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AN INVESTIGATION INTO VALUATION INSPECTION TEMPLATES AMONGST ESTATE SURVEYORS AND VALUERS IN NIGERIA

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ABSTRACT

This study investigated valuation inspection templates amongst Estate Surveyors and Valuers in Nigeria. The research aims to determine the extent to which Estate Surveyors and Valuers use standard valuation inspection template and to identify the challenges associated. The study utilized a mixed-methods research design, combining both qualitative and quantitative approaches. A total of 260 Estate Surveyors and Valuers respondents were surveyed using a structured questionnaire. The study uncovered the level of adoption Estate Surveyors and Valuers have on the use of standard valuation inspection template in Nigeria. They should follow international standard and local code of ethics. However, the study tried identifying whether there are adequate regulatory frameworks to ensure compliance with the set minimum standard. The research identified that due to the differing nature of properties, firms produce in-house and ad-hoc template to forester practice flexibility, also the study strived to reveal any lacuna and discrepancies in this regard as it relates with the need for Estate Surveyors and Valuers to adopt global best practices to forester credibility of the process and improve the valuation procedure in general and the need for improvement. The research recommends regulatory harmonization, and technology adoption to enhance capacity building and training of Estate Surveyors and Valuers in inspection in general.

Keywords: Valuation, Inspection Template, Estate Surveyors and Valuers, Checklist

INTRODUCTION

Valuation inspection templates are designed to provide a structured and uniform approach to property inspections, ensuring that all relevant factors are considered systematically. By offering a standardized framework, these templates aim to reduce subjectivity and individual biases, thereby producing more reliable and comparable valuation outcomes. The issue of accuracy and credibility of valuation opinions by different valuers has been a subject of discourse among professionals from different disciplines. Some question the authenticity of a valuer's opinion as a reflective index of the true worth of an asset, as it is a perception-based assertion, though backed by verifiable data. Individual bias sometimes infringes on the process by which the value is determined.

De Paola (2024) asserts that in real estate markets, accuracy in property valuations is fundamental for making informed decisions and developing effective investment strategies. The complex dynamics that characterize real estate markets, coupled with the high differentiation of properties, make the adoption of advanced approaches crucial for obtaining accurate valuations. Thus, valuation entails a complex activity that requires necessary and adequate observation, giving the valuer an edge in understanding the nature and state of the property being valued. Valuation inspection demands a high degree of accuracy, which lends clarity to the techniques applied. It is a technical activity that requires high-level proficiency; therefore, coordination and standardization in the approach must be considered.

Also, Obineme (2021) stated in his work that professional bodies of estate surveyors and valuers worldwide have a duty to determine how best to sustain and improve valuation reporting. However, there is a level of inconsistency in valuation opinions among valuers. Research has shown that valuation opinions vary. This assertion was confirmed by research conducted by Effiong (2015) in the UK-Nigerian real estate industry, which revealed a tolerable level of variance of 10% (+ or -). Wider differences in opinions of value suggest that the correct procedure was not followed. However, even where the correct procedure was followed and significant differences still occurred, the data input might be the problem.

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According to RICS, (2017), there are five classes of valuation data: the client, inspections, property analysis, market analysis, and the public (RICS, 2017, p. 17). The category of valuation data that may create variances is the fourth: data from market analysis, as stated by Ndubuisi & Pius (2024). However, this does not negate the effect of data derived from inspections; rather, it solidifies the authenticity of the claims from the British Standard Institute's research, which identifies the lack of standard as a source of problems in valuation, especially concerning variance in asset values. To achieve more credible and uniform results among valuers, it is necessary to institutionalize the use of valuation inspection templates during inspections.

Furthermore, in valuation, it is imperative to consider the nature of the property alongside the purpose of the valuation, as the degree of on-site investigation of the property is dependent on these factors. There should be an adequate flow of communication between the client and the valuer regarding physical factors that may influence the property's value, especially in cases involving special assumptions and the characteristics of the surroundings. This should be in line with the guidelines stipulated by the International Valuation Standard (VPS 1, paragraph 3.2(i) of the Red Book.

Wyatt (2003), cited in Oyewale & Sodiya (2016), noted that inaccuracy can enter the valuation process at any stage, from inception up to the final valuation. It is in this light that we assert the process is rigorous and demands tenacity and professional expertise to gather the necessary data (field information) that will aid the valuer during the desk investigation (office-based) activity. Shanshool & Al-Mashhadan (2024) urged valuers to meticulously examine these assets to ascertain their condition and the relevance of the provided information before making a valuation. These factors present unique challenges in asset valuation due to the differing purposes of valuation and the complex nature of valuable properties. Hence, it is important that the valuation inspection is conducted in the most suitable way, aligning with the above-mentioned criteria by using a standard approved checklist model.

