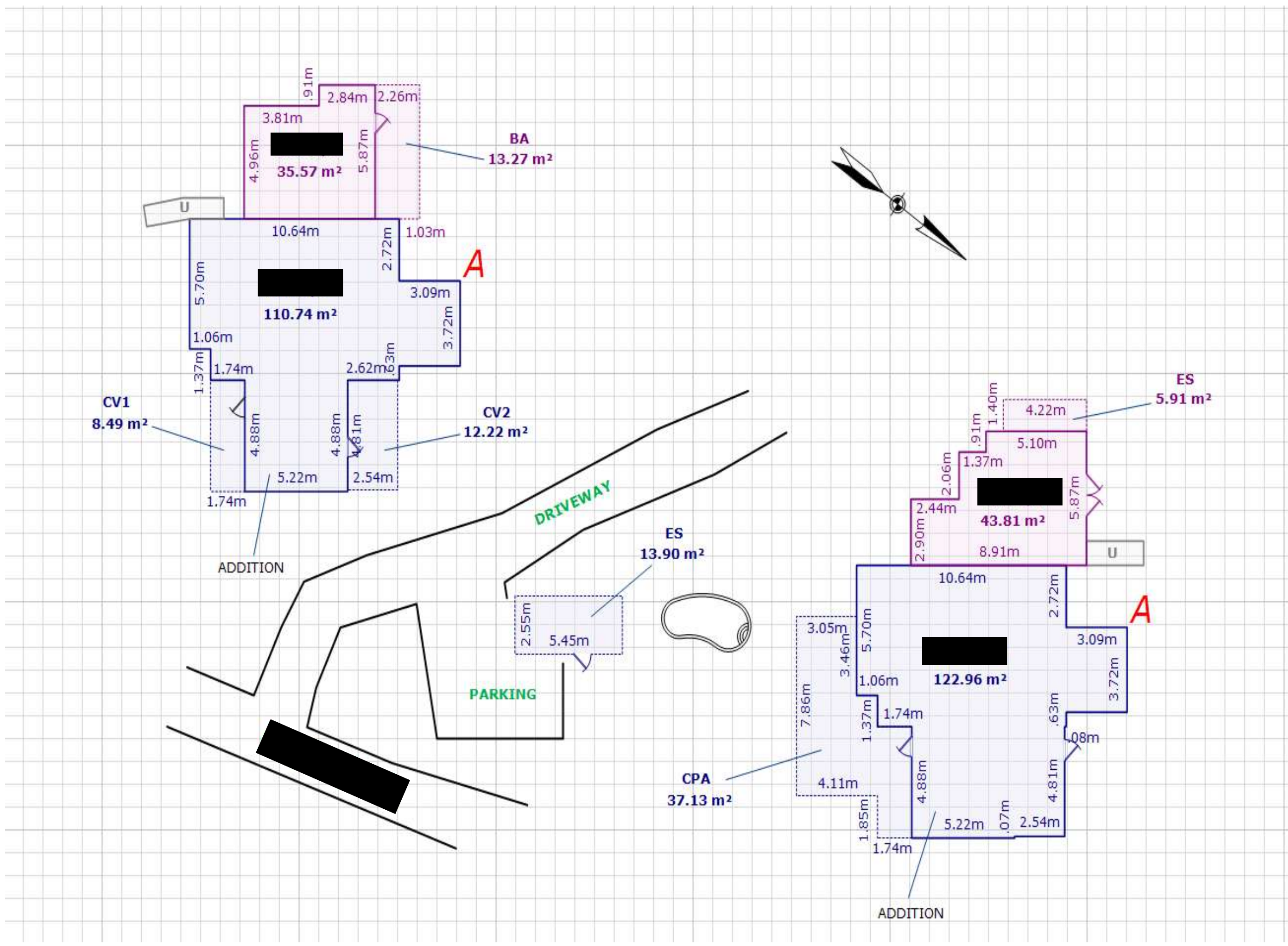
Residential Scales

Most guest houses and tourist apartments/cottages are measured on the residential scales and therefore, are measured on a GEA basis (same as Residential Valuation Units).

9. *Apex Drawing Standards*

The information collected at the property on your site sketch is the basis for creating the digital ***Apex drawing***.

The following are the agreed standards for all Apex drawings and the below example of the Apex drawing is to be used for illustration purposes.

