

## Letter of Intent

### ForVal

#### Forum of Valuation Companies' Associations

As representatives of the leading associations of valuation companies, we the undersigned, have recognized the fundamental role of property valuation in the greater financial context and have set out to unite our voices in one common forum – ForVal, an international Forum of Valuation Companies' Associations. The purpose of ForVal is to give a global perspective to the key issues and common principles of valuation companies by reuniting the industry's leading associations in an open discussion aimed at sharing best practices and protecting the quality of service provided by valuation companies.

The common principles identified by the founding members of ForVal are:

#### **1. Independence and impartiality**

ForVal believes that independence and impartiality are not just principles but are the outcome of a well governed process. At all times both the valuer and the valuation company must be independent from all parties involved in the financial operation, including the real estate brokers, as well as the asset to be valued. ForVal realizes that valuation companies can provide clients with greater reassurance of independence and impartiality than individual valuers, by governing a process which is documented, traced and at all times verifiable.

#### **2. Process**

Valuation companies contribute to solid valuations by efficiently managing the process every step of the way, from valuer training and selection to quality control of valuation reports. ForVal believes that the output of individual professional valuers increases when working for valuation companies which support the valuer with elements such as training, a solid workflow, proper data management, customer support, specialized quality control, and so forth.

#### **3. Transparency and traceability**

Valuation companies rely on accurate market data in order to provide precise valuations. ForVal encourages governments to make public information on real estate available and easily accessible to qualified stakeholders in order to increase transparency, improve valuation services and provide greater traceability of property data used in valuations.

#### **4. Best practice**

ForVal's mission is to create and maintain a culture of quality among property valuation services and therefore acts as a platform for discussing with national and international regulators, responding to documents in public consultation and addressing issues on an international level with a single voice representing the leading associations of valuation companies. The Forum also has the objective of setting a good example on an international level and encouraging valuation companies in other countries to form associations which promote best practice.

#### **5. Innovation**

ForVal realizes that in order to maintain the highest level of data quality and therefore the most reliable valuations, valuers must have access to reliable sets of complex information. Therefore, ForVal believes that companies are best suited to provide the market with innovative and complex solutions to properly manage an ever-growing set of property and market data. Furthermore, ForVal wishes to act as a common platform for the exchange of new ideas, research and innovation in the field of property valuation, looking at new markets, methodologies, applications, and technology.

## 6. Certification

ForVal considers certification to be a key issue for property valuation companies who need to provide reassurance both regarding the process and the professional competence of the valuers and will strive towards introducing third-party certification in an effort to measure and monitor the quality of services provided. To better meet this objective, ForVal will be open to qualified and ISO-accredited certification companies involved in the property valuation market.

## 7. Supervision

ForVal supports third-party auditing of valuation companies in order to provide clients with even greater reassurance of a valuation process which has not only been documented and applied but also inspected and validated by an external, independent body.

Signed by

**ASAVAL** - Professional Association of Valuation Companies (Portugal)



**ASSOVIB** – Association of Valuation Companies for Banks (Italy)



**ATASA** – Professional Association of Valuation Companies (Spain)



**NUEO** – National Union of Experts Organizations (Russia)



**LideBiR** – The Turkish Association of Licensed Appraisal Companies (Turkey)



**CCS** – CRIF Certification Services (Italy)



**SGS** – Certification Body (Russia)

