



COMMUNIQUE

MARKET AND RENTAL VALUATIONS/ASSESSMENTS IN RESPECT OF IMMOVABLE PROPERTY

The attention of property practitioners is drawn to the following:

Duty applicable to all property practitioners:

In terms of clause 34.3.1.8 of the PPRA's Code of Conduct, property practitioners are prohibited from knowingly or negligently making material misrepresentations concerning the likely market value or rental income of immovable property to a seller or lessor thereof, in order to obtain a mandate in respect of such property.

Duty to not make misrepresentations or false statements:

Furthermore, in terms of clause 34.3.4.2 of the Code of Conduct, property practitioners are prohibited from wilfully or negligently making or assisting any other person to prepare or make any false statement, whether orally or in writing, or sign any false statement in relation thereto knowing it to be false.

In terms of clause 34.3.4.3, a property practitioner is prohibited from claiming to be an expert or to have specialised knowledge in respect of any service if, in fact, he or she is not such an expert or does not have such special knowledge.

Clause 34.3.4.5.2 prohibits property practitioners from using harmful or misleading marketing techniques or methods to influence any person to confer upon him or her a mandate to render any service or to sell, purchase, let or hire immovable property.

In accordance with the aforementioned provisions of the Code of Conduct, property practitioners and their firms are prohibited from either holding themselves out to be property valuation or assessment professionals. While property practitioners may have the expert knowledge required to give an assessment of the market value and/or rental income of a property, they may not provide professional valuations or hold themselves out as professional valuers unless they are duly and appropriately registered with the South African Council for the Property Valuers Profession (SACPVP), and as such, are authorised to perform professional valuations and or assessments of immovable property.

Failure to comply with the Code of Conduct:

In terms of section 62(1)(e) of the Property Practitioners Act 22 of 2019, a property practitioner shall be guilty of sanctionable conduct if he, or she, or it, fails to comply with or contravenes any provision of the Code of Conduct. Such conduct will be dealt with accordingly.

On Behalf of the PPRA CEO
Ms Thato Ramaili