

Standards Presentation

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Date: 28 March 2023



Agenda

- Why do we have Standards?
- Where can I find the Standards?
- Standards Overview
- The link to the Standards
- NZIV Code of Ethics
- Valuation Processes from a Standards perspective
- International Valuation Standards (IVS)
- *Practice Standards and Guidance Papers*
- *Summary*

Why do we have Standards?

- Standards are an essential part of any profession and without them and their use any profession will not have credibility. They provide for:

Transparency

- Both you and your clients can see what, why and how a valuation was completed

Accountability

- Both you and your clients can objectively review the process used and results

Interoperability

- Clients know that regardless of where they are operating they are dealing with same common framework

Why do we have Standards? (continued)

- To ensure concepts such as Market value & Fair value are consistently applied
- Provides financial information to users that are comparable & consistent across international borders
- To assist with Financial Reporting
- Banking risk management
- Public protection

Why International Standards ?

- The Property Industry is now a global business.
 - *International purchasers and Financiers expect and demand that professions have a common set of global standards*
 - *Domestic clients now think globally and expect professions to follow International Standards as best practice*

Compliance with Standards

- As a member of PINZ and / or NZIV you are required to comply with Standards.
- To be compliant you must adhere to IVS as adopted by PINZ / NZIV.
- Any departure must be documented and agreed.
- **NZIV and PINZ have adopted IVS. The latest version is effective 31 January 2022**
- Guidance Papers are designed to provide additional guidance specific to NZ.

Who Sets Valuation Standards?

- **International** – International Valuation Standards Council (IVSC) As a member of PINZ and / or NZIV you are required to comply with Standards.
- **New Zealand** – Property Institute of New Zealand (PINZ) & New Zealand Institute of Valuers (NZIV)
- New Zealand and Australia produce joint Standards, Guidance Papers which also include specific variations for each country to recognise differences due to legislation

Where can I find the Standards

- A link to the Standards can be found under “Ethics, Standards & Knowledge Base” on the PINZ website and “Professional Obligations” on the NZIV webpage.
- A history of when the standards changed can also be found there.

Where can I find the Standards

PINZ Webpage

PROPERTY INSTITUTE™

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Ethics, Standards & Knowledge Base


The Property Institute is a recognised and respected not-for-profit membership-based organisation, which maintains ethical and industry standards, as well as offering relevant and topical Continuing Professional Development, research, information, publications and online resources for property professionals.

Over time, expect significant growth, and regular additions to this database.


International Valuation Standards Effective 31 January 2022 (Mandatory)

[View all >](#)


Guidance Papers for Valuers and Property Professionals (Best Practice)

[View all >](#)


Exposure Drafts

[View all >](#)


Recent Standards, & Guidance Paper Changes and Summary Documents

[View all >](#)


Ethics and Conduct (Mandatory)

[View all >](#)


Measurement Guides

[View all >](#)


Resources

[View all >](#)

Environmental, Social, and Governance Hub


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
History

[View all >](#)

Where can I find the Standards


NZIV Webpage



Go to Property Institute Contact Us  [Member Login](#)

[Who We Are](#) [Professional Obligations](#) [Other Valuer Resources](#) [Careers](#) [Council Portal](#)

[Upcoming Seminars & Webinars](#) [Valuers Education & Integrity Foundation](#)



Professional Obligations

New Zealand Institute of Valuers (NZIV)

[Who We Are](#)

- Who We Are
- New Zealand Institute of Valuers
- About Registered Valuers
- Branches of NZIV
- Complaints and Discipline
- Governance Documents
- NZIV Sub-Committees
- Appointment of an Independent Valuer
- Membership
- Headway Systems

[Professional Obligations](#)

[Other Valuer Resources](#)

- Other Valuer Resources
- The New Zealand Valuers Journals

Members of the New Zealand Institute of Valuers are required to have a certain standard of competency, knowledge and education as well as adhering to a code of conduct and ethical standards. These 'Professional Obligations' are a set of practices, ethics, and behaviors that members must adhere to. These sets of standards are frequently agreed to by the NZIV Council, which represents the interests of the profession, with the NZIV Rules and Code of Ethics also requiring the approval of the Minister responsible for the Valuers Act 1948.



