Common Flaws in BV Reports

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Overview

1. Guidelines for the Submission of Appraisal Reports for Accreditation
2. Common flaws in appraisal reports submitted to the ASA
3. Conclusion and recommendations
4. Questions

Question #1

How would you describe yourself:

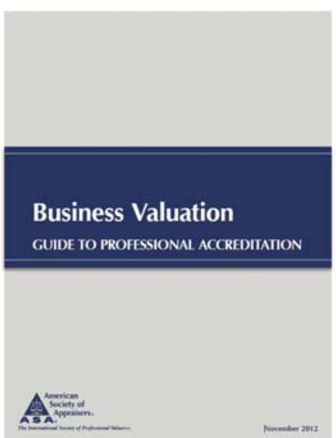
A. Candidate

B. Accredited Member

C. Accredited Senior Appraiser

D. Other

BV Accreditation Guide



In November 2012, the ASA issued the most recent version of the *Business Valuation Guide to Professional Accreditation*.

The *BV Accreditation Guide* can be found at:

http://www.appraisers.org/docs/default-source/discipline_bv/bv-accreditation-guide.pdf?sfvrsn=0

BV Appraisal Report Guidelines

- Advancement to AM or ASA requires the submission of one comprehensive written business valuation report.
- The Candidate must be the primary preparer (substantially responsible) for the appraisal report.
- Must be issued within the last two years.
- Reports are reviewed by members of the ASA Board of Examiners on a fatal flaw basis.
- If the report is rejected, the applicant must submit a new report.
- If a report that was rejected for one or more technical issues (such as lack of a signature, missing page or exhibit, etc.) it may be corrected and resubmitted.

Comprehensive Written BV Report

- Complies with BVS-VIII of the *ASA Business Valuation Standards* (http://www.appraisers.org/docs/default-source/discipline_bv/bv-standards.pdf?sfvrsn=0)
- Gift-tax-related, estate-tax-related, or ESOP purposes are best
- Summary reports are not accepted
- FLP or LLC "discount" reports are not accepted
- Valuation may be of an operating company or intangible assets

Operating Company Valuation Reports

- The report must include the use of both the income approach AND the market approach.
- Based on the facts and circumstances, it is up to the Candidate which method(s) within each of those approaches is used (e.g., merger and acquisition or guideline public company methods under the market approach, or the capitalization or discounted future income methods under the income approach).
- The report must include explanations of how factors such as discount rates, capitalization rates, or valuation multiples were determined and used. The rationale and/or supporting data for any premiums or discounts must be clearly presented.

Intangible Asset Valuation Reports

- Valuation of intangible assets AND the enterprise or operating unit
- Valuation of the enterprise or operating unit must include the use of both the income approach AND the market approach

BV Report Review Checklist

- Candidates must complete and submit the *ASA Candidate BV Report Review Checklist*.
- The checklist was developed by modifying Dr. Shannon Pratt's "Quick Review Checklist" as published in *Judges & Lawyers Business Valuation Handbook*.
- The checklist provides flexible guidelines to the standard elements often contained in a comprehensive written business valuation report.
- Not all elements on the checklist are required or appropriate for every appraisal report.
- The *BV Report Review Checklist* can be found at:

http://www.appraisers.org/docs/default-source/discipline_bv/bv-standards.pdf?sfvrsn=0

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Pass/Fail Items

1. Name of company
2. Form of ownership
3. Portion to be appraised
4. Name and standing of party hiring the appraiser
5. Effective valuation date
6. Date report prepared
7. Purpose of the appraisal
8. Degree of control
9. Definition of standard of value
10. Capital structure
11. Distribution of ownership
12. Sources of information
13. Income statements presented with sufficient detail and history to review for possible adjustments
14. Balance sheets presented with sufficient detail and history to review for possible adjustments

