

# Preamble to the Appraisal Institute Standards of Professional Practice

Real estate is one of the basic sources of wealth in the global economy. Therefore, those who own, manage, sell, purchase, invest in, or lend money on the security of real estate must have ready access to the services of individuals who provide unbiased opinions of value, as well as sound information, analyses, and advice on a wide range of issues related to property economics. For these reasons, the services of valuation professionals are vital to the well-being of our society and the global economy, and foster economic growth, stability, and public confidence.

Because of this vital role and a commitment to professionalism, the Appraisal Institute has adopted a Code of Professional Ethics and Standards of Professional Practice to establish requirements for ethical and competent practice. These requirements also serve to promote and maintain a high level of public trust and confidence in Appraisal Institute Designated Members, Candidates, Practicing Affiliates, and Affiliates.

The Standards of Professional Practice are composed of:

- the Standards of Valuation Practice (SVP), promulgated by the Appraisal Institute, and the Certification Standard of the Appraisal Institute; or
- applicable national or international Standards, and the Certification Standard of the Appraisal Institute.

The Appraisal Institute has also issued Guide Notes that provide guidance on how the Standards of Professional Practice may apply to specific issues.

If a Designated Member, Candidate, Practicing Affiliate or Affiliate fails to comply with the Standards of Professional Practice, he or she will be subject to remedial action under Regulation No. 6 of the Appraisal Institute.

The commitment of Appraisal Institute Designated Members, Candidates, Practicing Affiliates, and Affiliates to professionalism extends to helping ensure that others understand and comply with the Code of Professional Ethics and Standards of Professional Practice. Therefore, each Designated Member, Candidate, Practicing Affiliate, and Affiliate of the Appraisal Institute has a responsibility to refer any significant factual information that reasonably suggests that another Designated Member, Candidate, Practicing Affiliate, or Affiliate may have acted unethically in violation of the Ethical Rules or failed to comply with the Standards of Professional Practice to the Professional Practice Department. Each Designated Member, Candidate, Practicing Affiliate, or Affiliate also has a responsibility to volunteer to serve on peer review committees for the Appraisal Institute upon request, if eligible.