The diagram is a circular graphic divided into four equal quadrants, each representing a component of the Professional Obligations. The quadrants are labeled: 'STANDARDS AND GUIDANCE PAPERS' (top-left), 'NZIV CODE OF ETHICS' (top-right), 'CONTINUING PROFESSIONAL DEVELOPMENT (CPD)' (bottom-left), and 'VALUERS ACT 1948/NZIV RULES' (bottom-right). In the center of the circle is the NZIV logo, which consists of the letters 'NZIV' and a stylized globe icon, with the text 'NEW ZEALAND INSTITUTE OF VALUERS' underneath.

Mandatory

New Zealand Institute of Valuers Code of Ethics / Property Institute of New Zealand Rules and Code of Ethics

International Valuation Standards (IVS) (Effective 31 January 2022)

Glossary

General Standards

Asset Standards

IVS

Definitions

IVS 101

Scope of work

IVS 104

Bases of Value

IVS 200

Business &
Business Interest

IVS 230

Inventory

IVS 410

Development Property

IVS 102

Investigations &
Compliance

IVS 105

Valuation Approaches
& Methods

IVS 210

Intangible Assets

IVS 300

Plant & Equipment

IVS 500

Financial Instruments

IVS 103

Reporting

IVS 220

Non-Financial
Liabilities

IVS 400

Real Property Interests

Framework

IVS

Framework

Guidance Papers for Valuers & Property Professionals (GPVPP)

Best Practice

Australia & New Zealand (ANZ)

Valuation Guidance Papers

Australia & New Zealand (ANZ)

Valuation Guidance Papers

Australia & New Zealand (ANZ)

Property Guidance Papers

Australia & New Zealand (ANZ)

Property Guidance Papers

New Zealand (NZ)

Valuation Guidance Papers

ANZVGP101

Retrospective Valuations

ANZVGP109

Market Value of Rural & Agribusiness

ANZPGP201

Disclaimer Clauses & Qualification Statements

ANZPGP208

Property Insurance Management

NZVGP501

Goods & Services Tax (GST) in Property

ANZVGP102

Market Value of Property, Plant & Equipment in a Business

ANZVGP110

Considerations When Forming an Opinion of Value When There is a Shortage of Market Transactions

ANZPGP202 & ANZPGP202RP

Property Advisors

ANZPGP209

Preparing a Property for Sale

NZVGP502

Valuation of Real Property, Plant & Equipment for Use in New Zealand Financial Reports

ANZVGP103

Addressing the concept of Forced Sale

ANZVGP111

Valuation Procedures- Real Property

ANZPGP203 & ANZPGP203RP

Acting as an Expert Witness

NZVGP503

Valuation Reports Prepared by Unregistered Valuers

ANZVGP104

Valuation for Insurance Purposes

ANZVGP112

Valuation of Mortgages & Loan Security Purposes

ANZPGP204

Development Management

New Zealand (NZ)

Property Guidance Papers

NZVGP504

Valuation of Houses Under Construction & House to be Built or Previously Unoccupied New Homes

Guidance Papers for Valuers & Property Professionals (GPVPP)

Best Practice

Australia & New Zealand (ANZ)

Valuation Guidance Papers

Australia & New Zealand (ANZ)

Valuation Guidance Papers

Australia & New Zealand (ANZ)

Property Guidance Papers

Australia & New Zealand (ANZ)

Property Guidance Papers

New Zealand (NZ)