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Pass/Fail Items

15. Adequate explanation of what adjustments were made to the company's financial statements or an explanation of why none were necessary
16. Company's financial ratios, income statement, balance sheet, etc. compared with themselves over time to identify trends
17. If projections of balance sheets or income statements were utilized in the valuation, key assumptions underlying the projections must be identified and discussed
18. Are the valuation methods all on one consistent level of value (e.g., all on a minority interest basis or all on a controlling interest basis)
19. Appraiser certification (including statement included that no person other than those identified had any significant professional input
20. Statement of limiting conditions
21. Signature of appraiser

Points to Remember

1. Just because a report contains all of the information noted in the *BV Report Review Checklist* does not mean that it will necessarily be approved. The report must be supported, logically consistent, and replicable. The report must stand on its own such that a reader could fully reproduce every adjustment, calculation, and source of information in the report without having to talk to the appraiser or review his/her work papers. Reports that do not meet this acid test will not pass, regardless of discussing the items in the checklist.
2. The reader of the report should be able to develop a full and comprehensive understanding of the company being valued, its risks and opportunities, factors internal and external to it, and a full understanding of how and why the appraiser took the steps he or she did in assessing the company and arriving at a valuation conclusion.
3. Superficial inclusion in the report of the individual items in the checklist (e.g., two sentences about Management or Competition) may be wholly insufficient to convey to the reader of the report the relevance of these items to the valuation and its findings.

Points to Remember

4. It is incumbent on the report writer to make clear their reasoning, especially in areas that lack universal acceptance.
5. Candidates should take into consideration (a) the theories and principles outlined in the ASA's Principles of Valuation course materials and (b) the business valuation terms and definitions included in the Glossary of the *BV Standards*.
6. Candidates must identify the form of ownership (e.g., C corp., S corp., limited partnership, general partnership, LLC, etc.) and the degree of control exhibited by the subject ownership interest (e.g., minority or controlling ownership interest).
7. These characteristics should be considered in (a) the selection of the appropriate valuation methodologies, (b) the application of normalization adjustments to the financial statements, and (c) the application of any valuation discounts or premiums. Failure to properly consider and support these procedures is a fatal flaw and will result in the report not being approved.

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Question #2

Reports submitted for accreditation are required to be comprehensive written business valuation reports.

A. True

B. False

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Client-specific Information

- Candidates have two choices on dealing with client-specific information.
  1. Submit (a) a signed letter from the client giving written permission to use the report for accreditation purpose and (b) a signed Appraisal (Client) Report Release Form; or
  2. Redact certain client-specific information such as: (1) the name of the subject company, (2) names of individuals referenced in the report, and (3) specific location of the subject company.
- If certain client information is redacted from the report, the Candidate is asked to (1) not redact background information that is necessary for the Examiner to understand the company and (2) substitute generic names or locations as opposed to blacking out or eliminating client-specific information.
- Reports that redact information that is required by the Examiner to adequately review the report (i.e. background of the company or numerical amounts) will be returned to the Candidate for correction and resubmission.

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Redacting Client Information

UNACCEPTABLE

- The [redacted] is a manufacturer of [redacted] located in [redacted] The president of the [redacted] is [redacted]

ACCEPTABLE

- The ABC Company is a manufacturer of widgets located in Arlington, VA. The president of the ABC Company is John Smith.

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Demonstration Reports

- The ASA prefers the Candidate submit an appraisal report that was prepared for an actual client assignment.
- If their firm's report format or policy makes it difficult to write a comprehensive written report, or precludes the inclusion of one or more of the pass/fail items noted in the *BV Report Review Checklist*, the Candidate is allowed to expand the original report to make it a demonstration report.
- A demonstration report is a report prepared by the Candidate for an actual client that has been expanded to include items required by ASA that were not included in the original report.
- If a Candidate submits a demonstration report for this reason, the Candidate must clearly indicate that it is a demonstration report and state why a demonstration report is being submitted, including the policies (or other reasons) that limited the completeness of the original report.

