

Addendum 1

Q1: Breakdown of the property classes and the number of properties per class:

- Industrial properties
- Commercial properties (retail and office)
- Mixed use properties (identified in the RFP as industrial and commercial; what about mixed-use properties consisting of retail and office, retail and residential, retail and office and residential, etc.)
- Specialist properties (including the number of hotels, golf courses, resort properties, hospital and medical facilities, fuel service stations, sporting complexes, mariners, ports and airports)
- Number of properties needing plant and machinery valuations (noted as being for industrial properties only)

A1: You may be aware that the Valuation Division is not in possession of any compiled listing as requested. As such, the most appropriate recommendation/suggestion may be to bid on a per property basis. The Valuation Division, in accordance with the Valuation of Land Act, is dependent on the citizenry submitting their return until this becomes mandatory. To date, this is not in force and thus this Division is unable to produce a count of the various property classes.

Q2: For some of the specialist properties, are valuations of their plant and machinery also required (for example, hospital equipment, equipment used in conjunction with the operations and maintenance of a golf course like carts and lawn maintenance equipment like mowers, etc.). Please identify which classes would require asset valuations. This is so that we can get an understanding of the nature of asset valuations expected to be performed.

A2: Yes, a value will be required for plant and machinery affiliated with specialist properties.

Q3: Has the Ministry or any other branch of the Trinidad and Tobago Government previously undertaken valuations of any or all of these properties (whether formally or otherwise, and for property assessment purposes)? Can copies of these valuation reports / memos be provided?

A3: No.

Q4: If the Ministry has undertaken valuations of these properties in the past, how many of these properties have had their values challenged by the property owner (a rough percentage would be acceptable)?

A4: N/A. It is noteworthy that objections as per legislation will be the purview of the COV.

Q5: Is the Ministry in possession of market information that would assist in the valuation of commercial and certain specialty properties (for example, market lease rate information, retail and office vacancy rates, hotel occupancy rates, capitalization rates for each asset class, etc.).

A5: No.

Q6: Does the Ministry have any software / electronic valuation programmes? Is it a requirement of this consultancy to recommend or otherwise suggest the creation / purchase of such software?

A6: No software/electronic valuation programmes. Not a requirement of the consultancy but is at the discretion of the respondent.

Q7: For clarification on question #1. Apart from the descriptions of the categories, we would also like to get the estimated number of properties for each category

A7: Please see response to *Q1*.

Q8: Can you please confirm whether the plant and machinery valuation will only be required for industrial properties and not commercial.

A8: If there is plant & machinery within a commercial property, it would then be a mixed use property. Thus, plant and machinery valuations would be required.

Q9: Please indicate the valuation methodologies/ approach that are expected to be applied in line with the legislation: income approach (estimated rentable value), market approach, capitalised value, cost approach.

A9: The approach which must be adopted is up to the discretion of the professional. These methods ought to be in line with industry best practice. The aim is to arrive at the Annual Rental Value & Capital Value.

Q10. It was mentioned in the meeting that Ministry would provide all of the information required to perform the valuations, can you indicate specifically what information will be available and to what extent this would cover the total amount of properties expected to be valued (% covered).

A10: The Ministry did not promise to provide all the information required to perform the valuation. The information which can be provided is the Valuation Return Form (VRF) together with the supporting documents submitted by the owners who have filed returns.

Q11. If possible we would like to have a conference with yourselves and our subject matter experts in order to clarify and gain an understanding of how the taxes are expected to be calculated based on the Ministry's interpretation of the legislation.

A11: The calculation of the taxes is not within the remit of the COV. This falls under the purview of the Chairman, Board of Inland Revenue.

Additional content for Addendum-

- 1) Bids should be done on a per property basis.
- 2) There is no need for in-house theoretical training. The theory will be disseminated during the practical sessions as the need arises.
- 3) A value must be attributed to plant and machinery in respect of all property types.
- 4) Although software/electronic valuation programmes are not a requirement of the consultancy submission this can be included at the discretion of the respondent.