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Dear IVS Team,

Jones Lang LaSalle Limited's Responses to the IVSC 2017 Exposure Draft

JLL would like to take this opportunity to respond to the above exposure draft and, as a matter for your records, formally reply to your tabled questions as follows:

Questions for Respondents

(a) In IVS 2013, all substantive portions of the standards were labelled as "commentary" (except for scope and effective date). This label seems to have created some confusion amongst stakeholders as to whether the standards were mandatory. The Board's position is that all aspects of IVS 2017 should be mandatory and this exposure draft has removed the "commentary" label for clarity. Do you agree with the removal of the commentary label?

We agree that the removal of the commentary label is appropriate, leaving no doubt that the whole contents of the IVS are thus mandatory.

(b) Do you agree with the Board's decision to remove the section on Bases of Value from the IVS Framework and produce a single chapter on Bases of Value in order to clarify the mandatory nature of this section and to avoid repeating certain guidance throughout the IVS? If not, why?

We agree that this seems reasonable, avoids repetition, confusion and creates a shorter, more succinct standards document.

JLL's position is also that the changes and additions to the Bases of Value are to be welcomed as an overdue clarification and 'unpacking' of a number of sometimes contradictory bases which seem to have been included into Fair Value, but are now stated separately.

(c) Do you agree with the Board's decision to remove the section on Valuation Approaches from the IVS Framework and produce a single chapter on valuation approaches and methodologies in order to clarify the mandatory nature of this section and to avoid repeating certain guidance throughout the IVS? If not, why?

Once again, we agree that this proposal seems reasonable and will simplify the structure of the standards. This will result in the standards becoming clearer and easier to navigate and use by practitioners.

(d) Do you agree with the IVS definition of Exceptions and Departures? If not, why?



For the sake of completeness your updated guidance proposes that:

'A section has been added on Exceptions and Departures. An exception is defined as "any circumstance where the mandatory application of IVS as a whole may be inappropriate or where the valuer is asked to comply with standards other than IVS". In respect of an exception "a valuer must not state that the valuation was performed in accordance with IVS".

A departure is defined as "a circumstance where legislative, regulatory, or other authoritative requirements must be followed that differ from some of the requirements within IVS". In respect of a departure a "valuer may still state that the valuation was performed in accordance with IVS" but must also disclose what other authoritative guidance is being followed.'

These proposals seem reasonable, however, we would suggest that the statement that an exception exists "where the valuer is asked to comply with standards other than IVS" needs some clarification. How does this apply when two sets of valuation standards have been met (one of which is the IVS standards?) Does this mean that where the requirements of IVS standards have been fully met, but a valuation and report have been produced to meet and comply with a second set of standards, that the valuer is not able to state that the valuation has been completed in accordance with IVS? This may be the case in territories with their own National standards which must be met in addition to International standards.

We have no other substantial comments.

Yours sincerely,

A handwritten signature in grey ink, appearing to read 'Joshua Askew', written over a light grey circular watermark.

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Director – Retail Valuation; Compliance & Risk Management
For and on behalf of Jones Lang LaSalle Limited