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Demonstration Report Changes

- Compliance with *ASA BV Standards*
- Company description
- Economy or industry overview
- Additional detail on other components of valuation
- Signature of appraiser
- Sources of information

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Appraisal Software

- The use of appraisal software programs and inclusion of direct printouts from such software in the report is highly discouraged.
- The appraisal report must be the work of the Candidate, and not the work of software developers or authors. The report narrative must be written in the Candidate's own words, and not copied from other sources.
- As part of the review process, the Examiner is assessing the ability of the Candidate to perform the necessary computations and prepare the necessary narrative, not the software.

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Example—Appraisal Software

Comparative Industry Analysis

The following schedule presents a comparative ratio analysis of High Country Manufacturing and similarly sized firms operating in the same industry. Six categories of ratios (liquidity, coverage, leverage, operating, expense to revenue, and cash flow) have been used to compare the operating results of High Country Manufacturing with that of the industry. **The ratios of the subject company have been compared to the industry ratios as supplied by RMA, IRS, and User Defined.**

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Question #3

If a Candidate's report does not include the required elements for a comprehensive written report, the Candidate should:

A. Prepare a report based on a hypothetical client.

B. Submit the report for accreditation.

C. Expand the report to include required elements.

D. Submit the report for accreditation.

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Common Flaws

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Common Flaws

In the ASA accreditation process, the identification of flawed business valuation reports is considered especially important. For the ASA, the dedicated individuals who review these reports are members of an elite squad, known as the Board of Examiners. These are their stories.

Report Issues

1. Inconsistencies in report
2. Business description is too brief
3. Narrative contains too much boilerplate
4. Overreliance on exhibits or footnotes in exhibits
5. Failure to make or discuss normalization adjustments to financial statements
6. Failure to support compensation adjustments
7. Failure to include financial analysis in narrative
8. Failure to discuss components of discount rate or projection assumptions
9. No discussion or analysis of guideline publicly traded companies

Report Issues

10. Minimal or no discussion of discount for lack of control or discount for lack of marketability
11. References to components of the valuation being conservative
12. Use of outdated data or court cases
13. Report is not in a logical order
14. Numbers in report are different than numbers in exhibits
15. Report references the analyst's work papers or prior reports
16. Candidate is not included in appraisal certification
17. Report states that it is a summary report

Example—Table of Contents

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Support of Subjective Factors

1. "After considering all relevant factors, we have concluded that a subjective risk factor of 11.2% is appropriate for the subject."
2. "In the opinion of the appraiser, a capitalization rate of 25% will be suitable for the subject."
3. "When compared to the other approaches, the income approach should be given the greatest weight."
4. "In view of the growth potential for the subject, an average annual growth rate of 6% is appropriate."
5. "The average control premium observed in the Mergerstat Studies was 35%, so this is what we will use for the subject."
6. "Numerous authorities suggest a range of discount rates from 20% to 35%, so for this subject we will use the average of these, or 27.5%."
7. 'Average annual growth rate for the last five years is 8.9%, so we will project future income at this rate."

Source: *CBA/MCBVA Applicant's Handbook*. Institute of Business Appraisers.

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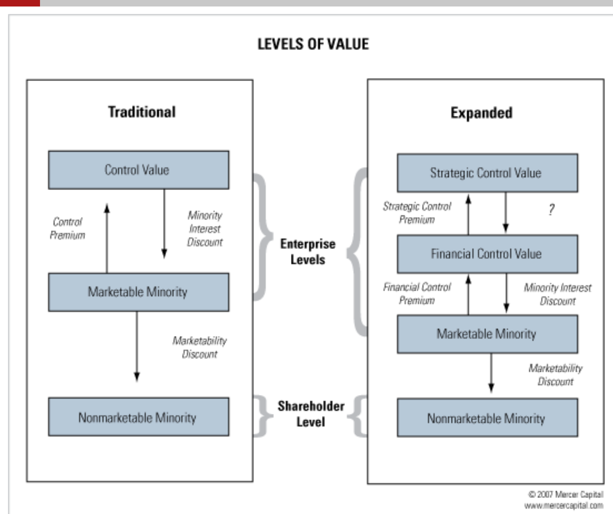
Levels of Value