The International Valuation Standards Committee (IVSC), through the Tangible Asset Board (TAB), asserts that physical inspection has often formed an important pillar in helping to minimize certain elements of valuation risk. Therefore, sufficient investigations and evidence must be assembled by means such as inspection, inquiry, research, computation, or analysis.

Given this backdrop, the thrust of this study delves into the valuation inspection template among estate surveyors and valuers in Nigeria, as it relates to all kinds of tangible assets like land, buildings, plants and equipment, means of transport, and furniture and office equipment, including the level of familiarity in its use among estate surveyors and valuers.

STATEMENT OF THE PROBLEM

The lack of standards can lead to problems of abuse, over-moderation, and complacency in applying technical and professional norms. Consequently, standards encompass technical specifications and other approved elements meant to be consistently used as rules, principles, or designations, enhancing the reliability, comparability, and effectiveness of services. In recent decades, numerous advancements have impacted the valuation profession, particularly regarding the creation of, and access to, information across all asset classes, as well as the processing and analytical power of technology.

These developments have had various benefits for valuation stakeholders (valuers, clients, intended users, regulatory or other oversight bodies, etc.), ultimately driving significantly enhanced valuation analysis and productivity (IVSC, 2024). However, the nature and quality of valuation inspections and, by extension, reports are inconsistent among estate surveyors and valuers, leading to a lack of trust in the profession. This research is geared toward unraveling the cause of the problem, investigating whether there is a uniform, stipulated template (checklist) among professionals in practice in Nigeria, identifying the specific areas that need improvement, and pinpointing certain elements of valuation risk (defined in IVS as the possibility that the value is not appropriate for its intended use) occasioned by inspection

AIM OF THE STUDY

The aim of this research is to ascertain whether there is a valuation inspection template among estate surveyors and valuers in Nigeria and to determine the scope that the template covers. The study also aims to engineer a recommendation for improvement where necessary.

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OBJECTIVES

i. To determine whether there is a standardized inspection template among estate surveyors and valuers in Nigeria.

ii. To explore ways to enhance the quality and consistency of real estate valuation inspections.

iii. To identify any inconsistencies in practice compared to NIESV and IVS guidelines regarding inspections.

STATEMENTS OF HYPOTHESIS

Ho: Improvement in the quality and consistency of real estate inspection and valuation practices is independent of a standardized valuation inspection template (SVIT).

SCOPE OF THE STUDY

This research seeks to identify the usability or familiarity of a valuation inspection template among all practicing estate surveyors and valuers in Nigeria. It will also explore emerging trends, technologies, and innovations that may shape the future development and implementation of valuation inspection practices. The study will focus on identifying different forms of valuation inspection and their application to various property types and valuation purposes, as well as analyzing the different approaches used for different property types, while confirming the level of usage of inspection templates.

REVIEW OF RELEVANT LITERATURE

CONCEPT OF VALUATION INSPECTION TEMPLATES

Valuation inspection templates are essential tools used by estate surveyors and valuers to ensure a comprehensive and standardized approach to property assessment, it is widely used in the real estate industry to ensure accurate and consistent property valuation. In Nigeria, the effectiveness and adoption of these templates can significantly impact the accuracy and reliability of property valuations. The use of valuation inspection template among estate surveyors and valuers in Nigeria

have been a topic of interest. While some suggest that standardized templates are widely used in the industry others indicate a lack of consistency in usage.

Some research suggests that estate surveyors and valuers in Nigeria utilize customized templates developed in-house to conduct their valuations. According to Oyalowo, & Babawale (2019), these in-house templates are tailored to meet the specific needs and preferences of individual firms, allowing for greater flexibility and adaptability in the valuation process. These customized templates can incorporate unique methodologies, specific client requirements, and market conditions, thus providing a more personalized approach to valuation.

On the other hand, many professionals in the field prefer to rely on industry-recognized templates like the NIESV Valuation Report Template. The Nigerian Institution of Estate Surveyors and Values (NIESV) provides this standardized template to ensure consistency and reliability across the profession. The NIESV Valuation Report Template, as outlined in the NVPS, (NIESV,2020), includes comprehensive guidelines and a structured format that professionals can follow to ensure that their reports meet industry standards and regulatory requirements. This template covers various aspects of valuation, including property description, market analysis, and value estimation, and it helps maintain uniformity and credibility in valuation reports across the country.

