



EDUCATION SYSTEM FOR PROPERTY VALUERS IN POLAND



FIG Working Week, 13-17 May 2007, HONG KONG, CHINA



SURVEYING PROFESSION IN THE FIELD OF VALUATION

- The act of "Geodetic and Cartographic Law" of 17th May 1989
- RICS short teaching courses in 1989
- Postgraduate course organized at the Faculty of Geodesy and Cartography Warsaw University of Technology started in 1991
- Requirement of a university degree in the field of technology, economics or law as well as secondary education in the field of technology followed by completing post-graduate studies in property valuation
- Qualification Procedure run by The Qualification Commission for professional Authorisation
- License authorized by the Ministry of Physical Planning and Construction

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REAL ESTATE EXPERT PROFESSIONS IN 1990's

The situation in the mid-nineties:

- Expanding real estate markets
- Increasing investing profits
- Wide implications of information technology
- It was leading to a change in learning systems and strengthened the requirements concerning obtaining professional authorisation of real estate experts.
- The necessity of legal system leading to professional real estate experts

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BINDING REGULATIONS OF PROPERTY ORIENTED PROFESSIONS

- The act of real estate management of 27 August 1997 constitutes the background for three professions:
 - Qualified real estate valuers (4 542)
 - Qualified real estate brokers (6 830)
 - Qualified property managers (14 808)
- The act was soon followed by the following regulations:
 - The decrees of Ministry Council on real estate valuation and the preparation of the valuation report (current from 21 September of 2004)
 - The professional standards edited by the Polish Federation of Valuers Associations
 - Decree of The Ministry of Infrastructure from 17 February 2005 (current qualification standards and procedure)

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STATE OF THE ART OF PROPERTY VALUER PROFESSION

Entrants with regular bachelor or master degree courses in the field of real estate management	Individuals having university background in the fields of law, economics or technology
	Postgraduate studies in the field of property valuation
Different backgrounds followed by common path leading to a new profession	
Practical experience at least 12 months under the supervision of licensed valuer	Practical experience at least 12 months under the supervision of licensed valuer
Successful passing of the qualification procedure	Successful passing of the qualification procedure
Written (test) and oral exam	Written (test) and oral exam

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POSTGRADUATE STUDIES IN PROPERTY VALUATION AT WARSAW UNIVERSITY OF TECHNOLOGY

PROGRAMME DETAILS:

- Duration: 2 semesters
- Mode of study: Open study, intensive weekend delivery
- The Program consists of 250 Lecture hours and practical sessions
- The Curricula must receive Ministry of Infrastructure accreditation
- The availability of teaching and learning materials
- Library and other resources
- Personal tutor during diploma preparation

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CURRENT CURRICULUM STANDARDS - MINISTRY REQUIREMENTS

PROGRAMME DETAILS:

- Award title on completion: Postgraduate diploma in Property Valuation
- 10.7% - Legal issues: Property Law, Civil Law, Administrative Law
- 14.5% - Economics issues: Principles of Economy, Real Estate Market, Rates of Interest and Yields, Risk Analysis
- 10.7% - Economic and legal Issues: Real Estate management, Housing Management
- 3.4% - Economics and Financial issues: Banking System function, Real Estate Market and Financial market, Company capital, Accounting and balance sheets
- 13.2% - Physical Planning, Principles of Construction, Principles of Agriculture, Forestry and Water Management
- 3.4% - Sources of Information: Cadastre, Real Estate Register, GIS, LIS, Thematic Maps....
- 2.3% - Statutory Valuation, Business Valuation, the Valuation Report
- 9.5% - General issues: consulting, agents, property management, Polish, European and International Standards as well as Professional Organisations

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12,3% - VALUATION METHODS and THEIR IMPLEMENTATION

Approach	Methods	Techniques
Comparative	Pair analysis Average price adjustment Statistical analysis	Capitalization rate Discounted cash flow
Income	Investment Profit	
Replacement	Reproduction costs Replacement costs	Detailed Module Index
Mixed	Residual Dissolution cost Index rural land valuation	

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PRACTICAL EXPERIENCE IN VALUATION

15 REAL ESTATE VALUATION REPORTS ARE REQUIRED:

- 2 land premises applying the average price adjustment and comparing pairs methods
- 2 residential or commercial properties applying average price adjustment and pair to much methods
- Two commercial properties applying investment method: one – simple capitalisation technique, one discounted income flow
- 2 buildings or constructions applying cost oriented approach (2 different techniques)
- A land property (required purpose of the valuation: updating the annual fee of the perpetual usufruct)
- 2 land real estates (one exploited for arable purposes and the other one being a forest)
- 2 land real estates (applying mixed approach, residual method and cost liquidation method)
- A land property in order to calculate betterment payment after value increase as the result of utilities development
- Selected easement, utility easement or other limited rights

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QUALIFICATION PROCEDURE OF THE STATE QUALIFICATION COMMITTEE

- First step: checking if the candidate meets all requirements
- Second step: written and oral examination
 - Written part details:
 - Duration: 135 minutes
 - Form: a multiplechoice test of 95 questions (90 minutes) and practical task (45 minutes)
 - Oral part details:
 - Discussion on 3 out of 15 valuation reports prepared by the candidate

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FIRST STEPS AS PROFESSIONAL VALUER

- Official business registration and address
- Compulsory Professional Indemnity Insurance
- Membership of Recognised Professional Organisation

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CONCLUSIONS – the importance of continuous education

- The worldwide business environment is undergoing continuous change
- A changing world leads to changing needs
- The property profession can and must keep up with this change
- Only the well prepared will survive as valuers in practice
- Lifelong learning and continuous personal development are essential in the challenge and career development.

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THANK YOU FOR YOUR ATTENTION