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Levels of Value

Approach/Method	Assumptions	Resulting Value
Income method	Control cash flows	Control (synergies could indicate investment value)
	Minority cash flows	Minority, marketable
Merger & acquisition	Control transacted	Control (synergies could indicate investment value)
Guideline public company	Control cash flows	Control (synergies could indicate investment value)
	Minority cash flows	Minority, marketable
Asset accumulation method	Control over assets	Control
Excess earnings method	Control over assets	Control

Source: ASA BV202 Course Materials

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Example—ABC Co.

1. Objective- Valuation of a 2.0 percent interest (minority interest) in an IT consulting company
2. Purpose- Transfer to Charitable Remainder Trust
3. Transferor owned a 7.5% ownership interest prior to the transaction

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ABC Co.—Normalization Adjustments

Officers' Compensation

Industry norms is 1% of revenues for base salary. The analyst as accepted 1.2% of revenues given the Subject's superior performance; however, believes based upon stock option grants and low cost of living in and around the Hooterville, Indiana area, where its headquarters are based, the additional cash bonuses may be high with between 3% and 4% paid as a percentage of revenues in 2011 and 2010, respectively. The analyst believes some of these funds are a constructive distribution, but paid as salaries to minimize entity corporate taxes. Therefore, 1.5% of annual revenues is opined as a reasonable expense with consideration of all incentives.

ABC Co.—Normalization Adjustments

Labor

Industry norms is 26% of revenues (excluding officers and executives) for base salary and wages. Clearly, the Subject pays more than twice this amount, which is Subject for considerable review of management's business model. In 2011 and 2010, respectively, the Subject paid non-executive bonuses of $13,983,000 and $9,898,000. This was 17.2% and 20.3% of base pay for the two periods. Labor (base salary) in 2011 ($81,093,000), 2010 ($48,854,000) and 2009 ($38,144,000) were 52.5%, 51.9% and 65.7% of revenues, respectively. The analyst believes there is over-incentivizing and reduced these figures to 10% in lieu of a downward adjustment on actual labor costs, which are believed to be at least 20% greater than they should.

ABC Co.—Normalization Adjustments

- Based on these adjustments, net income in the most recent year was increased from $13.7 million to $19.4 million (42%) and EBITDA was increased from $24.0 million to $32.8 million (37%).
- No discount for lack of control was applied in the income approach or guideline publicly traded company method.
- Difference between actual cash flows or distributions not considered in discount for lack of marketability

Income Approach

1. Valuation uses both direct capitalization and discounted cash flow (DCF) methods (with inconsistent assumptions and results)
2. DCF method is not used for the sole reason that the company does not prepare projections
3. Flawed cash flow assumptions
4. Mathematical errors
5. Improper treatment of interest-bearing debt when using equity cash flows
6. Capitalization or discounting of economic income other than net cash flow (i.e. EBITDA, pre-tax income)
7. Failure to support growth rates
8. Use of capitalization rate as discount rate
9. Capitalization rate applied to current year economic income
10. Unsupported use of average of prior years' economic income
11. Capitalization rate is based on valuation multiples from market approach
12. Terminal value based on valuation multiples from market approach without regard to specific circumstances of subject company

Discount Rate

1. Mechanical application of discount rate components
2. Use of both *Stocks, Bonds, Bills and Inflation* (SBBI) and Duff & Phelps data without recognizing differences between the data (i.e. beta adjusted and non-beta adjusted, different realized equity risk premium, screening of companies in Duff & Phelps)
3. Improper use of SBBI industry risk premium with Duff & Phelps data
4. Use of Deciles 10b or 10z from SBBI without consideration of flaws in data
5. Minimal or no discussion of company-specific risk premium factors
6. Use of quantitative factors in company-specific risk premium without an empirical basis
7. Adding an additional risk premium for the risk of the company achieving its forecast in the DCF method
8. Mismatch between discount rate and type of net cash flow (invested capital or equity)
9. Inconsistent capital structure in WACC with level of value
10. Inconsistent cost of debt with level of value

ABC Co.—Discount Rate

We considered the 30-year Treasury bond at 3.2% as of December 2011 as our risk free rate.