However, despite the availability of these tools, several challenges have been identified within the profession. One significant issue is inadequate training (Chiwuzie, Dabara, Prince, & Olawuyi, 2021) highlights that many estate surveyors and valuers do not receive enough training on the latest valuation techniques and technologies. This lack of training can lead to inconsistencies in valuation reports and may impact the accuracy and reliability of the assessments. Furthermore, the adoption of technology within the profession is limited (Akinwamide, &Hahn, 2021) notes that many practitioners are slow to integrate advanced technological tools and software into their valuation processes. This reluctance can hinder efficiency and accuracy, as modern valuation often requires sophisticated data analysis and modeling tools that technology can provide. The limited use of technology also impacts the ability to manage and analyze large datasets, which are increasingly important in making informed valuation decisions.

Another critical challenge is the lack of standardization across the industry. Wyatt (IBID) points out that the absence of uniform standards and guidelines can lead to discrepancies in valuation practices.

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This lack of standardization can result in varying quality and credibility of valuation reports, which can undermine the trust and confidence of clients and stakeholders. Ensuring that all professionals adhere to a common set of standards and practices is essential for maintaining the integrity of the profession.

In addition, the use of standardized valuation inspection templates is not widespread among Nigerian valuers. This lack of standardization leads to inconsistencies in the information captured during inspections, making it difficult to ensure the accuracy and reliability of the valuations (Ogedengbe, 2011). There is a need to develop and promote standardized templates that can be uniformly adopted across the industry Oloyede, Olaleye, & Adegoke, (2013)

When comparing valuation practices in general in Nigeria to global best practices, significant gaps become evident. In many developed countries, advanced technological tools and standardized procedures are widely adopted, leading to more accurate and efficient valuation processes (Onyeneke, & Ekenta, 2018). Case studies from these regions demonstrate the benefits of integrating modern technologies, such as drones for aerial surveys and AI for data analysis, into the valuation process (Green, 2015).

TYPES OF VALUATION INSPECTION TEMPLATES:

Residential Property Valuation Checklist

When valuing residential property, the nature which valuation inspection checklist for residential property appears must reflect the all-encompassing features of both the exterior and the interior components of the property to ensure that a comprehensive understanding of its condition is obtained (RICS, 2017), as such, it entails the following:

I. Exterior Inspection: Property type (e.g., detached, semi-detached, apartment), Size and condition of the lot, Building structure and condition, Roof, walls, and foundation condition, Exterior amenities (e.g., garage, pool, garden).

II. Interior Inspection: Number and condition of rooms, Flooring, walls, and ceiling conditions, Kitchen and bathroom condition, Heating, cooling, and ventilation systems, Electrical and plumbing systems

Commercial Property Valuation Checklist

In the inspection of commercial property, there are certain features that are peculiar to the property that distinguishes it from other property type, these are the nature of development in its situational position, landmarks, accessibility, proximity to other service facilities etc. (IVSC, 2018). Some of the features to look out for include but not limited to the following:

I. Exterior Inspection: Location and accessibility, Building-type (e.g., office, retail, industrial), Parking facilities, Structural condition and materials used.

II. Interior Inspection: Floor space and layout, Condition of common areas (e.g., lobbies, hallways), Utilities and services (e.g., HVAC, elevators, fire safety systems), Tenant occupancy and lease terms.

Industrial Property Valuation Checklist:

Due to the complex nature of and industrial property, its inspection requires meticulous and objective examination which will give insight on the nature, condition, type of use and level of operation of the respective facilities Appraisal institute (2019). Hence, it entails as follows;

I. Exterior Inspection: Location relative to transportation and infrastructure, Size and condition of the lot, Building-type and condition, Loading docks and storage facilities.

II. Interior Inspection: Production area size and layout, Equipment and machinery condition, Utility systems (e.g. electrical, water, gas), Compliance with health and safety regulations.

Agricultural Property Valuation Checklist:

In agricultural property inspection, the factors to be considered in most cases are valuation purpose oriented, the purposes may be for appraisal, sale, lease etc. (TEGoVA, 2020)

I. Land Inspection: Total acreage and land use (e.g., arable, pasture, woodland), Soil quality and fertility, Water sources and irrigation systems, Boundaries and fencing condition.

II. Building Inspection: Farmhouse and outbuildings condition, Agricultural machinery and equipment, Storage facilities (e.g., barns, silos), Livestock facilities.

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Mixed-Use Property Valuation Checklist

when it concerns properties of mixed-use condition, it is pertinent to consider issues bordering on the environment and its influence on the property, the layout, land marks and other influential factors that may cause a degree increase or decrease to the value of the property Appraisal Institute, (IBID).

