



COLUMBIA SOCIETY OF REAL ESTATE APPRAISERS INC. CODE OF ETHICS

PREAMBLE

In performing his professional duties, the appraiser is obliged to maintain the highest standards of ethical conduct. It is the desire for the respect and confidence of the members of his profession and of the Society which he serves that should provide to the appraiser the incentive for the highest possible degree of adherence to fundamental ethical principles. This Code of Ethics is designed to be an inspirational guide to the members of the Columbia Society and as a basis for disciplinary action when the conduct of a member falls below the required minimum standards of the Society.

CODE OF ETHICS

1. Members must conduct themselves in a manner which is not detrimental to the Columbia Society, the appraisal profession or the public.
2. Members must conduct themselves in a manner which is objective and without bias.
3. Members may not accept an assignment in which they have a personal interest, either present or contemplated, unless such interest is known to the client and set forth in the appraisal report in a sufficient manner as to be easily recognized.
4. The appraisal report is a confidential matter between appraiser and client and cannot be revealed without the client's consent or by the process of law.
5. Confidential matters discussed in Columbia Society Committees or Board meetings are of a confidential nature and cannot be disclosed to other members or the public.
6. Members must not falsely advertise or exaggerate their qualifications.
7. Members, when aware of unethical conduct by a member which is detrimental to the Columbia Society, must bring this conduct to the attention of the Ethics Committee of the Columbia Society.
8. A member must, when requested, assist and aid the Ethics Committee of the Columbia Society in the course of its duties.
9. A member may not perform an appraisal assignment where that assignment is contingent on a predetermined result.
10. A member may not accept an assignment where the compensation to be rendered is a percentage of the value found.
11. A member may not accept an appraisal assignment for which he is not competent. If he is unqualified to provide proper appraisal service, he must immediately advise his prospective client.

12. A member may not accept or pay a referral or finder's fee for an appraisal assignment.
13. A member must correctly employ recognized appraisal methods in arriving at a conclusion of value.
14. An appraisal report must be retained in the appraiser's files for a period of five years.
15. An appraisal report must contain the identity of the property, the date of valuation, the property interest appraised, the purpose of the appraisal, the three commonly used approaches to value or a reasonable explanation as to why an approach was not used, the signature of the appraiser, and acknowledgment of any others who materially contributed to the opinion of value.
16. A member must comply with the standards of professional practice of the Columbia Society of Real Estate Appraisers.

EXPERT TESTIMONY

The appraiser is obligated to retain in his/her files a signed copy of the appraisal made by the appraiser in every instance where he/she is employed to testify before a court of law as to the value of the real estate. In the event that the professional conduct of the appraiser is questioned, the said copy shall be forwarded upon request to the President of the Society for investigation by the Ethics Committee.

DISCIPLINARY ACTION

Each member is obligated to cooperate with the Society and its officers in all matters that affect its good name and reputation including investigation, censure, discipline or dismissal of members who are charged with violation of the Society's Constitution and Bylaws or this Code of Ethics. A member having knowledge of the act of another member which in his/her opinion is in such violation has the obligation to report the matter to the President of the Society giving full details.

The President of the Society shall refer a complaint against any member to the Chairman of the Ethics Committee who shall notify in writing the member against whom the complaint has been filed [advising him/her of the specific violation alleged and the identity of the member or person who initiated the complaint with a request that a written explanation concerning the circumstances of such complaint be submitted within 30 days.

After considering the complaint and the member's explanation, the Society's Ethics Committee shall determine whether there is a reasonable basis for concluding that a possible violation occurred. If such a basis is found, the Chairman of the Ethics Committee shall inform the member in writing that an investigation is being initiated and shall inquire whether the member elects to be bound by the findings of the Ethics Committee or to have a hearing before a Board of Inquiry. In the findings of the Ethics Committee without a hearing, this committee will complete its investigation and make a complete report in writing with its recommendations to the President within 60 days of the member's waiver of hearing. The President shall forward a copy of the Committee's findings and recommendations to the member involved and to the Board of Governors for such action as it may deem appropriate.

In the event that the member elects to appear at a hearing, the President shall appoint a Board of Inquiry to be impaneled consisting of three senior members, one selected by the President to be Chairman of the Board, one by the member charged with the complaint and the third member selected by the first two. The Ethics Committee shall be responsible to the Board of Inquiry for the presentation of all matters pertinent to the alleged violation. The member charged with the violation shall be entitled to be present at the hearing with or without counsel and shall be given an opportunity to be heard and to present such evidence or testimony as may be deemed appropriate.

The hearing shall be held at a place, time and date to be determined by the Chairman of the Board of Inquiry within 40 days of the appointment of the Board. The Board shall notify the President of its findings and recommendations in writing, who shall in turn mail a copy to the member and to the Board of Governors. The Board of Governors shall review the findings and recommendations of the Ethics

Committee or the Board of Inquiry, as the case may be, and shall determine if the record of the complaint constitutes a finding of conduct contrary to or in violation of the Society's Constitution and Bylaws or its Code of Ethics. If three quarters of the membership of the Board of Governors present when the matter is considered shall so find, the Board may in its discretion impose one or more of the following on the member:

- a) A letter from the Board to the member setting forth its suggestions for remedying the violation and future professional conduct of the member.
- b) A letter of censure to the member.
- c) Suspension of the member's membership in the Society for a period up to one year.
- d) Expulsion of the member from the Society.