The median selected beta of 0.46 is derived from among those publicly traded companies found in the market approach through Yahoo/Finance. The equity risk premium of 7.1% is derived from larger public companies using Ibbotson SBBI data. The size premium is from the 10(b) micro-cap companies' 9.1% interim return. A company specific premium of 2% was selected to reflect financial performance history, industry outlook, quality of financial reporting, reliance on key personnel, and potential for growth.

A proxy for debt is to apply the Moody's rated Baa corporate bond yield of 5.3%; however, since the Subject has been able to find financing at 3.5% to 4.5%, a 4.0% was selected and then tax-affect by a combined federal and state 40% rate for the after-tax cost of debt. In order to derive the weighted average cost of capital, the analyst has applied the optimal debt (40%) to equity (60%).

ABC Co.—Discounted Cash Flow Method

Based upon the adjusted forecasts, the following discounted cash flow method was applied. This method is considered when future performance may be significantly different from historical results.

Forecasts	**2012**		**2013**
EBITDA	$43,372,000		$82,105,000
PV Factor 11.6%	0.8961		0.8021
PV Figure	**$38,866,000**	+	**$65,856,000**

Plus Terminal Value $82,105,000/(11.6% - 6% growth rate) = $1,446,160,00 x .8021 = $1,176,008,000 + $38,866,000 + $65,856,000 = $1,280,750,000 or $1,273,000,000 (rounded) after deducting $7,783,000 in interest bearing debt.

Since the economic benefit is after-tax, the analyst has applied a combined rate of 40% and applied it to this figure. Therefore, the present value of equity is equal to $763,800,000 (rounded) on a freely traded, minority basis.

ABC Co.—Direct Capitalization Method

In the capitalization of earnings method, the analyst determines the cash flow base or earnings base of the Subject, which is then capitalized; however, net asset value is not included under the premise that tangible and intangible assets are indistinguishable parts of a business. The Subject's estimated capitalization rate of 5.6% would be applied to net income of $19,429,000, which results **in an equity value of $346,946,000** on a freely traded, minority basis.

ABC Co.—Income Approach Conclusion

Discounted Cash Flow Method	$ 763,800,000
Direct Capitalization Method	$ 346,946,000

Example—Discounted Cash Flow Method

Present Value of Discrete Net Cash Flow:

($000s)	2009	2010	2011	2012	2013
	PROJECTED RESULTS OF OPERATIONS				
Operating Income	1,643	1,721	1,798	1,882	1,971
Interest Expense	(59)	(48)	(37)	(26)	(15)
Income Before Income Taxes	1,583	1,673	1,761	1,856	1,956
Provision for Income Taxes	611	646	680	716	755
Projected Net Income	972	1,027	1,081	1,140	1,201
Adjustments to Convert to Net Cash Flow:					
Add: Depreciation Expense	220	220	225	227	227
Less: Capital Expenditures	(90)	(18)	(154)	(70)	(9)
Less: Net Debt Additions (Payments)	(100)	(100)	(100)	(100)	(100)
Less: (Increase) Decrease in Working Capital	(128)	(75)	(39)	(41)	(42)
Net Cash Flow to Equity	874	1,055	1,014	1,156	1,277
Present Value Factor @ 26.2% (mid-year convention)	0.890	0.705	0.559	0.443	0.351
	778	744	567	512	448
Present Value of Discrete Cash Flow	3,049				

Present Value of Terminal Value:

Terminal Year Net Cash Flow	$	1,277
Capitalization Rate [d]		23.2%
Terminal Value	$	5,503
Present Value Factor		0.351
Present Value of Terminal Value	$	1,931