I. Exterior Inspection: Property location and surrounding infrastructure, Building type and structure, Parking and accessibility.

II. Interior Inspection**:** Residential and commercial space allocation, Condition of residential units and commercial spaces, Common area condition and amenities, Utility services and systems.

Specialized Property Valuation Checklist

In this, as the name implies, special considerations are proffered to these types of properties because of its unique nature. As such, all the peculiar factors are incorporated in the course of the inspection Appraisal institute (IBID)Thus, the following are looked upon in some specialized property:

I. Hotel Valuation: Location and accessibility, Building condition and amenities, Number and condition of guest rooms, Conference and event facilities, Food and beverage services.

II. Hospital Valuation: Location relative to population centers, Building and medical facility condition, Number and condition of patient rooms, Medical equipment and utility systems, Compliance with health and safety standard.

Environmental and Sustainability Checklist

In these, issues of physical appearance are not given much credence, rather matters that relates to its effect on the immediate neighborhood and the wider environment is put into consideration. IVSC, (IBID).

I. Energy Efficiency: Insulation and glazing, Heating, cooling, and ventilation efficiency, Renewable energy sources.

II. Environmental Impact: Waste management systems, Water conservation measures, Sustainable building materials.

CLASSIFICATION OF INSPECTION

The Tangible Asset Board (TAB) of the International Valuation Standard Council l (IVSC-TAB,

2024) classified valuation inspections into various categories based on the methods and depth of analysis involved. These classifications, each with distinct characteristics and suitable applications, include desktop inspections, technology-based virtual inspections, drive-by or curb-side inspections, detailed inspections, critical inspections, and sample inspections:

1. Desktop Inspection: desktop inspection is conducted remotely without the valuer physically visiting the property. The valuer relies on secondary sources such as online maps, street views, aerial photographs, and publicly available data to assess the property.

2. Technology-Based Virtual Inspection: This inspection uses advanced technologies such as drones, 3D modeling, virtual reality (VR), and augmented reality (AR) to perform a virtual inspection of the property.

3. Drive-By or Curb-Side Inspection: A drive-by or curb-side inspection involves the valuer assessing the property from the street or curb. It is a brief exterior-only visual assessment of a property, typically done without entering the premises.

4. Detailed Inspection: A detailed inspection involves a thorough examination of both the interior and exterior of the property, often including structural, mechanical, and environmental assessments, here the expert physically enters the property to undertake a thorough inspection of the property and its associated improvement.

5. Critical Inspection: A critical inspection focuses on specific, high-priority aspects of the property that are crucial to the valuation or the client's needs, here the service of a specialist may be sort these specialists provide additional levels of assurance around focus areas of the valuation, removing the need to limit aspects of the valuation.

Characteristics:

- It is focus oriented and uses targeted approach by Concentrating on critical elements such as structural safety, environmental hazards, or compliance with regulations.
- May require specialized skills or knowledge to assess particular areas of concern.
- Aims to identify and mitigate significant risks associated with the property.

It is in most cases applied in high-risk properties with known issues or those in areas prone to environmental risks. It is used to ensure compliance with building codes, safety regulations, or

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environmental laws and it is tailored to meet specific client requirements or address particular concerns.

6. Sample Inspection: Sample inspection involves inspecting a representative sample of properties or assets from a larger group, rather than inspecting each one individually especially asset that a geographically dispersed.

VALUATION INSPECTION AMONG ESTATE SURVEYORS AND VALUERS

Valuation is at the center of the roles of Estate Surveyors and Valuers. Onyejiaka, Madu and Effiong (2024) are of the view that Estate Surveyors and Valuers play a critical role in ensuring that the valuation process is carried out in a professional and transparent manner. This includes all categories of assets of which shelter is a key part of. Shelter has been universally accepted as the second most important essentials of life after food. Housing in its entire ramification is more than mere shelter since it embraces all the social services and utilities that go to make a community or neighborhood a livable environment (Onyejiaka 2021 citing National Housing Policy 1991).

Valuation inspection practices among estate surveyors and valuers in Nigeria largely rely on traditional methods, with limited integration of modern tools and technologies. This is evident in the reliance on manual data collection and analysis methods (Abidoye & chan, 2018).

The regulatory and legal framework governing valuation inspections in Nigeria presents significant challenges. The lack of clear, consistent regulations often leads to discrepancies in how valuations are conducted and reported (Dan, Ilanic, & Shmuel, 2010).

Furthermore, the professional competency and training of estate surveyors and valuers are areas of concern. Many professionals do not receive adequate training on modern valuation techniques and tools, impacting the accuracy of their valuations (Aluko, 2011).