Valuation Guidance Papers

ANZVGP105

Valuation of Self Storage Facilities

ANZVGP113 & ANZVGP113.1RP

Valuations for Compensation & Compulsory Acquisition

ANZPGP205

Feasibility Studies

NZPGP601

Methods of Measurement

NZVGP505

Assessing Rental Value

ANZVGP106

Valuation of Partial Interests in Property Held Within Co-Ownership Structures

ANZPGP206

Due Diligence

NZPGP602

Leasing Agent Services

NZVGP506

Valuation of Contaminated Land

ANZVGP107

Valuation of Accommodation Hotels

ANZPGP207

Property Research Guidelines

NZPGP603

Leasing Incentives

ANZVGP108

Valuations for Use in Offer Documents

GUIDANCE ONLY

VALUATION PROTOCOLS
Significant Valuation Uncertainty

Guidance Papers for Valuers & Property Professionals - Part A: Current Standards, Guidance Papers & Protocols

Standards, Guidance Papers & Protocols that apply to PINZ Members, Registered Valuers and Plant & Machinery Valuers in New Zealand (as at 1 st July 2022)					
Document	Name	Effective date	Superseded/ Deleted Date	Document Link	Notes
International Valuation Standards (published by IVSC effective 31 January 2022) The following apply to PINZ and NZIV (including NZIV only) members in New Zealand.					
The following have MANDATORY PRACTICE STATUS:					
General Standards					
IVS 101	Scope of Works	31 Jan 2022			Changes from previous editions of IVS
IVS 102	Investigations and Compliance	31 Jan 2022			Changes from previous editions of IVS
IVS 103	Reporting	31 Jan 2022			No changes
IVS 104	Bases of Value	31 Jan 2022			Changes from previous editions of IVS
IVS 105	Valuation Approaches and Methods	31 Jan 2022			Changes from previous editions of IVS
Asset Standards:					
IVS 200	Business and Business Interests	31 Jan 2022			Changes from previous editions of IVS
IVS 210	Intangible Assets	31 Jan 2022			Changes from previous editions of IVS
IVS 220	Non Financial Liabilities	31 Jan 2022			Changes from previous editions of IVS
IVS 230	Inventory	31 Jan 2022			New IVS
IVS 300	Plant and Equipment	31 Jan 2022			Changes from previous editions of IVS
IVS 400	Real Property Interests	31 Jan 2022			Changes from previous editions of IVS
IVS 410	Development Property	31 Jan 2022			Changes from previous editions of IVS
IVS 500	Financial Instruments	31 Jan 2022			Changes from previous editions of IVS
API/PINZ/NZIV Guidance Papers					
The following have BEST PRACTICE STATUS:					
ANZVGP101	Retrospective Valuations	1 July 2021			Published 25 June 2021
ANZVGP102	Market Value of Property, Plant & Equipment in a Business	1 July 2021			Published 25 June 2021
ANZVGP103	Addressing the Concept of "Forced Sale"	1 July 2021			Published 25 June 2021
ANZVGP104	Valuations for Insurance Purposes	1 July 2021			Published 25 June 2021
ANZVGP105	Valuation of Self Storage Facilities	1 July 2021			Published 25 June 2021
ANZVGP106	The Valuation of Partial Interests in Property Held Within Co-Ownership Structures	1 July 2021			Published 25 June 2021
ANZVGP107	Valuation of Accommodation Hotels	1 July 2021			Published 25 June 2021
ANZVGP108	Valuations for use in Offer Documents	1 July 2021			Published 25 June 2021
ANZVGP109	Market Value of Rural and Agribusiness Properties	1 July 2022			Updated ANZVGP109 Published 1 March 2022 Effective 1 July 2022
ANZVGP110	Considerations when Forming an Opinion of Value When There Is A Shortage of Market Transactions	1 July 2021			Published 25 June 2021
ANZVGP111	Valuation Procedures – Real Property	1 July 2021			Published 25 June 2021
ANZVGP112	Valuation for Mortgage and Loan Security Purposes	1 July 2021			Published 25 June 2021
ANZVGP113	Valuations for Compensation and Compulsory Acquisition	1 July 2021			Published 25 June 2021
ANZVGP113.1RP	Valuations for Compensation and Compulsory Acquisition - Resource Pack	1 July 2021			Published 25 June 2021

PINZ Code of Ethics

- PINZ members are bound by the PINZ Code of Ethics whilst Valuers registered under the Valuers Act 1948 and members of the New Zealand Institute of Valuers are bound by the New Zealand Institute of Valuers Code of Ethics.