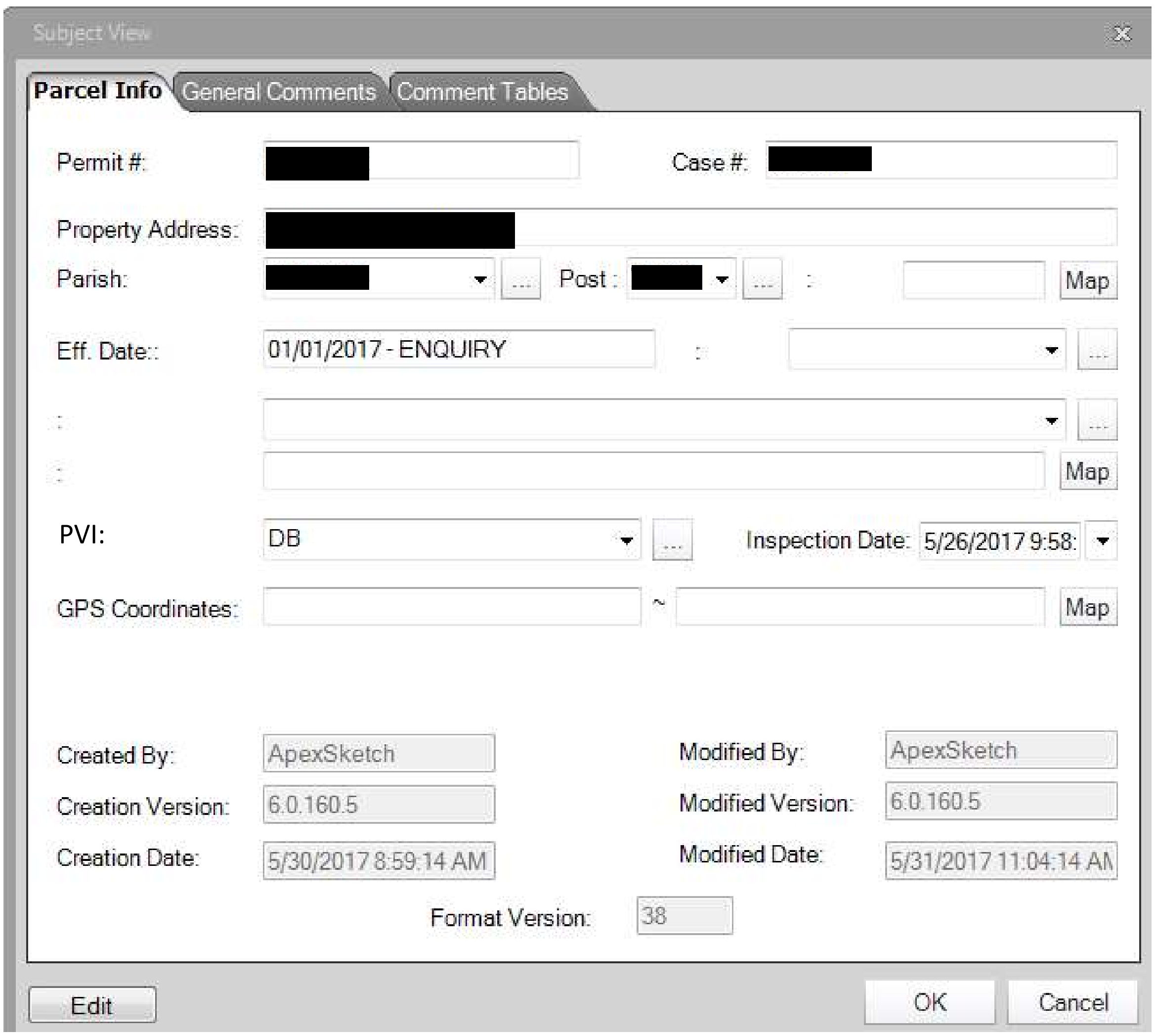


Subject Info

The Subject Info is located in the Home tab.

The Parcel Info and Comment Tables tabs must be filled in for each Apex drawing. Note that the Effective Date should also reference the case trigger e.g. Enquiry, LVD, Completion Certificate etc.

