

Australian Property Institute Limited

MEMBER REMINDER – CORRECT USE OF PROPERTYPRO REPORTS

Reference Member Reminder – Correct Use of PropertyPRO Reports
Effective 14 October 2020
Owner Manager Professional Standards

Member Reminder: Correct use of PropertyPRO Reports

The PropertyPRO Supporting Memorandum (PPSM) provides the basis upon which Members of the Australian Property Institute (API) provide valuations of 'single residential properties' for first mortgage purposes using the PropertyPRO 'API Residential Valuation and Security Assessment Pro-forma Report' (Report).

The Report is specifically designed for the sole purpose of providing a brief report on a single residential property for first mortgage purposes only.

The API retains ownership and control of the layout and format, including logos, of the PropertyPRO Reports. This has been deemed necessary to retain the integrity and consistency of the Report format. The API is the owner of the PropertyPRO logo which is registered.

Page 4 of the PPSM notes that "The report is not suitable, and must not be used for any other purpose, including, but not limited to, marketing advice, pre-purchase valuations, financial reporting, SMSF reporting valuations, family law and/or mortgage in possession valuations."

The API is aware that some API Members are being requested to provide a PropertyPRO Report for non-approved purposes or are inappropriately and incorrectly using and/or modifying the PropertyPRO Report for non-approved purposes.

The PPSM provides clear guidelines and instructions for the use of the PropertyPRO Pro-forma Report format. The only permitted use of the Pro-forma report format is for the valuation of a 'single residential property', as defined, for first mortgage purposes.

All other valuation purposes including, but not limited to, pre-sale, pre-purchase, mortgagee in possession, financial reporting, or SMSF reporting valuations must not be knowingly undertaken on the PropertyPRO Report.

The API reminds Valuer Members that it is not appropriate to use a PropertyPRO Report format for any purpose(s) when instructed by a non-lender client. The PropertyPRO Report format must not be modified or amended in any way that departs from the guidelines and requirements as contained within the API PropertyPRO Supporting Memorandum.

Valuations of properties that are not 'single residential properties' must be subject to specific separate instructions which does not include the terms contained in the PPSM.

If there are any comments or feedback, please do not hesitate to contact the API via standards@api.org.au.