Valuations Process from a Standards Perspective

- **IVS 100 Series** applies to all Assets & Liabilities.
- **IVS 200 – 500 Series** applies to specific Asset Classes such as Real Property, Business, Plant & Equipment.
- **Guidance Papers** are designed to provide additional guidance specific to New Zealand.
- **Guidance Papers** with a V relate to valuation
 - For example: **ANZVGP111 – Valuation Procedures – Real Property**
- **Guidance Papers** with a P relate to non valuation
 - For example: **ANZVGP204 – Property Management**

IVS Framework

IVS 101
Scope of Works

IVS 102
Investigations and
Compliance

IVS 103
Report

IVS 104
Bases of Value

IVS 105
Valuation
Approached and
Methods

IVS 200 Business
and Business
Interests

IVS 210 Intangible
Assets

IVS 300 Plant and
Equipment

IVS 400 Real
Property Interests

IVS 410
Development
Property

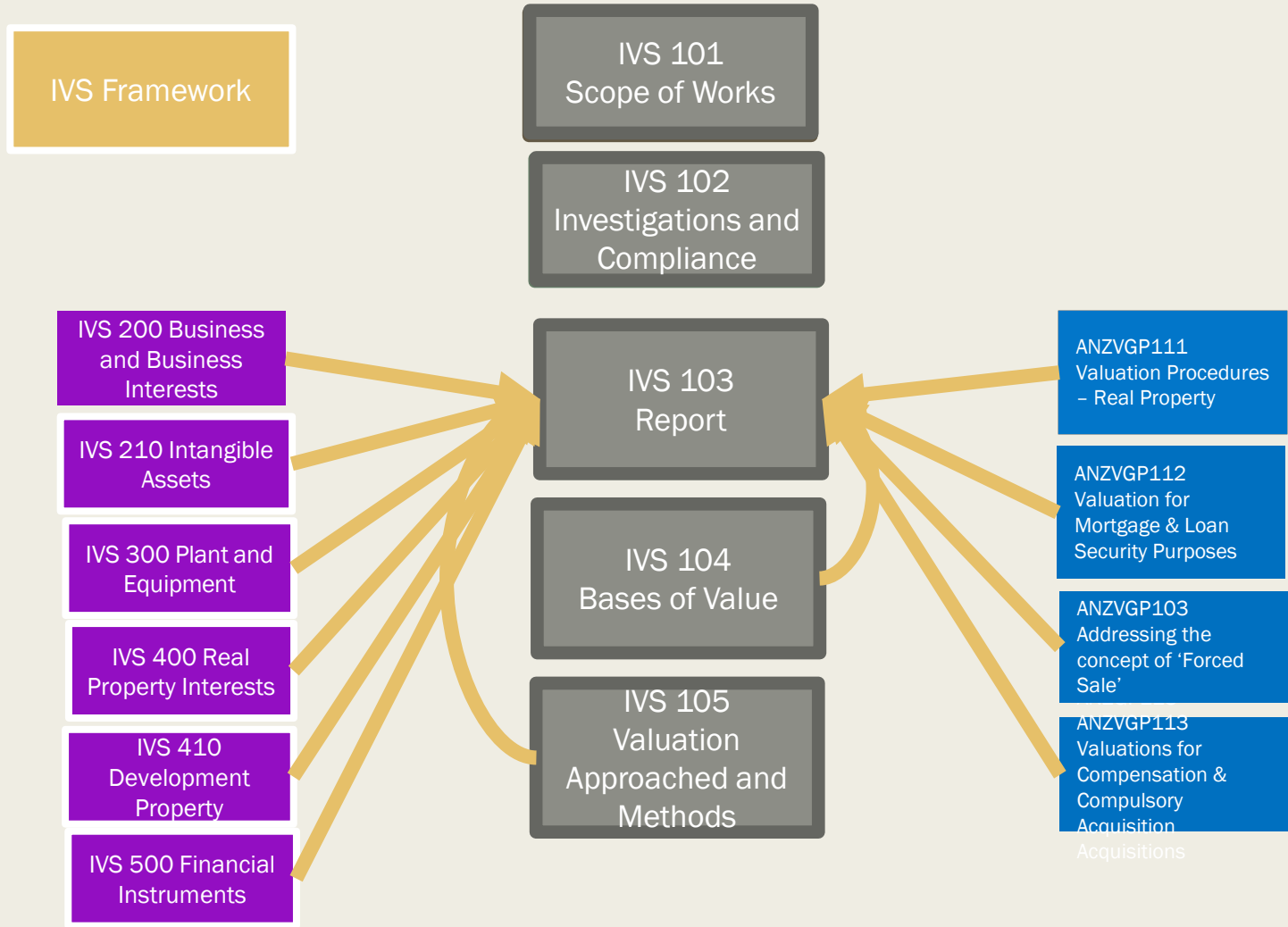
IVS 500 Financial
Instruments

ANZVGP111
Valuation Procedures
– Real Property

ANZVGP112
Valuation for
Mortgage & Loan
Security Purposes

ANZVGP103
Addressing the
concept of 'Forced
Sale'

ANZVGP113
Valuations for
Compensation &
Compulsory
Acquisition
Acquisitions



International Valuations Standards Introduction



- The objective of IVS is to increase the confidence and trust of users of valuation services by establishing transparent and consistent valuation practices.
- The focus is on building confidence and public trust by producing standards and securing their universal adoption and implementation for valuation assets.
- The IVS consist of mandatory requirements that *must* be followed in order to state that a valuation was performed in compliance with IVS.
- Certain aspects of the standard do not direct or mandate any particular course of action but provide fundamental principles / concepts that *must* be considered.
- They apply to all types of assets and for **any valuation purpose**.

IVS 2022 Background

- IVS 2022 is arranged into:
- An Introduction
- A Glossary
