**Requirements for certification**

1. **Regulatory base for valuator’s certification**
* İSO/BİK (International Economic Comittee) 17024:2003 “General requirements for valuation of the organization which conducts a certification”.
* TGA – Trägergemeinschaft für Akkreditierung GmbH. Commission PG. Normative documents 2006.
* European Valuation Standards
* International Valuation Standards.
* Rules of Certification of Residential Real Estate Valuators of the Azerbaijan Society of Appraisers

2. After checking the submitted documents, applicant is allowed to be certified based on the decision of the Society.

 The following can be challenged:

* + Documents are incomplete
	+ Doesn’t meet requirements
	+ Has not been tested twice in the last 3 years
	+ None-payment of the certification fee (intended in the future).

**3.REQUIREMENTS**

* Higher education on valuation profession, or higher education on technical, economic and law and additionally special courses on valuation profession (100 hours)
* Minimum 3 years practical experience in the field of valuation
* It is not involved in criminal or administrative liability.

**4.SUBMITTED DOCUMENTS**

* Application
* Personal reference on none-involvment in criminal or administrative responsibility
* Copy of diploma
* Certificates of special courses held over the last 3 years
* 2 (courtyard and apartment) sample valuation report
* Reference certifying practical experience
* Employer's reference to the valuator working with the contract
* Self-working valuator should submit the reference himself.
* List of at least 10 valuation reports
* Biography
* 2 photos of 3X4sm

**5.Point scale for allowing:**

|  |  |  |
| --- | --- | --- |
| № | Criterias | Max. point |
| 1 | Compliance with the AR Law on “Valuation Activity” | 5 |
| 2 | Compiances with the standard and normative documents  | 5 |
| 3 | Valuation methods are well grounded | 5 |
| 4 | Valuation by the cost approach was done correctly | 25 |
| 5 | Valuation by market approach was done correctly. | 25 |
| 6 | Valuation by income approach was done correctly | 25 |
| 7 | Correct definition of final value | 5 |
| 8 | Grounding of final value | 5 |
|   | Total: | 100 |

**6.ALLOWING TERMS**

* Passed: over 70 points for each report.
* Not passed: less than 70 points on any of the reports

**7.EXAMINATION PROCESS**

* Nature of examination – consisting of 2 stages- written and consisting of 1 stage oral exam
* Officials and participants of other market by the prior consent of ASA participate in examination.
* I Part: making a report on given version – 2 hours
* II Part: Written answer to individual questions (10 test questions, 10 tasks, 10 theoretical questions)- 2 hours

**8.Appreciation of report**

|  |  |  |
| --- | --- | --- |
| № | Parts | Mark point |
| 1 | Valuation task | 2 |
| 2 | Valuation base | 3 |
| 3 | Identification of valued object (identification) | 3 |
| 4 | Land information and improvments on it  | 3 |
| 5 | Law and normative bases | 3 |
| 6 | Restrictions and probabilities | 3 |
| 7 | State of object. Market characteristics. Most effective using methods. Risk assessment | 3 |
| 8 | Choosing of approaches  | 3 |
| 9 | Valuation of by cost approach | 18 |
| 10 | Valuation of market approach | 18 |
| 11 | Valuation of income approach | 18 |
| 12 | Agreement of results  | 14 |
| 13 | Notification on compliance with the requirements of law  | 3 |
| 14 | Notification on compliance with the requirements of standards | 3 |
| 15 | Information about valuator | 2 |
| 16 | Date of preparation of valuation report and signature | 1 |
|  | Total: | 100 |

**9.**Passed: Total point is not less than 70 points

 Not passed: Total point is less 70 points.

**10.PART OF EXAMINATION
(Earned point must not be less than 70 points)**

**-**10 test questions- max. point – 20.

- 10 practical questions - max.point– 40

- 10 theoretical questions - max. point – 40

**11.ORAL EXAMINATION**

* Conducted in individual form
* İt is intended 2 minutes for each question, provided no more than 35 minutes
* Examination Commission consists of 2 exams and 1 assistant

Questions consisting of the followings:

* National real estate market
* National and international valuation methods
* Valuation techniques
* Land cadastre
* Economic-management knowledge
* Mathematic-statisical knowledge
* National and international valuation infrastructure
* Legal information

-The person who earned more than 70 points is considered to have passed the examination.

- Candidates who fail the exam can be re-tested after 3 months and not later than 12 months.

**GENERAL CONCLUSIONS OF EXAMINATION**

* To pass the exam, a candidate must earn not less than 70 points from each part of the examination and an average point should be more than 70 points.
* Result of examination should be submitted to the Azerbaijan Society of Appraisers.

The final decision on the certification of the candidate is made by the chairman of the ASA (Azerbaijan Society of Appraisers) and the certification body.

**Special requirements**

* Should hold a 3-day (24-hour) appropriate course every year
* Relative document shall be sent to the certification body of ASA.
* ASA has an authorization to audit the evaluator and depending on the result of audit, it is made decision on certificate.