

PROPOSAL FOR ATTACHMENT IN THE AREA OF APPRAISALS

The following information is to be communicated to Supervising Dealers and Salesmen under Attachment.

General Information

The supervising dealer should ensure attachees have working knowledge and understanding of the purposes for which appraisals are undertaken such as mortgages, sales, leases, taxation, investments, insurance and compensation. Attachee must be able to demonstrate the ability to utilize various valuation methods and techniques, which includes the comparative method, investment method, residual method, profit method and replacement cost method. Based upon the various classes of properties, supervising dealers should ensure that exposure and supervision is given to attachees for valuing various classification of properties to include residential properties, commercial properties, agricultural properties, industrial properties, inclusive of vacant land and properties for which buildings are affixed.

Under proper supervision and reasoned advice, attachees must be aware of the various components of a valuation report, understanding the clients requirements and preparation of the terms of engagement, inspections and gathering of information, application of the appropriate valuation method and technique and producing the valuation report. Overall they should be able to demonstrate a thorough knowledge of the appropriate valuation standards, guidance and how they are applied in practice and any relevant statutory or mandatory requirement.

Trainees must adopt and be aware of the appropriate professional and ethical conduct of valuers which includes integrity, objectivity, competence, confidentiality and professional behaviour in the appraisals process and have the appropriate experience, skill and judgement, which is free from undue influence or bias. Attachees must be aware of measuring fair value standards as it relates to valuation measurements and its applicability in the valuation practice.

The portfolio undertaken must be completed utilizing the requisite forms and countersigned by both the supervising dealer and attachee along with a detailed report from the Dealer in relation to guidelines provided.