- IVS Framework comprising the following:
- General Standards
- Asset Standards

IVS Glossary (in part)

- The glossary defines certain terms used in the International Valuation Standards.
- Of note are the following:
- **May**
- The word “*may*” describes actions and procedures that valuers have a responsibility to consider.
- **Must**
- The word “*must*” indicates an unconditional responsibility.
- **Should**
- The word “*should*” indicates responsibilities that are presumptively mandatory.

IVS Framework

- **Purpose** – Serves as a preamble to the IVS. The Framework consists of general principles for valuers.
- **Compliance with Standards** – if a statement is made that a valuation has been undertaken in accordance with the IVS, it is implicit that it has been prepared in compliance with all relevant standards issued by IVSC.
- **Assets and Liabilities** – the standards apply to the valuation of both assets and liabilities and include groups of both.
- **Valuer** – individual or firm possessing the necessary qualifications, ability and experience to undertake a valuation in an objective, unbiased and competent manner.
- **Objectivity** – requires the valuer to make impartial judgements on inputs and assumptions.
- **Competence** – valuations must be prepared having the appropriate technical skills, experience and knowledge to undertake the subject valuation.
- **Departures** – a circumstance where specific legislative, regulatory or authoritative requirements must be followed that differ from some of the requirements of IVS. A valuer may still state compliance, however the nature of the departure needs to be identified.

IVS General Standards

IVS 101 Scope of Work

- This outlines what must be understood between a client and a valuer before the valuation is carried out e.g. purpose of valuation, extent of investigations, procedures adopted, assumptions, limitations. This helps to set the terms of engagement which is the commercial arrangement between a valuer and client.

