



REQUEST FOR PROPOSAL (RFP)
for
Providing Valuation Report for a Real Estate Project

Date: 11th January 2022

No.19, TP Scheme Road, RA Puram
Chennai-600 028
www.tnifmc.com

Background:

Tamil Nadu Infrastructure Fund Management Corporation Limited (TNIFMC) is an Asset Management Company promoted by the Tamil Nadu Infrastructure Development Board, Government of Tamil Nadu, to advise and manage various financial vehicles proposed to be established, namely Alternative Investment Funds, Real Estate Investment Trust, Infrastructure Investment Trust etc.

TNIFMC currently manages two SEBI registered AIFs, viz., Tamil Nadu Shelter Fund (TNSF) and the Tamil Nadu Emerging Sector Seed Fund.

TNSF is evaluating an investment into a real estate project and is now looking for proposals from reputed firms to provide a valuation report for a real estate Project in Chennai.

(I) Eligibility Criteria (1st Cover):

- a) The firm should be registered and /or practicing in India, with an office in Chennai. (Incorporation Certificate)
- b) The firm should have at least 2 experiences in providing a Valuation Report for a land parcel of 2 Hectares in Tamil Nadu. (Work Orders / Completion Letters)

Note* - The bidder to submit the above proofs as required to qualify them as eligible. Non submission of any information required would lead to disqualification of the bidder. The above information to be separately sealed in a cover and clearly marked as “1st Cover”.

(II) Price Bid (2nd Cover):

The firm must submit their best cost proposal in the 2nd Cover.

The application shall also contain a fee quote as below:

Sl. No.	Particulars	Amount in INR (excluding GST)
1.	Fee for Providing Valuation Report	

(III) Submission Details

The bidders are to submit the bids in the TNIFMC office mentioned below:

The applications may be submitted via hard copy the subject line as “RFP – Valuation & Micro Market Report” at:

Tamil Nadu Infrastructure Fund Management Corporation Limited,
No. 19, TP Scheme Road, Raja Annamalai Puram, Chennai – 600028.
Ph: 044 – 2464 8400

The last date for submission is 20 January 2023 at 3 PM. The bidder is to submit the proposals as stated in section (I) and (II) in a 2 cover system marking the cover name clearly.

If the bidder has any queries that need to be clarified, then the bidder can email the query to rohit.s@tnifmc.com and sathanbabu.m@tnifmc.com on or before 19 January 2023.

(IV) Selection Procedure:

The bidders 1st cover will be opened on the bid opening date and time prescribed above and eligibility will be verified and “qualified bidders” will be identified.

Only the 2nd cover of the “qualified bidders” will be opened to determine the least price. The bidder with the least price quoted will be considered as the selected bidder.

(V) Other terms:

- a. The Company reserves right to withdraw / relax any of the terms and conditions mentioned above so as to overcome the problem encountered by the contracting parties.
- b. The Company reserves the right to accept or reject any or all the tenders without assigning any reason whatsoever and decision shall be final and binding on the Tenderer.
- c. The Company reserves the right to suitably increase / reduce the scope of work put to this tender. In case of any ambiguity in the interpretation of any of the clauses in Tender document or the contract document, interpretation of the clauses by the TNIFMC shall be final and bindings on all parties.
- d. The Company reserves the right to negotiate the final price quoted.

(VI) Scope of Work

The entire scope of work including submission of the Final Report to be completed within 21 days from the date of Letter of Award (LoA)

1. VALUATION REPORT

The Selected Bidder must provide a valuation report for the Real Estate Project as per the following:

- i. Estimate of prevailing Market Value (Pre tax) as on date of valuation of the subject property by Market Approach Comparable method and Discounted Cash Flow method of Valuation
- ii. The Bidder must analyse the Micro Market of the Real Estate Project and evaluate the Supply & Demand of similar projects and future supply & demand.
- iii. The Bidder must evaluate size, amenities, sale price, performance, inventory levels for similar projects in the micro market and propose a market realistic sale price along with absorption projection for the Real Estate Project based on the information assessed from similar projects in the micro market.
- iv. The Bidder must also evaluate the potential home buyer’s profile in the micro market for the Real Estate Project and also provide the income ranges of the target buyers. Further to this, determine how affordable the Real Estate Project is to the potential home buyers.
- v. State any assumptions or limiting conditions that affect the analysis, opinions and conclusions

- vi. Provide sufficient information to permit those who read and rely on the report to fully understand the data, reasoning's, analysis and conclusions underlying the bidder's findings, opinions and conclusions
- vii. Completely and understandably set forth the Valuation report in a manner, which will be comprehensive, accurate, and not in any manner misleading

Valuation will be carried out on the basis of the assumption that subject property is free from all the encumbrances and have the clear marketable title. It does not include structural survey or investigation of absolute title, encumbrances, Government dues, if any, etc. We will also rely on the measurements of the property and area statement furnished to us.

Valuation Methodology:

There are three approaches used in real estate property valuation.

- A. Market Approach – Comparison method
- B. Income Approach – Income capitalization method, Discounted cash-flow method and Residual method

**Principal,
Tamil Nadu Shelter Fund**