

GOODFELLOWS PROFESSIONAL SERVICES

GUIDANCE NOTES FOR CLIENTS – VALUATION DEFINITIONS



The most commonly used basis of valuation is Market Value which is described below.

This is more fully defined in Practice Statement 3 within The RICS Appraisal and Valuation Manual (The Red Book), which was revised in January 2005 (5th edition).

MARKET VALUE

The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.