IVS 102 Investigation and Compliance

- All investigations must be appropriate for the purpose of the valuation and basis(es) of the value.
- The valuation must have sufficient evidence.
- When a valuation assignment involves reliance on information supplied by a party other than the valuer, consideration should be given as to whether the information is credible.
- The valuation approach adopted must fit the purpose and basis of valuation, availability of data and approaches and/or methods used by participants in the relevant market.
- More than one method may be used but must be reconciled.
- Record need to be kept of work done, including key inputs, calculations, investigations and analyses.

IVS General Standards (continued)

IVS 103 Reporting

- This standard stipulates the minimum valuation report content and it reflects the Scope of Work.
- The report should also be sufficient for an appropriately experienced valuation professional with no prior involvement with the valuation engagement to review the report and understand the items in paras 30.1 and 40.1, as applicable.

IVS 104 Bases of Value

- Bases of value is not limited to market value or those contained within the standards.
- There could be other bases that a valuer needs to consider in valuing some assets.
- This standard also discusses assumptions and special assumptions that will be necessary to clarify the basis of value, such assumptions can have a significant impact on value.

IVS General Standards (continued)

IVS 105 Valuation approaches and methods

- These are identified as market approach, income approach and cost approach.
- The market approach methods include comparable transaction methods that is principally used for real property, other approaches are generally used in business valuation.
- The income approach details and discounted cash flow method along with other considerations should be made in using this method.
- The cost approach details includes different cost approach methods; for example; replacement cost, reproduction cost or summation method and depreciation and obsolescence factors.
- International Standards which are mandatory and apply both to assets and applications.
- There are the different International Valuations Standards that apply to real property and are cornerstones for valuations worldwide and in New Zealand.
- As well as the international standards there are the Australia and New Zealand Guidance Papers. These are not mandatory but represent best practice.

IVS 101

Scope of Work - Overview

- A scope of work (or terms of engagement) describes the fundamental terms of a valuation engagement.
- This applies to both valuations and valuation reviews.
- All valuation advice and work undertaken *must* be appropriate for its intended use.
- A valuer *must* ensure that intended recipients understand what is to be provided and any limitations on its use before it is finalised and reported.

IVS 101

Scope of Work - Communicate

A valuer must communicate the scope of work to its client prior to completion of the assignment including the following:

- Identity of the valuer and any material connection must be disclosed.
- Identity of the Client.
- Identity of other intended users.
- Assets being valued must be clearly identified.
- The valuation currency.
- The purpose of the valuation which typically determines the basis of value.
- Define the basis of value which must be appropriate for the purpose.
- Valuation date.
- Nature and extent of work.
- Nature and source of information relied upon.
- Any significant assumptions and/or special assumptions.
- The type of report being prepared.
- Any restrictions on use, distribution and publication.

IVS 101

Scope of Work - Communicate

- A written SOW may not be necessary. However, since valuers are responsible for communicating the SOW to the client, a written SOW should be prepared.
- Changes to the SOW may occur during the valuation process. Any changes made over time must be communicated to the client before the assignment is completed and the valuation report is issued.

Scope of Works - Necessary?

- If you want to be compliant – **Yes**
- If you state you comply – **Yes**
- If you are a member of PINZ and/or NZIV – **Yes**
- Therefore IVS binding on NZ members

Why Have a Scope of Works?

- Because there are many **different types** and **levels of valuation advice**.
- A Scope of Works ensures the **advice** is **appropriate for purpose**.
- It ensures the **output** is **appropriate** for the **intended use**.
- It clearly **identifies** what will be provided.
- It **identifies key assumptions** critical to the valuation.
- Limits use and/or circulation.

IVS 102 Investigations and Compliance

- **General Principle** – to be compliant with IVS valuation assignments, including valuation reviews, must be conducted in accordance with all the principles set out in IVS that are appropriate for the purpose and the terms & conditions set out in the Scope of Works. (IVS 102 10)
- **Investigations** – investigations made during the course of the assignment must be appropriate for the purpose of the valuation and basis of value.
- Sufficient evidence must be assembled with the extent of evidence required determined by valuer judgement for the purpose of the valuation.
- Limits may be agreed on the extent of valuers investigations and noted in the SOW.

