

Australian Property Institute Limited

# API STANDARDS UPDATE - 'CLADDING' ISSUES

**Reference** API Standards Update – 'Cladding' Issues  
**Effective** 29 November 2017  
**Owner** Professional Standards Manager

## 'Cladding' Issues

Since the Lacrosse Building fire in Melbourne in 2014 there has been numerous discussions and media articles relating to 'cladding' on buildings. The tragic events that unfolded in London with the Grenfell Tower fire in June 2017 have heightened the risk for Property Professionals as well as Lenders and Insurers.

Members undertaking Valuations of real property need to ensure that they are not holding themselves out as building/constructions experts (unless they are). The Member's role is to report on risk items that are identifiable at the time of the inspection in accordance with accepted valuation practice.

The API Standards Team is meeting with key stakeholders at present, including Valuation Firms, Lenders and LMIs, as well as ongoing discussions at the RVI Group, with a view to providing Members with advice to enable consistent and appropriate reporting in situations where there appears to be 'cladding' to the external surfaces of the building/development. These discussions are ongoing, and we will provide further updates via the Weekly News.

If there are any questions, please do not hesitate to contact API Standards at [standards@api.org.au](mailto:standards@api.org.au)