

MALAYSIAN VALUATION STANDARDS

STANDARD 44 10

UPDATE VALUATIONS

10.1.0 INTRODUCTION

10.1.1 Whilst the general rule remains that a valuation should be communicated to a client only by way of a ~~detailed~~ full valuation report, letters in advance of the ~~detailed~~ report notwithstanding, a ~~detailed~~ report may not be essential in communicating an opinion of value to the client in certain ~~limited~~ cases. Such instances include situations where a previous valuation has been done by the firm and a financial institution which has loaned funds on the collateral security of the property now requires an update of the value for the sole purpose of assessing the adequacy or otherwise of the collateral security. Another situation is where there is requirement under the Financial Reporting Standards for quarterly, half-yearly or annual updates on values. Such valuations are referred to as Update Valuations.

10.2.0 STATEMENTS OF STANDARD

- 10.2.1 Update valuations can only be provided, if:
- (a) It is prepared in connection with an interest in a property, which was previously valued by the same Firm. The previous valuation must have been in a form of valuation report prepared in accordance with MVS 9.
 - (b) ~~It is given for cases where~~ The previous valuation report was prepared not more than three years prior to the ~~valuation report~~ date of Update Valuation.

- (c) It is not used by the client ~~particularly~~ or lending institutions, for **obtaining**/granting fresh or additional funding based on the value reported. ~~The use of the update value is restricted to determine the adequacy of security value.~~ The Valuer must state this in the ~~Update~~ **Valuation**.

10.3.0 EXPLANATIONS

- 10.3.1 Firms are **only** permitted to undertake only full valuation reports as provided for under **MVS 9** ~~MVS 10~~ and Update **Valuation** as provided by this Standard. All other forms of valuations such as “Brief Valuations”, “Check Valuations”, “One page Valuations”, “Desk Top Valuations”, “Verbal Valuations”, “Proforma Valuations” etc are NOT permitted to be undertaken by Valuers.