

The Hong Kong
Institute of Surveyors
General Practice Division



CAPABILITY STATEMENT



ABOUT GPD in HKIS

Introduction

Founded in 1984, The Hong Kong Institute of Surveyors (HKIS) is the only local professional organisation representing the surveying profession in Hong Kong. The roles of the Institute include standards setting for professional practice, establishing the codes of conduct, determining the criteria for admission to the Institute and maintaining / updating members' knowledge through the provision of continuing professional development courses.

There are six surveying disciplines under the HKIS, namely Building Surveying, Development & Planning, General Practice (GP), Land Surveying, Property & Facility Management and Quantity Surveying.

General Practice Surveyors are property (real estate) professionals specialising in property related matters including property development, finance, marketing, asset management, land matters, property taxation and valuation etc.

The surveying profession in Hong Kong has been in practice for more than 160 years, dating back to 1843 with the arrival of the first Government Surveyor General from the United Kingdom. The first government land auction then took place on 22 January 1844.

In 1985 when the HKIS was formed the number of corporate members in the General Practice Division (GPD) was 204. The then Hong Kong Polytechnic (presently, the Hong Kong Polytechnic University) was the only education institute providing GP surveying diploma course. Currently, there are three local universities offering degree or associate degree courses in GP surveying. In November 2010, the number of corporate members in the GPD grew to 1644. The significant membership growth in the GP discipline indicates the strong demand for professional services over the years in the property industry, one of the main driving forces of the local economy.



To enhance the quality of professional services and to facilitate local practice, the GPD has in the past years established local Valuation Standards, Codes and Guidance Notes.

Valuation Standards

The following valuation standards are mandatory for members undertaking valuation practice in Hong Kong:

- The HKIS Valuation Standards on Trade-related Business Assets and Business Enterprises (First Edition) – issued by HKIS in August 2004
- The HKIS Valuation Standards on Properties (First Edition) – issued by GPD Council of HKIS in 2005

The above valuation standards are widely accepted by the public including banks, global investment funds, the Hong Kong Exchanges and Clearing Limited, and the Securities and Futures Commission etc.



Codes & Guidance Notes

- Code of Measuring Practice (1999) – for Gross Floor Area, Saleable Area, Lettable Area, Internal Floor Area and Ancillary Accommodation
- Guidance Notes for Surveyors acting as Independent Experts in Commercial Property Rent Reviews (2000)
- Guidance Notes on Valuation of Properties for Mortgage Purpose (2005)
- Guide to Good Property Management Practices
- HKIS Rules of Conduct
- Scale of Professional Charges for General Practice Services in Hong Kong (2005)
- The Hong Kong Business Valuation Forum Business Valuation Standards (2005)

Working Panels

A number of Working Panels are formed under the GPD Council to offer administration and services related to the GP profession. Each Panel is normally headed by a Council member who reports regularly to the GPD Council.

- Business and Property Valuation Standards Panel
- Disciplinary and Professional Ethics Panel
- External Affairs Panel
- Professional Practice Panel
- Continue Professional Development Panel
- Education Committee
- Public Relations Panel
- Sales and Letting Panel

There are also a number of Committees and Working Groups established under the GPD giving contribution to the Institute's general administration and services. Each Committee is headed by a GPD Council Member who will work with related Committees of other Divisions. Apart from the above, members of the GPD also participate in the following HKIS Committees:

- Annual Conference Organizing Committee
- CEPA Committee
- Dispute Resolution Committee
- Heritage Working Group
- International Affair Committee
- Annual Dinner Organizing Committee
- Community and Charity Services Committee
- Editorial Board
- IT Committee
- Mainland Affairs Committee

Surveyors Registration

The Surveyors Registration Ordinance (Cap.417) provides for the registration of professional surveyors under six disciplines. The Surveyors Registration Board (SRB), established under the Ordinance, is a body corporate performing functions related with surveyors registration including the maintenance of a register of records on professional surveyors. A surveyor successfully registered under the Ordinance is known as a Registered Professional Surveyor (RPS) and a GP member can make use of the designation 'RPS (GP)'.

The purpose of registration is to protect the rights of consumers for surveying services in Hong Kong. Local experience in surveying practice is a prerequisite for registration under the Ordinance. Besides, application for RPS registration shall fulfill all the criteria stipulated under the Ordinance. The registration system provides formal regulatory control on different surveying practices for the purpose of enhancing the quality of professional services and promoting public recognition of professional surveyors. For a healthy development of the surveying profession, it is desirable for RPS registration to become a mandatory requirement for practicing surveyors in Hong Kong in the future.



The following local curriculums have been accredited by the HKIS. Graduates from these courses can apply to the HKIS as training grade members (Probationer or Technical Trainee) of the GP Division.

- BSc (Hons) Surveying, The University of Hong Kong
- BSc Hons in Surveying, Hong Kong Polytechnic University
- MSc in Real Estate, The University of Hong Kong
- Associate of Science in Surveying, City University of Hong Kong
- Overseas graduates majoring in valuation, estate management, property development etc. may be accepted as training grade members upon application. Each case will be considered on its own merits.
- The List of accredited curriculum may be subject to change, please visit www.hkis.org.hk for the latest listing.



Hong Kong Polytechnic University



The University of Hong Kong



City University of Hong Kong

Reciprocal Recognition

A surveyor holding qualifications from the following overseas professional institutions can apply through the prescribed procedure to become a member of HKIS under different reciprocal recognition agreements.

