

## Minutes

---

---

### Property Valuation

#### **How can I be sure the complex is adequately insured? How do I know the reinstatement value of our development ?**

Niall: You should try and revalue your property every year if possible. Index linked valuation is not always sufficient, you should ensure that the valuation you are basing your insurance policy on has professional merit and that the property has been inspected and valued appropriately. The reinstatement value will be stated on your block insurance policy schedule.

Sometimes the building can be over or under insured and as the block policy is based on the reinstatement value of the property this reinstatement value needs to be examined by the directors regularly. I know of one case where the reinstatement value was too high and when surveyed professionally the management company reduced their block insurance premium by over €10,000 that year. An under stated reinstatement value of a development is also a concern as this means that your insurance policy would not adequately cover the rebuilding of the complex to its original state.

Contact the Society of Chartered Surveyors to obtain details of valuers. Fees can vary but make sure the valuer is well qualified. The cost of the valuation could be in the region of €2,000 to €20,000 depending on the development and the company engaged.