Present Value of Discrete Cash Flow	$	3,049
Present Value of Terminal Value		1,931
Indicated Value of Equity	$	4,980

Example—Direct Capitalization Method

Calculation of Net Cash Flow to Equity

($000s)	2005	2006	2007	2008	2009	Average
Normalized Net Income	825	1,524	1,533	(31)	2,568	1,284
Add: Depreciation	1,382	1,229	1,518	1,266	1,109	1,301
Less: Capital Expenditures	(1,571)	(898)	(680)	(296)	(270)	(743)
Less Changes in Working Capital	(341)	(420)	125	12	(52)	(135)
Add: Increases in Debt	(111)	(12)	-	-	-	(25)
Adjusted Net Cash Flow to Equity	184	1,423	2,497	950	3,355	1,682

Example—Direct Capitalization Method

Calculation of Net Cash Flow to Equity

($000s)	2008	2009	2010	2011	Average
Revenue	8,396	6,688	6,712	6,534	
Net Income	(104)	253	311	242	**268**
Depreciation/Amortization	652	624	543	558	**575**
Gross Cash Flow	549	876	854	800	843
Cap Ex (change in fixed assets) (Inc)Dec	7,426	6,902	6,835	6,859	
	-	523	68	(24)	**189**
Working Capital	(1,391)	(1,282)	(1,606)	(1,648)	
Total Working Capital (Inc)Dec		(109)	324	42	**86**
Long-term Liabilities Inc(Dec)	1,901	1,418	808	592	
		(483)	(610)	(216)	**(436)**
Net Cash Flow to Equity		807	635	602	**682**

Question #4

Which of the following is NOT a flaw in applying the income approach?

A. Depreciation is projected to be greater than capital expenditures.

B. Use of the average of historical cash flows in the direct capitalization method.

C. Use of the company's actual capital structure when valuing a controlling interest.

D. Application of the DCF method even though the company does not prepare projections.

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Market Approach

1. Inconsistent assumptions with income approach
2. Using guideline companies that are not truly comparable (i.e. Burger King to single location restaurant)
3. Reliance on a limited number of guideline companies or transactions
4. Failure to use guideline company method when guideline companies may be available
5. Lack of comparative analysis of subject and guideline companies
6. Automatically applying the mean or median valuation multiple
7. Failing to apply a pricing multiple in the same manner in which it was calculated
8. Failure to consider profitability in selection of revenue multiples

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Example—Market Approach

No Directly Comparable Public Companies

We conducted a search of the SEC's EDGAR System database. The database indicates that there are no public companies which file under the SIC code of 1711, 1791 and 1796 representing companies which identify themselves as Construction- General Plumbing, Heating, and Air-conditioning Contractors.

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Example—Market Approach

Public Company Data Used In This Analysis

We considered 62 construction industry companies as the basis for estimating two factors used in this analysis: the Beta which is used in the development of estimated Weighted Average Cost of Capital (WACC), and the estimated volatility which is used in the development of the estimated Discount for Lack of Marketability (DLOM).

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Asset Approach

1. Failure to consider liquidation value in valuation of controlling interest
2. Opinion on fair market value of assets without experience as a asset appraiser
3. Lack of consideration of intangible assets in asset approach
4. Use of asset approach in valuation of minority interest in operating company
5. Use of discount for lack of control based on Mergerstat control premium data

Excess Earnings Method

- “The “formula” approach may be used in determining the fair market value of intangible assets of business only if there is no better basis therefore available.“ (Revenue Ruling-68-609)
- "To attempt to segregate value based on earnings as between normal income and that induced by whatever goodwill or other intangible assets the business may possess, is to aspire to a higher degree of clairvoyance than has yet been demonstrated as obtainable by mere man." (IRS Appellate Conferee Valuation Training Program)

Reconciliation of Value

1. Weighting of zero value from one method
2. Performing a valuation method that receives no weight in valuation
3. No discussion or support for weights
4. Inconsistent values from different approaches
5. Values from different approaches are too close to each other

Question #5

Business valuation reports submitted for accreditation must include the guideline company method.