- Australian Property Institute (API)
- New Zealand Property Institute (NZPI)
- Royal Institution of Chartered Surveyors (RICS)
- Singapore Institute of Surveyors and Valuers (SISV)
- China Institute of Real Estate Appraisers and Agents (CIREA)

Continuing Professional Development

All members of HKIS are required to take a minimum 60 hours of training within three years under the Continuing Professional Development scheme. Talks, seminars, visits and forums are organised by the HKIS for members' participation for training purpose and to provide members with information on the latest development in the property industry.

The Expertise of GP Surveyors

There is a wide range of services offered by GP Surveyors in the property industry, namely valuation, agency, planning, development, acquisition, disposal and management of property. In general, major engagements of GP Surveyors are as follows:-

Valuation

GP Surveyors can perform valuation for all types of property for various purposes:

- ♦ Valuation for sale, purchase, letting and mortgage purposes.
- ♦ Statutory valuation with regard to resumption, rating, stamp duty, estate duty, etc.
- ♦ Valuation of company portfolios for balance sheet purpose, company floatation, takeover and merger.
- ♦ Feasibility study.
- ♦ Acting as an expert witness, Independent Valuer or arbitrator in different property disputes.
- ♦ Preparation of business loss claim arising from compulsory acquisition by the government.

Development and Town Planning Consultancy

Real estate development is a complex process which requires input of professional expertise and judgement. GP Surveyors can provide a comprehensive range of services including:

- ♦ Preparation of market study and evaluation of development project.
- ♦ Negotiation with Government on land grant by way of private treaty, lease modification, land exchange, lease renewal.
- ♦ Application and appeal to Town Planning Board for change of use and zoning.
- ♦ Preparation of financial assessment, cash flow study and expenditure control system throughout the development period.
- ♦ Preparation of development and design brief.
- ♦ Monitoring of the development progress having regard to client's requirement and market change.

Sales, Letting and Auction

Major sales and letting activities in Hong Kong are handled by GP Surveyors. On behalf of clients, a GP surveyor is able to negotiate the terms of purchase, sale or leasing for all types of property. He can conduct an auction to dispose of a property or act as the owner's agent to sell a particular property by private treaty or by tender. He can also provide advice on marketing strategy and on the preparation of sales and leasing documents.

Property Management

In a society of rising expectation, good quality professional management service is an essential element to sustain and enhance the value of a property portfolio. GP Surveyors perform professional management functions for all types of property and negotiate with tenants (and also landlords) on rent review, lease renewal and letting of premises. They also advise on the feasibility of refurbishment/renovation and redevelopment scheme for existing buildings.

Land Administration and Statutory Professional Work

Apart from private practice, GP Surveyors are also employed by the HK Government in various departments such as the Lands Department, Rating and Valuation Department, Housing Department and the Government Property Agency to handle various types of work including government land disposal, resumption, land administration, rating, taxation, public housing and home ownership scheme, etc.

GP Surveyors are also employed by quasi-government bodies like the MTR Corporation Limited, Hong Kong Housing Society and the Urban Renewal Authority to handle all property matters under different regulatory requirements.



GP Surveyors are actively involved in social and public affairs related with the property industry and the development of the community. They offer insights and suggest solutions through various means including forum, media interview, consultation paper, newspaper and professional journal etc. The following are some hot issues we came across in recent years.

◆ Land (Compulsory Sale for Redevelopment) Ordinance (Cap.545)

HKIS advised on the merits and demerits of lowering the percentage of undivided share ownership from 90% to 80%. Currently (i.e.2011), we offer support to the Hong Kong Housing Society in addressing public enquiries about the operation of the Ordinance.

◆ Definition of Saleable Area

HKIS clarified certain grey areas on the calculation of Saleable Area. This is essential to the public to establish a well defined reference in terms of area measurement, valuation interpretation as well as the unit sale price of properties.

◆ Urban Renewal Review

HKIS offered comments on URA projects (e.g. Kwun Tong K7) and sought members' opinion about the development strategy review of the URA.

◆ Independent Valuer Service

There is a list of Independent Valuers maintained by the HKIS. When a rental dispute cannot be settled between a landlord and a tenant they can apply jointly, if there are provisions under the relevant Tenancy Agreement, to the HKIS. The President of the HKIS will appoint an Independent Valuer to offer the required valuation service.

◆ Waiver Fee Exemption

HKIS advised on the merits of exempting waiver fee for the change of use of industrial building (whole block) for the purpose of re-vitalising the under-utilised industrial buildings.

◆ West Kowloon Cultural District Project

HKIS is advising the government generally on all the development issues related to the West Kowloon Cultural District. Regular meetings are held and the views from the property professionals are fully presented.

GP Surveyors are key members of many organizations and panels, offering services to the government and the general public. Some of them are listed below:

- Construction Industry Council
- Country and Marine Parks Board
- Estate Agent Authority
- Hong Kong Housing Authority
- Hong Kong Housing Society
- Land and Development Advisory Committee
- Surveyors Registration Board
- The Harbour Commission
- The Infrastructure Development Advisory Committee of the Hong Kong Trade Development Council
- Town Planning Board
- Urban Renewal Authority



Professional Surveying Services & Property Consultant Firms

Professional surveying services and property consultant firms in Hong Kong can be found on the HKIS surveying company directory.

Please visit HKIS web site at www.hkis.org.hk for details.

Disclaimer

This brochure, prepared by the General Practice Division of the Hong Kong Institute of Surveyors, outlines the current information in connection with the Institute and/ or the Division. Such information would be amended and updated from time to time. Readers should check with the Administration Office of the Institute for the latest position.

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