Market dynamics also play a crucial role. Economic volatility and fluctuations in property demand and supply can significantly affect the outcomes of valuation inspections (Babawale, 2013). This adds another layer of complexity to the valuation process, making it harder for valuers to provide accurate and reliable reports.

VALUATION INSPECTION REQUIREMENTS

The International Valuation Standards (IVS 102) ensure that valuation assignments, including valuation inspections, adhere to rigorous principles for consistency, transparency, and reliability. This section outlines the essential elements for conducting a valuation inspection, ensuring the process is thorough and supports credible valuation conclusions. Key requirements include:

General Principle (IVS 102, Paragraph 10.1)

Compliance with IVS: To comply with IVS, all valuation assignments, including valuation inspections, must be conducted according to the principles set out in IVS. These principles should be appropriate for the valuation's purpose and adhere to the terms and conditions specified in the scope of work. Paragraphs 20.1 - 20.7 stipulates that investigations during a valuation inspection must align with the valuation's purpose and the basis of value. The scope of investigations should be comprehensive enough to ensure the valuation is well-supported by credible evidence.

Investigations must be suitable and appropriate for the valuation's purpose and the bases of value. This includes conducting thorough inspections and gathering relevant data as stipulated by Paragraph 20.1.

Credibility and Reliability Considerations (IVS 102, Paragraph 20.5):

When evaluating the reliability of information, valuers should consider the Purpose of the Valuation as prescribed in IVS 102 (Paragraph 20.5(a)), assess how the information aligns with the valuation's purpose and whether it supports the valuation conclusion through understanding the significance of the information as also stipulated by IVS 102, (Paragraph 20.5(b)) and also evaluate the importance of the information in reaching the valuation conclusion also Consider the expertise and authority of the information source in relation to the subject matter IVS 102, (Paragraph 20.5(c)), Determine whether the source is independent of the subject asset and the recipient of the valuation, as outlined in IVS 101 Scope of Work (Paragraph 20.3(a)). Communication of Scope of Work (IVS 102, Paragraph 20.6) The scope of work, including the valuation purpose, basis of value, extent and limits of investigations, and sources of information, must be clearly communicated to all parties involved in the valuation assignment. In handling insufficient investigations (IVS 102, Paragraph 20.7) when it becomes apparent that the investigations

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will not yield a credible valuation, or if third-party information is unavailable or inadequate, the valuer must address these issues. Significant limitations on investigations that prevent adequate evaluation of inputs and assumptions mean the valuation cannot comply with IVS. Adhering to the requirements outlined in IVS ensures that valuation inspections are thorough, credible, and transparent. By defining the scope of work clearly and documenting the sources and selection of significant data and inputs, valuers can produce reliable valuations that meet the highest standards of professionalism. This builds trust with clients and stakeholders who rely on these inspections for critical decision-making.

VALUATION INSPECTION REQUIREMENTS IN DIFFERENT JURISDICTIONS AND CONTEXTS:

The requirement for an inspection as part of a property valuation process varies significantly across different jurisdictions and contexts. This variability is influenced by several factors, as outlined below:

1. **Scope of Work (Terms of Engagement)**: In some jurisdictions, the terms of engagement between the valuer and the client may limit the requirement for a physical inspection. The agreed-upon scope of work can define the extent of inspection needed based on the specific needs of the client and the nature of the valuation. Literature highlights that the flexibility in scope can lead to differences in inspection practices, where some valuations may rely more on desktop reviews or existing data rather than on-site visits (European central bank, 2024).

2. **Lack of Common Interpretation**: There is no universally accepted interpretation, definition, or classification of what constitutes an inspection in the context of property valuation. Different stakeholders, including valuers, clients, and regulatory bodies, may have varying expectations and definitions. This lack of standardization is noted in several studies, which emphasize the need for clearer guidelines and definitions to ensure consistency and reliability in valuation practices IVSC-TAB, (IBID).
3. **Valuation Purpose and Nature of Asset Class**: The purpose of the valuation (e.g., financial reporting, loan security, purchase price allocation) and the nature of the asset class being valued (e.g., residential, commercial, industrial) significantly influence the extent and nature of the

inspection process. Research indicates that valuations for different purposes may require varying levels of detail and thoroughness in inspections IVSC-TAB, (IBID).

