

Australian Property Institute Limited

MEMBER REMINDER – CORRECT USE OF PROPERTYPRO PRO-FORMA REPORTS

Reference Member Reminder – Correct Use of PropertyPRO Pro-Forma Reports
Effective 7 August 2019
Owner General Manager – Professional Standards (Residential)

Member Reminder: Correct use of PropertyPRO Pro-forma Reports

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

Valuations using the Report format are provided for and may be relied on by Lender-Clients and, if agreed in writing between the Valuer and the Lender-Client, their LMIs only. Any agreement by the Valuer and the Lender-Client/LMI to a third party other than the Lender-Client/LMI relying upon the Report, must be in writing and signed by both the Valuer and the Lender-Client/LMI.

The API reserves Copyright of the PropertyPRO Residential Valuation and Security Assessment Pro-forma Report. This has been deemed necessary to retain the integrity and consistency of the Report format. The Report format is available through the API under the PropertyPRO Trademark.

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

Section 1.5 (pages 16.1.2 and 16.1.3) of the API PropertyPRO Residential Valuation and Security Assessment Supporting Memorandum details the current inclusions and exclusions for property types and purpose that may be undertaken utilising the PropertyPRO Pro-forma Report format. A copy of the current version of the Supporting Memorandum is available [<here>](#)

The API is aware that some API Members are inappropriately and incorrectly using the PropertyPRO 'Residential Valuation and Security Assessment' Pro-forma Report for non-approved purposes.

The PropertyPRO Supporting Memorandum 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 'single residential property', as defined, for first mortgage purposes.

All other valuation purposes including, but not limited to, Pre-Sale, Pre-Purchase, Mortgage in Possession, financial reporting, or SMSF reporting valuations, are excluded and are subject to a long form valuation report, or other form, as agreed between Valuers and their clients at agreed fees reflecting the extent of the valuation instructions.

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. That is, 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 Residential Valuation and Security Assessment Supporting Memorandum.

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

For any enquiries, please email standards@api.org.au