A.True

B.False

Control Premium/Discount for Lack of Control

1. Use of discount for lack of control (DLOC) when value of minority interest could have been valued directly
2. Application of discount for lack of control to minority interest value (or control premium to controlling interest value)
3. Discount for lack of control based on "average" control premium that is inconsistent with magnitude of normalization adjustments
4. Failure to include any empirical data
5. Use of closed end fund discounts for minority interest in operating company

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Discount for Lack of Marketability (DLOM)

1. No discussion of facts and circumstances of subject interest
2. Reliance on average of restricted stock studies and/or IPO studies without further analysis of subject interest
3. Reliance on only most recent restricted stock studies
4. Failure to use recent empirical studies
5. No discussion of empirical studies
6. Overreliance on *Mandelbaum* factors
7. Use of court cases as support for DLOM
8. Use of restricted stock studies and IPO studies to derive DLOM for controlling interest
9. Reliance on option pricing models for DLOM without regard to facts and circumstances of subject interest
10. Improper application of DLOM to indicated value from the merger and acquisition method

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Example—(DLOM)

Given the time, effort, and money necessary to sell a dental practice, it is our opinion that a discount for the lack of marketability of 25% is warranted. Note that this factor is only applied to the results of the income approach. Support for this discount can be found in various studies, IPO studies conducted by John D. Emory "Expanded Study of the Value of Marketability as Illustrated in Initial Public Offerings of Common Stock", The Valuation Advisors Lack of Marketability Discount Study, and Long term Equity Anticipation Securities by Robert Trout "Minimum Marketability Discounts."

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Other Issues

1. S Corporations:
   - Failure to address impact of S corporation status on valuation of minority interests
   - Overreliance on court cases related to S corporations
   - Application of S corporation models in valuation of controlling interest
2. Partial or inadequate application of the Integrated Theory of Valuation(Chris Mercer)
3. Treatment of voting and non-voting stock
4. Inappropriate use of key man discount

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Conclusion and Recommendations

Recommendations

1. Read and follow the guidance in (a) the *BV Accreditation Guide,* (b) the *ASA BV Standards,* and (c) and the *BV Report Review Checklist*.
2. Take the time to expand an actual report to a demonstration report that meets the ASA requirements.
3. Apply valuation principles and methodologies consistent with leading valuation treatises and ASA Principles of Valuation courses.
4. Review report templates to make sure that reports are up to date in terms of references and application of valuation principles.
5. Review the report with the following questions from the *BV Report Review Checklist*:

Overall Evaluation

1. Is the report understandable to the reader?
2. If the report and listed data sources were handed to another competent appraiser, could all of the data provided be independently checked for accuracy and thoroughness?
3. Is there replicability? That is, could another competent appraiser follow the thought process leading to the conclusion (not necessarily agree with the conclusion, but be able to understand how it was formed)?
4. Did the appraiser clearly appraise the property that was identified to be appraised?
5. Is the appraisal methodology appropriate for the purpose of the appraisal, the relevant standard of value, the ownership characteristics (e.g., minority marketability, etc.) and any controlling case law precedent?

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Overall Evaluation

6. Is the report internally consistent (e.g., nothing in one place that seems to contradict something somewhere else)?
7. Is the report comprehensive (e.g., does it do everything it promises to do; are all the topics included that seem necessary to support the conclusions reached)?
8. Are there any obvious omissions in the report?
9. Does the report logically lead to convincing support for the conclusion(s) reached?
10. Is the professional format acceptable (spelling, grammar, layout)?

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Question #6

Which of the following are key factors in evaluating valuation reports submitted for accreditation?

A. Is the report replicable?

B. Is the report consistent?

C. Is the report comprehensive?

D. All of the above.

Questions

If you have any questions, please contact me at: tstevens@stevensgreer.com.

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