



## **CORONAVIRUS (COVID-19) NOTICE – UPDATED 30 JUNE 2021**

The Valuers Registration Board of Queensland (the Board) recognises that due to COVID-19 and the restrictions and directions imposed by commonwealth and state governments, it may not be possible to undertake property inspections to the same extent as in the past.

Some professional bodies have published guidelines that recommend appropriate procedures that Registered Valuers may wish to consider if they are looking for some practical ideas on how to deal with property inspections and also take into account valuation uncertainty during this period.

As Queensland's property valuation regulator, the Board draws all Registered Valuers' attention to Rule 11 of the Australian Property Institute Rules of Professional Conduct. This provides in part:

### **Rule 11. Undertaking Valuations**

- 11.1. This *Rule* is applicable to Valuers undertaking valuations of assets including real property, and plant, machinery and equipment valuations.
- 11.2. For the avoidance of doubt, valuations include full personal inspections by the *Valuer* as well as limited on-site inspections and kerbside inspections by the *Valuer*. When undertaking a valuation, unless otherwise instructed in writing by the client, a *Valuer*, who is the *Primary Valuer*, must:
  - (a) complete inspections and other investigations to enable the *Valuer* to satisfy themselves as to all material valuation considerations; and
  - (b) conduct inspections and other investigations to enable the *Valuer* to complete the valuation in accordance with accepted valuation practice.
- 11.3. If the asset is personally inspected by the *Valuer* or only subject to a limited or restricted inspection, in accordance with the written instructions from the client or the client representative, the *Valuer must* disclose in the valuation report, opinion or advice:
  - (a) The extent of the restricted or limited inspection undertaken; and
  - (b) that the property was not personally inspected by the *Valuer* or only subject to a limited or restricted inspection in accordance with the written instructions from the client or the client's representative; and
  - (c) the effect that non-inspection or a limited or restricted inspection may have on the valuation provided.

- 11.4. When undertaking a valuation, the *Valuer must* take reasonable steps to:
- (a) gather sufficient relevant data in forming an opinion of value; or in the absence or deficiency of such data, explain in the valuation report the basis on which the opinion was formed; and
  - (b) ascertain relevant facts and information as a prudent valuer would have ascertained or verified in order to provide a professional valuation.
- 11.5. A *Valuer, who is the Primary Valuer, must* include in the valuation report, opinion or advice:
- (a) Details of the extent/form of physical inspection, of the asset, personally undertaken by the *Valuer* and;
  - (b) a statement of all assumptions made in arriving at an opinion of value and all conditions;
  - (c) any requirements or limitations arising from the client's instructions;
  - (d) any requirements or limitations arising due to any other circumstances;
  - (e) where all facts or information have not been ascertained or verified, written disclosure of this, together with a statement of the extent, if any, to which the failure to ascertain or verify the facts or information in question qualifies or affects the valuation provided; and
  - (f) the degree of reliance, if any, on information and/or professional opinion from others.

The Board's present expectation is that Registered Valuers will continue to comply with this Rule and that if a Valuer seeks to rely upon Rule 11.3, then, the Valuer must ensure they obtain their client's written agreement, before the valuation is undertaken and the Report prepared.

In these uncertain times, the Board encourages all Registered Valuers to keep up to date with the latest information and to review the code of professional conduct for Registered Valuers in its entirety. The code of professional conduct is Schedule 1 of the [Valuers Registration Regulation 2013 \(Qld\)](#) together with the [Australian Property Institute Rules of Professional Conduct](#). Links to both these documents can also be found in the 'Resources' section of the Board's [website](#).

This alert is provided for guidance only and should not be relied upon as legal advice. Independent legal advice should be sought to take into account your specific circumstances.

Useful Resources from Professional Bodies:

1. The Australian Property Institute (API) <https://www.api.org.au/covid-19-hub>
2. The International Valuation Standards Council (IVSC) [IVSC guidelines: Valuation in Uncertain Times](#) and [IVSC COVID-19 portal of resources](#)
3. The Royal Institution of Chartered Surveyors (RICS) [RICS Material Uncertainty Clause](#)

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