## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Definitions</td>
<td>3</td>
</tr>
<tr>
<td>STANDARD A: An appraisal must be credible</td>
<td>5</td>
</tr>
<tr>
<td>STANDARD B: A review must be credible</td>
<td>7</td>
</tr>
<tr>
<td>STANDARD C: A Report must be clear and not misleading</td>
<td>9</td>
</tr>
</tbody>
</table>
Definitions
The following definitions apply to these Standards of Valuation Practice.

Appraisal
The act or process of developing an opinion of value; an opinion of value. An appraisal must be numerically expressed as a specific amount, as a range of numbers, or as a relationship (e.g., not more than, more than, not less than, less than) to a stated amount.

Assignment Results
Opinions and conclusions developed in an appraisal or review.

Biased
Not reasonably supported, and favoring or promoting the cause or interest of the client, one’s self, or another.

Client
The individual, group or entity who engage a Valuer to perform a service.

Credible
Worthy of belief; supported by analysis of relevant information. Credibility is always measured in the context of intended use.

Date of Report
The date on which the Report is transmitted to the client.

Effective Date
The date on which the appraisal or review opinion applies.

Engagement
An agreement between a Valuer and a client to provide a service.

Hypothetical Condition
A condition that is presumed to be true when it is known to be false.

Intended Use
The Valuer’s intent as to how the Report will be used.

Intended User
The party or parties the Valuer intends will use the Report.

Report
The final communication, written or oral, of an appraisal or review transmitted to the client. Finality is evidenced by the presence of the Valuer’s signature in a written Report or a statement of finality in an oral Report. All communications to the client prior to the final communication must be conspicuously designated as such.
Review
The act or process of developing and communicating an opinion to a client about the quality of another’s appraisal or review Report.

Reviewer
A Valuer performing a review.

Scope of Work
The type of data and the extent of research and analyses.

Special Assumption
An assumption, directly applicable to a specific appraisal or review, which, if found to be false, could alter the opinions or conclusions in an appraisal or review.

Valuation Practice
Services performed by an individual acting as a Valuer, including but not limited to providing appraisal and review opinions.

Value
The monetary relationship between properties and those who buy, sell, or use those properties. Value expresses an economic concept. As such, it is never a fact but always an opinion of the worth of a property at a given time in accordance with a specific definition of value. In Valuation Practice must always be qualified - for example, market value, liquidation value, or investment value.

Valuer
One who is expected to engage in Valuation Practice in an unbiased and competent manner. This term is synonymous with appraiser.
STANDARD A:
An appraisal must be credible.

SR A-1: Competency
In developing an appraisal, a Valuer must:

(a) be aware of and understand methods and techniques that are necessary to produce credible assignment results;

(b) not commit a substantial error of omission or commission that significantly affects the assignment results; and

(c) not make a series of errors that, considered individually, may not significantly affect the assignment results but which, when considered in the aggregate, establish that the appraisal is being rendered in a careless or negligent manner.

SR A-2: Problem Identification
The Valuer must identify the appraisal problem to be solved at the time of engagement. To identify the appraisal problem, the Valuer must ascertain:

(a) the client and any other intended users;

(b) the intended use of the Report;

(c) the type and definition of value;

(d) the effective date of the Valuer’s opinions and conclusions;

(e) the property that is the subject of the appraisal and the interest in that property to be appraised;

(f) the characteristics of the subject property that are relevant to the type and definition of value and intended use of the appraisal;

(g) any special assumptions necessary in the appraisal;

(h) any hypothetical conditions necessary in the appraisal; and

(i) other conditions of the engagement that affect the scope of work, including general assumptions and applicable laws, regulations and guidelines.

SR A-3: Scope of Work
The Valuer must determine the scope of work necessary to develop an appraisal that is credible given its intended use. The scope of work for an appraisal is appropriate when it meets:
(a) what the actions would be of another Valuer who possesses competency to prepare the same appraisal, and

(b) the expectations of parties who are regularly intended users of appraisals under similar circumstances.

**SR A-4: Application of Methodology**

The Valuer must:

(a) research and verify data necessary to develop a credible appraisal, and

(b) correctly employ methods and techniques necessary to produce a credible appraisal.
STANDARD B: A review must be credible.

SR B-1: Competency
In developing a review, a Reviewer must:

(a) be aware of and understand methods and techniques that are necessary to produce credible assignment results;

(b) not commit a substantial error of omission or commission that significantly affects the review; and

(c) not make a series of errors that, considered individually, may not significantly affect the review but which, when considered in the aggregate, establish that the review is being rendered in a careless or negligent manner.

