**Annex 1**

**SAMPLE TERMS OF REFERENCE FOR DETERMINING THE FAIR MARKET ANNUAL RENTAL VALUATION OF UNDP PREMISES PROVIDED BY HOST GOVERNMENTS**

**1.      INTRODUCTION & DESCRIPTION OF PREMISES**

**To be filled in at the country level** Title, Government property registry number or real estate registration number, address, date of construction, acquisition date, prior appraisals, major renovation/enhancement dates with relevant costs; appraisal dates, names of appraisers, valuations; right-to-use by UNDP/UN System ; any restrictions or conditions attached to use of premise; description and photographs of the premises.

**2.      OBJECTIVE**

To receive professional opinion of the Current Open Market Rental and Capital Values of the property under existing use and any other relevant information.

**3.      SCOPE OF WORK**

A thorough inspection of the building for assessment and valuation purposes taking into consideration the following:

* Detailed description and Location of the building/type of neighborhood;
* Suitable uses of the building/property;
* Present state of the property for the recommended use taking into consideration the following areas: Main building; outhouses; foundation; floor; roofing/ceiling; walls; doors; windows; security; car park; garden; drainage and sanitation and any other.
* A minimum of three quotations of annual rental estimates of comparable premises for comparison purposes.

**4.      OUTPUTS**

A report including the following:

* Fair Market Value of the portion of the property occupied by UNDP based on present state.
* Fair Market Value of annual rent equivalent of the portion of the property occupied by UNDP based on comparable premises including valuation of any annual utilities / services on comparable premises if such services are provided by the host Government at no cost to UNDP.
* State if value of the above would change due to rehabilitation works and by what percentage, and what works would be needed.
* All valuations should be in local currency.

**5.      INPUTS**

UNDP will provide access to the property to enable the assignment to be carried out as well as diagrams of the structure, if necessary.

Samples of similar reports conducted in other locations can be provided on request from ASD/BOM to demonstrate the type of report and level of details expected.