<u>Example of the Parcel Info tab</u>

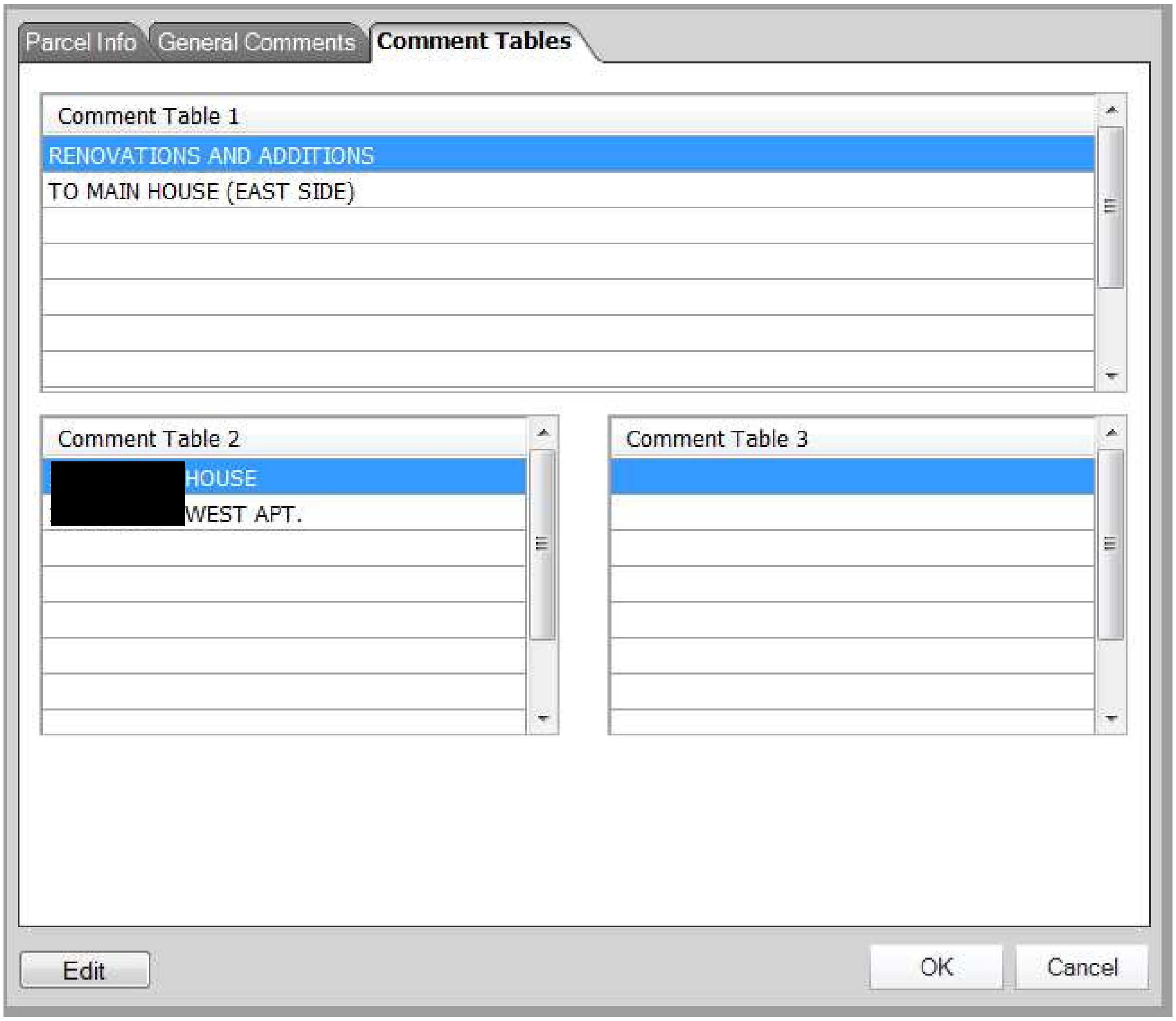


Example of the Comment Tables tab

Table 1 – Brief description of the works

Table 2 – Assessment numbers and Description

Table 3 – Previous Apex Maintenance of the List Case ID numbers (if any)



Annotations/Labels

The following must be clearly shown on all drawings:

- The North Arrow
- Primary access road and driveway
- Each valuation unit and corresponding floor level e.g. [redacted] indicates that it is the second floor for assessment number [redacted] (these labels are bold and larger)
- Each ancillary area e.g. garages, porches, patios etc. If there are multiple ancillaries of the same type for the same valuation unit, the ancillaries are to be numbered e.g. CPA1, CPA2. (these labels are bold and larger)
- All amenities e.g. pools, docks, slips, tennis courts etc.
- Pointing out the main works e.g. additions, enclosures, mergers etc.
- All measurements are to be clearly legible and a consistent size (no overlapping)
- Cross reference letters where the property is on multiple floor levels (these letters are bold and larger)
- Utilities/mechanical rooms
- Chimney breasts
- External stairs
- Access doors
- Garage doors
- Roller shutter doors (commercial properties)
- Hallways and other valuation units (commercial properties)

All the above information allows the valuer to get a complete and clear picture of the property in diagrammatic form and allows each elevation to be easily identified due to its positioning and features (doorways, patios etc.)

Standard Colours

For consistency, all drawings must use the following standardized colour schemes.

- ***Each valuation unit, its ancillaries, measurements, access doors and annotations are all colour coordinated***. This enables one to easily group the unit(s) and all its ancillaries visually. The colour format is as follows:

Unit 1 - **blue**	Unit 2 – **purple**	Unit 3 – **olive**	Unit 4 – **burgundy**
Unit 5 – **teal**	Unit 6 – **orange**	Unit 7 – **red**	Unit 8 – **emerald green**

- Shared ancillary areas are always shown in **pink** and are annotated as shared.
- Cross reference letters are shown in **red** and are to be in a larger font size.
- Utilities/mechanical rooms, chimney breasts in **grey**.
- External steps/stairs in **black**.

- North Arrow must be sufficiently visible and drawn in **black**.
- All roads and driveways in **black**.

Line Weights

Line weights are preset in Apex in accordance with the Department's standards and should not be changed/altered.