4. **Professional Judgment**: Valuers often need to exercise professional judgment to determine the appropriate extent and nature of the inspection required. This judgment is influenced by their experience, expertise, and the specific circumstances of each valuation assignment. The reliance on professional judgment is discussed in the literature as both a strength and a potential weakness, depending on the consistency and objectivity of the valuers' decisions IVSC-TAB, (IBID).
5. **Valuation Professional Organizations (VPOs)**: In some countries, VPOs provide guidelines and recommendations regarding inspections. Adherence to these guidelines usually is legally mandatory. The role of VPOs in standardizing inspection practices is a topic of ongoing debate. Studies suggest that while VPO guidelines can enhance professional standards, their voluntary nature may lead to inconsistent application RICS, (IBID).
6. **Regulatory Requirements**: In other jurisdictions, regulatory bodies enforce inspection requirements for specific valuation purposes or asset classes, making them legal obligations. Regulatory frameworks vary widely, affecting how inspections are conducted and reported. The impact of regulatory requirements on valuation practices is well-documented, highlighting both the benefits of legal enforcement and the challenges of compliance (IOSCO, 1999).
7. **Professional Indemnity Insurance**: Physical inspection of an asset may be a mandatory requirement as part of the terms and conditions relating to a firm's professional indemnity insurance. Insurers may impose inspection requirements to mitigate risk and ensure accurate Valuations. The intersection of insurance requirements and valuation practices is explored in the literature, noting how insurance terms can influence professional conduct RICS, (2021).

FACTORS INFLUENCING THE EXTENT OF PROPERTY INSPECTIONS IN VALUATIONS:

The International Valuation Standards Council's Tangible Asset Board IVSC-TAB, (2024) identifies several variables that can influence the nature and extent of inspections required for valuations of tangible assets, these variables guide valuers in determining the appropriate scope and

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methods for property inspections. By considering the specific characteristics and requirements of each valuation, valuers can ensure their assessments are accurate, reliable, and tailored to the needs of stakeholders. These variables help ensure that valuations are accurate and relevant to the specific circumstances of each asset or portfolio

1. **Subject Asset**: Different asset types (e.g., residential property, commercial property, machinery) require different inspection approaches. The condition, use, and market factors for each asset type can vary significantly, also assets with complex features or specialized uses may require more detailed inspections to accurately assess their value consequently older assets or those in poor condition may need more thorough inspections to determine necessary repairs or depreciation.
2. **Portfolio Size**: Larger portfolios with numerous assets can complicate the inspection process. The valuer may need to adopt sampling techniques or prioritize inspections based on asset value or risk. Hence, diverse portfolio with different types of assets may require varied inspection methods for each asset class.
3. **Recurring Valuations**: Assets that are valued regularly (e.g., annually) may not require as extensive inspections each time, especially if there are no significant changes since the last valuation. Thus, previous inspection and valuation data can reduce the need for comprehensive inspections if there have been no substantial changes.
4. **Geographic Dispersion**: Assets spread across different geographic locations may pose logistical challenges for inspections. Remote or difficult-to-access locations might require special arrangements or technology (e.g., drones). Valuers need to account for local market conditions, which may vary significantly between regions.

5. **Valuation Purpose**: The purpose of the valuation (e.g., financial reporting, loan security, purchase price allocation) can influence the level of detail required in inspections. For example, a valuation for a mortgage might need more thorough property condition reports. Different stakeholders (e.g., investors, regulators) may have specific requirements for the extent and detail of inspections.
6. **Inaccessible Assets**: Assets that are difficult to physically access (e.g., offshore facilities, hazardous environments) may require alternative inspection methods, such as remote sensing or

expert report, for operational assets, the valuer might have to work around operational schedules or access restrictions, which can impact the inspection process.

METHODOLOGY

Population Size

For this study, the population comprises 1,149 estate surveyors and valuers' firms that are actively engaged in property valuation within Nigeria (NIESV, 2024). This includes all the Members of the Nigerian Institution of Estate Surveyors and Valuers (NIESV) practicing and operating within Nigeria, who are actively involved in property valuation, either as independent valuers or as part of valuation firms.

SAMPLE SIZE

The sample of (297) Two Hundred and Ninety-Seven was drawn from the population.

DATA PRESENTATION AND ANALYSIS

To arrive at a meaningful presentation and analysis of the data collected, the data obtained from the survey were critically analyzed using descriptive statistical mean**s.**

ANALYSIS OF THE RESPONSES FROM THE STUDY QUESTIONNAIRE Return rate and Reliability of the Questionnaire

The sample size for the research is 297 estate surveyors. The questionnaire was distributed and 260 responses were received which is about 87.54 percent return rate. The questionnaire was subjected to reliability using Cronbach's alpha method. The minimum reliability required for an instrument is 0.70. The section on ways to improve quality and consistency in the practice of real estate valuation inspection produced a Cronbach alpha of 0.964 while areas for improvement and development recommendations for enhancements in valuation inspection of all types of real estate properties has 0.957. The overall reliability of the entire responses is 0.978. it therefore implies that the responses of the respondents are reliable for meeting the research needs; testing the hypothesis and answering the research questions.