IVS 102 Investigations and Compliance

- Information provided to the valuer by other parties should be considered in terms of credibility – significant inputs may require consideration, investigation and/or corroboration.
- In considering credibility and reliability of information provided valuers should consider:
 - The purpose of the valuation
 - Significance of the information on the valuation conclusion
 - Independence and expertise of the source of information
- Valuation Record – must retain a record of key inputs, all calculations, investigations and analysis relevant to the final conclusion and a copy of any draft or final report provided to the client.

IVS 103 Reporting

- The report **must** communicate the information necessary for a proper understanding of the valuation or valuation under review.
- The report must set out a clear & accurate description of the scope of the assignment, *its purpose and intended use (including any limitations on use)*, and disclosure of any assumptions, special assumptions, *significant uncertainty* or limiting conditions that directly affect the valuation.
- Content will be determined by purpose, complexity and users' requirements. The format of the report **should** be agreed as part of establishing the scope of work.
- Compliance does not require a particular form or format of report however the report **must** be **sufficient to communicate to the intended users the scope of the assignment**, the work performed and the conclusion reached.
- The report **should** also be sufficient for an appropriately experienced valuation professional, with no prior involvement with the valuation, to review the report and understand it.

IVS 103 Reporting

- The report must convey, at a minimum:
 - The scope of work performed, including the elements noted in para 20.3 of IVS 101 *Scope of Work* to the extent that each is applicable to the assignment,
 - The intended use,
 - The intended users,
 - The approach or approaches adopted,
 - The methods or methods applied,
 - The key inputs used,
 - Assumptions made,
 - Conclusions of value and principal reasons for conclusions reached, and
 - Date of the report (which may differ from the valuation date).

IVS 104 Bases of Value

Compliance with this mandatory standard requires the valuer to select the appropriate basis (or bases) of value and follow all applicable requirements with basis of value.

- Bases of value describe fundamental premises on which the valuation will be based. It must be appropriate to the terms and purpose of the valuation as a bases of value may influence or dictate a valuers selection of methods, inputs and assumptions, and the ultimate opinion of value.

IVS 104 Bases of Value

IVS Defined Bases of Value:

- Market Value (section 30),
- Market Rent(section 40),
- Equitable – between two defined, knowledgeable and willing parties (section 50),
- Investment Value/Worth– (section 60), value to particular participant
- Synergistic Value – (section 70), combination value
- Liquidation Value – (section 80), assets sold on a piece
- Fair Value IFRS
- Fair Rent

Valuers **must** choose the relevant basis according to the terms and purpose of the valuation. It **must** be appropriate.

IVS 105 Valuation Approaches & Methods

Consideration must be given to the relevant and appropriate valuation approaches.

The principal valuation approaches are:

- Market Approach
- Income Approach
- Cost Approach

IVS 105 Valuation Approaches & Methods

The most appropriate approach should be selected under the particular circumstances and should consider:

- Appropriate bases of value and premise of value determined by the terms and purpose
- The strengths and weaknesses of the approaches and methods
- The nature of the asset and approaches /methods used by the participants
- The availability of reliable information

IVS Asset Standards

Remember to consider and review and reference where necessary other IVS Asset Standards as these standards may apply there may also be cross over in certain situations.

- IVS 200 Business and Business
- IVS 210 Intangible Assets
- IVS 220 Non- Financial Liabilities
- IVS 230 Inventory
- IVS 300 Plant and Equipment
- IVS 400 Real Property
- IVS 410 Development Property
- IVS 500 Financial Instruments

Guidance Papers

- The Australia and New Zealand Valuation and Property Standards are developed and revised by the Australian and New Zealand Standards Boards. All Standards and Guidance Papers are approved by the New Zealand Institute of Valuers (NZIV) Council for use by NZIV members.
- **Guidance Papers** are intended to embody recognised 'good practice' and therefore may (although this should not be assumed) provide some professional support if properly applied. While they are not mandatory, it is likely that they will serve as a comparative measure of the level of performance of a Member. They are an integral part of the Valuation and Property Standards Manual.

