

RESPONSIBILITIES – REAL ESTATE APPRAISERS

Purpose: This bulletin explains the responsibilities of real estate appraisers and candidates.

This bulletin applies to real estate appraisers and candidates.

You are responsible to keep your own records and comply with the legislation.

You must appraise property without bias

Perform appraisals objectively and independently, and without serving any personal interests.

You must meet appraisal standards

You must follow the appraisal standards of the professional appraisal association(s) you belong.

You only need to meet **one** of the following standards when you appraise real estate in Alberta:

- Canadian Uniform Standards of Professional Appraisal Practice
- International Valuation Standards
- Uniform Standards of Professional Appraisal Practice

You must select similar properties and be consistent in your report

- select similar properties consistent with the date of sale, location, age, building style and size. Do not ignore similar properties near the property you are appraising
- use a consistent method to determine adjustments within a report and support your adjustments through data wherever you can

You must keep accurate and complete records

- keep a record of how you choose similar properties and all relevant properties you did not include in the appraisal report
- keep all the documents, data and formulas you use to arrive at an adjustment and your opinion on the value
- properly manage licensing, registration, and regulatory records
- keep all records required under the *Real Estate Act* and the *Real Estate Act Rules*, and make them available if there is an audit of your work

You must communicate your name and licensing class

- clearly indicate that you are an appraiser or a candidate on your business cards

- only provide real estate appraisal services in the name that appears on your appraisal licence
- clearly indicate your name whenever you appraise property and advertise

Examples of practice errors

- **Advertising using an incorrect name**

Janine Doe is a licensed real estate appraiser. All of her marketing materials use the name "Jane Appraisals." Ms. Doe requested that RECA approve using the name "Jane Appraisals." RECA approved using the name "Jane" because it is a shortened form of her first name "Janine." RECA did not approve using the last name "Appraisal" because it is not her real last name.

Ms. Doe cannot advertise or appraise property using the name "Appraisal unless she has a trade name registered for Jane Doe." She can only use "Appraisal" as an additional nickname in her advertising, as long she clearly indicates her full, licensed name and licensing class on the advertisement.

- **Keeping incomplete records**

Mr. Smith is a licensed candidate. A client hires him to appraise rural property just outside of Calgary. Mr. Smith researches the sales history and property details of 10 similar properties that have recently been on the market. Mr. Smith only includes five of these similar properties in his final appraisal report, but does not keep a record of the other five properties or how he chose similar properties.

Mr. Smith must keep a record of all 10 similar properties he viewed, even if he does not include all of them in his report. He must also keep a record of how he chose similar properties.

Related information

Legislation

- *Real Estate Act Rules - section 77*

Information bulletins

- Advertising – Clearly Indicated