SR B-2: Problem Identification
The Reviewer must identify the review problem to be solved at the time of engagement. To identify the review problem, the Reviewer must ascertain:

(a) the client and any other intended users;

(b) the intended use of the Report;

(c) the objective of the review, including whether it will include the development of the Reviewer's own opinion of value (in the case of a review of an appraisal) or the Reviewer's own review opinion (in the case of a review of a review);

(d) the work under review, which may be a written or oral appraisal or review Report, or portion thereof;

(e) any special assumptions necessary in the review; and

(f) other conditions of the engagement that affect the scope of work, including general assumptions and applicable laws, regulations and guidelines.

SR B-3: Scope of Work
The Reviewer must determine the scope of work necessary to develop a review that is credible given its intended use. The scope of work for a review is appropriate when it meets:

(a) what the actions would be of another Reviewer who possesses competency to prepare the same review, and

(b) the expectations of parties who are regularly intended users of reviews under similar circumstances.
SR B-4: Application of Methodology

The Reviewer must:

(a) correctly employ methods and techniques necessary to produce a credible review;

(b) support review opinions with relevant evidence and logic;

(c) develop rationale for any disagreement with the data, analyses, opinions or conclusions presented in the work under review; and

(d) when the Reviewer’s scope of work includes development of the Reviewer’s own opinion of value, comply with the requirements of Standard A.
STANDARD C:  
A Report must be clear and not misleading.

SR C-1: Not Misleading
A Report must clearly and accurately set forth the appraisal or review opinions and conclusions in a manner that will not be misleading in the context of the intended use.

SR C-2: Sufficient Report Content
An appraisal or review Report, whether oral or written, must contain sufficient information to enable the intended user(s) to understand the Report properly in the context of the intended use.

(a) A written appraisal Report must:
   i. include a signed certification statement in accordance with SR C-3;
   ii. state that the Valuer has no (or the specified) present or prospective interest in the property that is a subject of this engagement and no (or the specified) personal interest with respect to the parties involved;
   iii. state either that no one provided significant property appraisal assistance to the Valuer signing the certification, or state the name of each individual who provided such assistance;
   iv. state the identity of the client; or if the client requested anonymity, state that the client’s identity is withheld but retained with the Valuer’s records;
   v. state the identity of any other intended user(s), by name or type, of the appraisal Report;
   vi. state the intended use of the appraisal Report;
   vii. identify the property involved in the appraisal;
   viii. state the property interest appraised;
   ix. state the type of value and cite the source of its definition;
   x. state the effective date of the appraisal;
   xi. state the date of Report;
   xii. state the scope of work used to develop the appraisal;
   xiii. state the methods and techniques used to develop the opinions and conclusions;
   xiv. state the extent of any significant appraisal assistance provided to the Valuer;
   xv. state the opinion(s) and conclusion(s) reached; and
   xvi. clearly and conspicuously state all special assumptions and hypothetical conditions; and that the use might have affected the Valuer’s opinion(s) and conclusion(s).

(b) A written review Report must:
   i. include a signed certification statement in accordance with SR C-3;
   ii. state that the Reviewer has no (or the specified) present or prospective interest in the property that is a subject of the work under review and no (or the specified) personal interest with respect to the parties involved;
   iii. state either that no one provided significant property appraisal or review assistance to the Valuer signing the certification, or state the name of each individual who provided such assistance;

---

9 | Standards of Valuation Practice
iv. state the identity of the Reviewer’s client; or if the client requested anonymity, state that the client’s identity is withheld but retained with the Reviewer’s records;
v. state the identity of any other intended user(s), by name or type, of the review Report;
vi. state the intended use of the review Report;
vii. state the objective of the review;
viii. state the identity of the work under review, including the date of Report and effective date of value specified in the work under review;
ix. state the date of the review Report;
x. state the scope of work used to develop the review;
xi. when the Reviewer’s scope of work includes the Reviewer’s development of an opinion of value:
   • state which information, analyses, opinions and conclusions in the work under review the Reviewer accepted as credible and used in developing the Reviewer’s own opinion,
   • state any additional information relied on, and
   • summarize the reasoning for the Reviewer’s opinion of value;
xii. state the extent of any significant appraisal or review assistance provided to the Reviewer;
xiii. clearly and conspicuously state any special assumptions used in the review, and state that their use might have affected the Reviewer’s opinion(s) and conclusion(s); and
xiv. state the Reviewer’s opinion(s) and conclusion(s) about the work under review, including the reasons for any disagreement.

(c) An oral appraisal or review Report must, to the extent that it is both possible and appropriate, address the substantive matters set forth in SR C-2(a) or (b). A written copy of a signed certification in accordance with SR C-3 must be retained by the Valuer or Reviewer.

**SR C-3: Certification**
A Report must contain the following statement signed by the Valuer(s):

I certify that, to the best of my knowledge and belief, my analyses, opinions and conclusions were developed, and this Report complies with the Standards of Valuation Practice.

When the signing Valuer(s) relied on work done by others who do not sign the certification, each signing Valuer is responsible for the decision to rely on their work. Each signing Valuer is required to have a reasonable basis for believing that those individuals performing the work are competent and that their work is credible.