Guidance Papers

- The principal objective of a Guidance Paper and Resource Pack (if applicable) is to clarify professional and industry processes, best practices and procedures and to discuss their use and implementation. A GP is designed to be of assistance to Members and those who use Members' services. They serve as a guide and measure of acceptable professional practice and conduct of a Member. The intention of a GP is to:
- Provide information on the characteristics of different types of assets that are relevant to the advice.
- Provide information on appropriate practices and their application.
- Provide information that assists Members in exercising the judgements they are required to make in specific situations.
- Convey elements of what is considered 'competent professional practice' for Australian Property Institute (API) Members and 'best practice' for Property Institute of New Zealand (PINZ) Members and New Zealand Institute of Valuers (NZIV) Members.

ANZVGP111

Valuations Procedures – Real Property

- This Guidance Paper applies to Members who undertake valuations of any real property for any purpose.
- **Instructions**
- Should be confirmed in writing
- A Scope of Work is to be agreed
- **Report Content** – Must include content relevant to the type of property and style of report
- Refer to IVS 103 Reporting and GP – Section 4.0
- Need to refer to the basis or bases of value on which the valuation is conducted. Refer IVS 104.
- Methodology, Reconciliation and Value range

ANZVGP111 Valuations Procedures – Real Property

- **Methodology**
- Methodology needs to be appropriately outlined for each valuation approach along with calculations and rational with a reconciliation of approaches included.
- Information provided and relied upon is to be suitably and adequately verified.
- **Research**
- Relevant market transactions should be researched and analysed along with other market indicators. The extent of the research and analysis should be appropriate to the type of property and the report.

NZVGP503 Valuation Reports prepared by Unregistered Valuers

- **Registered Valuer Responsibility**
- A Registered Valuer, signing a report prepared by an Unregistered Valuer accepts full responsibility for the valuation and contents of the report.
- **Inspection Requirements and Client Liaison**
- **3.1 Site Inspection.** The Registered Valuer signing the report should inspect the property by whatever means at their disposal, to a level that will enable them to comply with the Code of Ethics and confidently and competently assess the value of the property.
- **3.2 Evidence Inspection.** The Registered Valuer signing the valuation report should have sufficient knowledge of all comparable evidence to support the valuation conclusion.
- **3.3 Client Liaison.** During the course of carrying out a Valuation, all parties to the assignment should be mindful of Clause 1.6 of the NZIV Code of Ethics. “When asked for a valuation of real property, or an opinion on a real estate matter, no member shall give an unconsidered answer. A member’s counsel constitutes professional advice which must be prepared to the highest standards of competency and rendered only after having properly ascertained and weighed the facts.” Given this, and to avoid any potential mis-representation, it is recommended that any comments regarding opinion on value during the course of carrying out a valuation, be provided by the Registered Valuer.

NZVGP503 Valuation Reports prepared by Unregistered Valuers

- **Signing of Unregistered Valuer Reports**
- **4.1 Disclosure.** The capacity and level of involvement of all signatories to a Valuation Report should be clearly stated including confirmation of inspection, preparation of report and that the opinion of value has been arrived at by the Registered Valuer. Expansion around inspection requirements including the introduction of knowledge around evidence.
- **Post Valuation Consultancy**
- **Post Valuation Consultancy 5.1** Where a Registered Valuer has provided a valuation report and matters are raised by the instructing party, it is the professional responsibility of the Registered Valuer signing the Valuation Report to respond to any such reasonable queries appropriately.

Summary

- **Review** - Carefully review all relevant IVS Standards and Guidance Papers.
- **Apply** - Apply the best practice recommended in the Guidance Papers to your valuations.
- **Discuss** - Discuss the Standards with your colleagues.
- **Use** - Use the resources on the Websites.

Questions

