

Amendment on Item 7 at Page 44 of The HKIS Valuation Standards on Properties

With immediate effect, the following Item 7 will replace the existing Item 7 at Page 44 of The HKIS Valuation Standards on Properties

“7. Independent Valuer:

“Independent Valuer” is an External Valuer who has no current or presently foreseeable potential fee earning relationship concerning the subject Property(ies) that would result in potential conflicts and who, exercising reasonable judgment, has made an appropriate disclosure as to any relationship, present or within 12 months immediately before, arising from or as a result of any valuation instruction(s) confirmed/agreed with any of the interested parties or any involvement/dealings made with the subject Property(ies) during the course of the said 12 months' period.

Commentary:

Examples of where it will usually be necessary for the Independent Valuer to either make an appropriate disclosure, or where it is considered that any conflict that might arise could not be resolved or managed in a satisfactory way, to decline to act:

- (a) acting for the buyer and seller of a property in the same transaction;
- (b) acting for two or more parties competing for an opportunity;
- (c) valuing for a lender where advice is also being provided to the borrower;
- (d) valuing a property previously valued for another client;
- (e) undertaking a valuation for third-party consumption where the independent valuer's firm has other fee-earning relationships with the client.”