Objective One: To determine whether there is a standardized inspection template among estate surveyors and valuers in Nigeria.

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To meet this objective, the opinion of the respondents were sought and the response is contained in table 1.

Does your firm adhere to standardized inspection template?

Adhere?	**Frequency**	**Percent**
Yes	241	92.7
No	19	7.3
Total	**260**	**100.0**

It can be seen from table 4.6 that 92.7 percent of the respondents, their firms use standardized inspection templates while only about 7.3 percent do not use standardized inspection templates.

Objective Two: To explore ways to improve quality and consistency in the practice of real estate valuation inspection.

Explanations of Useful Terms in Factor Analysis

8. **Kaiser–Meyer–Olkin (KMO) measure of sampling adequacy (MSA):** This is an index used to examine the appropriateness of factor analysis. The statistics shows the proportion of variance for variables included in the study is the common variance. A value of the statistic between 0.5–1.0 indicates the appropriateness of the factor analysis for the data under consideration: (>0.9 marvelous; >0.8 meritorious; >0.7 middling; >0.6 mediocre; >0.5 miserable and <0.5 unacceptable). Values less than 0.5 on the other hand indicate the inappropriateness of the factor analysis.
9. **Bartlett's Test of Sphericity:** This is a test statistic used to examine the hypothesis that the variables are uncorrelated in the population. A significant result (p–value <0.05) indicates that the matrix is not an identity matrix; the variables do relate (correlate) to one another enough to run a meaningful factor analysis.
10. **Communality:** This is the amount of variance a variable share with all the other variables being considered. It is also the proportion of variance explained by the common factors (If there is no communality, there is no shared variance and those variables will not be able to group together). Small values indicate that variables do not fit well with the factor solution and should be possibly dropped from the analysis. Normally values less than 0.50 are removed.

11. **Percentage of Variance:** This gives the percentage of variance that can be attributed to each specific factor relative to the total variance in all the factors.
12. **Eigenvalue:** This represents the total variance explained by each factor. Factors having eigenvalues greater than or equal to one (1) are selected for further study.

Interpretation of Result: The factor analysis was carried out using principal components analysis extraction method and varimax rotation method. The minimum factor loading criterion was set to 0.50. The communality was accessed and the results show that all communalities were over 0.50 (see table 4.7b).

Kaiser–Meyer–Olkin (KMO) measure of sampling adequacy (MSA) yielded a value of 0.904 which is meritorious. This shows that the data are adequate for factor analysis. Bartlett's Test of Sphericity showed a significant result with $p<0.001$; $X^2(n=260) = 3318.886$. This showed that the correlation matrix has significant correlations among some of its components. See table 4.7a.

The factor solution yielded one component which accounted for 75.990 percent of the variation in the data. See table 4.7c.

The result of the study is a single component extraction which were arranged according to descending order of the factor loadings as contained in table 4.7d. The loading shows the various strengths of the variables. Since the factor loadings are contained in one component and all the variables are loaded together, with high loadings, we have the ways to improve quality and consistency in the practice of real estate valuation inspection in their descending order as follows

- Implement Quality Control Measures
- Regular Training and Professional Development
- Enhance Field Data Collection Methods
- Stay Updated on Market Trends and Legal Requirements
- Ethical Standards and Accountability
- Develop and Adhere to Standardized Guidelines
- Establish Clear Communication Protocols
- Leverage Technology

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- Foster Collaboration among Valuers
- Client Feedback and Improvement

Objective Three: To identify areas of improvement for enhancements in valuation inspection of all types of real estate properties.

From the cutoff point, any issue whose mean response is 3.0 is regarded as agree while those with mean responses less than 3.0 are regarded as disagree.

