



Appraisal Institute
of Canada

Institut canadien
des évaluateurs

CASE SUMMARY

Spring-2010-09

Facts:

The member prepared an appraisal report for his lender/client in 2003 and advised that he submitted the report on the lender's system. In view of the nature of the assignment, both "as if complete" and "as is" values were reported. In 2008 the lender reportedly foreclosed on the property.

Issue:

The member prepared a report with values noted as "as if complete" and "as is" and proceeded to give a final opinion of value that is misleading since it is unclear what his final value represents.

The member was unable to produce information readily when requested by the AIC during the course of the complaint investigation.

Holding:

After a thorough review of all the evidence, the Adjudicating Committee confirms that the most appropriate discipline to be imposed would be a Conduct Sanction in the form of Censure without publication.

Costs of \$2,000.00 have been awarded.

Reasoning:

In the report the member provided an "as complete" value of \$188,000 as well as an "as is" value of \$157,000 yet concludes a final value of \$188,000 without mentioning that this is not its current value rather a hypothetical value based on the assumption that renovations are completed.

During the course of the complaint investigation it became apparent that the member did not maintain adequate records including a true copy of the appraisal and a complete workfile.

Relevant CUSPAP (2003):

Ethic Standard 2 and 10

Related Claims Prevention Bulletin:

PP-12- As if completed appraisals