

MALAYSIAN VALUATION STANDARDS

STANDARD 9

VALUATIONS REPORTS

9.1.0 INTRODUCTION

9.1.1 The valuation is communicated to the Client in the form of a report. As the Valuation Report can be acted upon by the Client or certain third parties without any reference to the Valuer (unless a specific reservation has been made), it must therefore be clear and not misleading.

9.1.2 The valuation report must convey to the reader a clear understanding of the opinion expressed by the Valuer, the basis of the valuation used and the assumptions and information on which it is based.

9.2.0 STATEMENTS OF STANDARD

9.2.1 The valuation report must provide sufficient information to permit those who read and rely upon the report to fully understand its data, reasoning, analyses and conclusions. It must state any assumptions and limiting conditions upon which the valuation is based.

9.2.2 The contents of a valuation report should contain the following:-

- (a) Instructions to value – the report should clearly state the instructions.
- (b) Interest to be valued – the interest should be carefully ascertained and clearly stated. Where the interest is not found or stated in the Document of Title, the Valuer shall state the interest clearly and include a copy of the document(s) that grant(s) such an interest.

- (c) Purpose of valuation – the report must state clearly the purpose of the valuation.
- (d) Date of valuation – the material date of valuation of the property should be the date of the inspection. However, where this is not, the date of valuation must be clearly stated.
- (e) Inspection – the report must contain the date on which the property was inspected **and the name of the Valuer or his Designated Assistant who carried out the inspection**. See MVS 8.
- (f) Title Particulars – the title particulars should be in accordance with MVS 8.
- (g) Description of the property – description of the property should cover such areas as the neighbourhood, location, physical description of the property and its condition, available services etc.
- (h) Tenancy/Lease details – where relevant, tenancy/lease details must be included.
- (i) Planning details – the report must contain particulars of planning as ascertained from the local planning authority or the Department of Town & Country Planning. Where such information is obtained verbally this must be clearly stated.
- (j) Assumptions – the report must clearly state all additional assumptions and special assumptions in bold and in capital letters **in accordance with MVS 12**.
- (k) Method of valuation – the method(s) of valuation used must be clearly stated and must comply with MVS ~~42~~**11**.
- (l) Evidences of value – the report shall contain evidences of value in accordance with MVS ~~42~~**11**.

- (m) Opinion of value – the report shall contain a clear and unambiguous statement of value.
- (n) Plans – the report shall include building plans, location plans and other plans where appropriate.
- (o) Photos – the report shall include relevant photo(s).
- (p) Name and signature of the Valuer – the report should be signed by the Valuer and the registration number must be stated.

9.3.0 EXPLANATIONS

- 9.3.1 The above are minimum requirements to be contained in a valuation report. In specific cases such as that for submission for approval to the Securities Commission Malaysia, the valuation report should comply with additional requirements as specified by the user of the report or the client.