Areas of improvement for enhancements in valuation inspection of all types of real estate properties

S/N	Item	1	2	3	4	5	Mean	Remark
1	Data Collection and Analysis	23	14	29	87	107	3.93	Agree
2	Accuracy and Consistency in Reporting	14	14	32	79	121	4.07	Agree
3	Training and Knowledge Enhancement	13	14	33	77	123	4.09	Agree
4	Use of Technology	14	24	37	74	111	3.94	Agree
5	Quality Control and Peer Review	5	28	41	125	61	3.80	Agree
6	Market Knowledge and Research	18	9	42	84	107	3.97	Agree
7	Client Interaction and Communication	14	18	42	101	85	3.87	Agree
8	Regulatory Compliance and Ethical Standards	5	18	43	102	92	3.99	Agree
9	Environmental and Sustainability Considerations		23	55	100	82	3.93	Agr

DISCUSSION OF RESULTS

From the investigation analyzed above, data gathered through surveys revealed that 92.7% of respondents' firms use standardized templates for inspection, indicating a significant adoption rate while indicating that firms also produce an in-house template according to the NIESV and IVSC guidelines. However, to improve quality and consistency, respondents emphasized the need for enhanced quality control measures, professional training, better field data collection methods, and the adoption of technological tools through adoption of regulatory policies to enforce compliance to the standard. Areas for improvement in valuation inspection practices include data accuracy, environmental considerations, market knowledge, and client communication.

The study's hypothesis tested whether improvements in valuation practices are dependent on the use of standardized templates. The hypothesis test confirmed that improvement in the quality and consistency of real estate inspections relies on the use of standardized valuation inspection templates (SVIT), which is to say, that credibility of and legal qualification of an opinion of value is dependent on the quality of inspection conducted and the analysis thereafter.

SUMMARY OF FINDINGS

Availability of Standardized Inspection Template

The research revealed that many professional real estate firms, especially those with ties to regulatory bodies or international standards, have adopted standardized inspection templates to streamline the valuation process. The International Valuation Standards (IVS) and guidelines from professional bodies such as the Royal Institution of Chartered Surveyors (RICS), Nigerian institution of estate surveyors and valuers (NIESV) have made it easier for firms to develop or adapt standardized templates based on these frameworks. These templates are often designed to meet international best practices, including accuracy in data collection, reporting, and compliance with legal and ethical standards.

Despite widespread adoption in larger firms, smaller firms and independent valuers in developing markets may not have easy access to standardized templates. Many rely on outdated methods or create ad-hoc templates tailored to specific properties or clients, leading to variability in the quality of inspections and valuations. The available templates are the following categories;

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Industry-Specific Templates: In certain industries, such as banking or insurance, standardized templates are more widely available because of the industry's reliance on precise and comparable data. For example, banks require standardized valuation reports to determine mortgage approvals, while insurance companies rely on consistent templates to assess risks and replacement costs.

Government and Institutional Standards: In some countries, government agencies involved in property taxation or public land valuation may provide standardized templates for official use. These templates ensure uniformity in the valuation of public properties, reducing disputes over property taxes or compensation in cases of eminent domain.

Digital Availability: With advancements in technology, standardized templates are increasingly available in digital formats. Many firms now use cloud-based software or PropTech tools to automate parts of the valuation process, ensuring that every property inspection follows the same structure. These digital templates often come pre-configured with fields for key data points, making them more accessible and easier to use across different devices.

Adoption of Standard Valuation Inspection Template

The study also revealed that In Nigeria, the adoption of Standard Valuation Inspection Templates (SVIT) is an emerging focus within the real estate industry. Standardizing the valuation process has become increasingly important due to the growing complexity of the property market, the need for improved professionalism, and the demand for higher transparency and consistency in property valuations. However, while some progress has been made, challenges remain in fully integrating standardized templates into everyday practice among estate surveyors and valuers in the country.

Improving Accuracy and Reliability: In Nigeria, the real estate market is growing rapidly, but inconsistent valuation practices have led to variability in property assessments. The adoption of standardized templates can help reduce discrepancies between valuation reports by ensuring that all properties are inspected and assessed according to the same criteria.

Transparency and Professionalism: Standardized templates can enhance transparency in the Nigerian real estate market by ensuring that all stakeholders, property owners, buyers, investors, and regulatory bodies understand how valuations are conducted. This transparency builds trust in the valuation process, reducing the risk of disputes or fraudulent practices because of the following;

- Adoption of SVITs aligns Nigerian valuers with global best practices, improving the overall credibility of the profession. As Nigeria becomes more integrated into the global economy, it is crucial for its real estate professionals to meet international standards.
- As regulatory frameworks evolve in Nigeria, it will become increasingly important for valuers to adhere to compliance requirements. Standardized templates ensure that all necessary legal, environmental, and financial factors are considered during property inspections, making it easier for valuers to comply with evolving regulations.
- Adoption of SVITs minimizes the risk of non-compliance with laws or guidelines issued by the government or professional bodies like NIESV. This is particularly important as the government tightens regulations around land use, taxation, and real estate transactions.
- Technology-enabled SVITs can streamline the inspection process, reduce human error, and enable faster report generation, allowing Nigerian valuers to handle more assignments with greater precision and reduced timeframes.

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