Auctioneers and Valuers Association of Australia

Professional Standard 8

Artificial Intelligence In The Preparation Of Valuation Reports

Version 0.1 – March 2026 (Draft)

Auctioneers & Valuers Association of Australia
Reference: 4.27.2

Introduction

The Auctioneers and Valuers Association of Australia (AVAA) is committed to strengthening professionalism, integrity, and public confidence across the auction and valuation sectors. This *AVAA Professional Standard* forms part of a broader framework designed to support consistent practice, ethical conduct, and accountability across the diverse services provided by members.

Professional standards play an important role in defining expectations for those who hold themselves out as skilled practitioners. They establish clear principles for conduct, competence, and responsibility, helping practitioners, clients, and regulators understand the level of professionalism that should reasonably be expected in the marketplace.

> The increasing availability of artificial intelligence technologies is transforming how valuers collect data, analyse markets, and prepare valuation reports. These tools offer opportunities to improve efficiency and insight; however, they must be used carefully to ensure that valuation conclusions remain credible, transparent, and professionally accountable.
>
> This Professional Standard establishes principles for the responsible use of artificial intelligence in valuation reporting. It recognises that artificial intelligence may support research, analytics, and report preparation, but professional judgement, verification of outputs, and responsibility for conclusions must remain with the valuer.

This standard has been developed through consultation with practitioners and informed by regulatory frameworks, industry experience, and evolving client and government expectations. It is intended to provide practical guidance while reinforcing the importance of transparency, diligence, and professional judgement in everyday practice.

Those holding CAAu and CVAu credentials apply this *AVAA Professional Standard* to demonstrate a commitment to continuous improvement and professional accountability. In doing so, they contribute to a stronger and trusted sector where auctioneers and valuers are recognised not only for their expertise but also for the integrity and reliability of their work.

Troy R Williams FAIM MAICD
AVAA Chief Executive

March 2026

Title —

AVAA Professional Standard 8 - AI In The Preparation Of Valuation Reports

Purpose —

The purpose of this Professional Standard is to establish principles governing the responsible use of generative artificial intelligence (AI) and related analytical technologies in the preparation of valuation reports.

This Standard promotes transparency, professional accountability, and the proper exercise of valuation judgement when AI technologies are used to assist with data collection, analytics, modelling, or report preparation in professional valuation practice.

Scope —

This Standard sets out requirements relating to the use of generative AI and AI-enabled analytical tools in valuation engagements, including the collection and processing of data, analytical modelling, preparation of valuation reports, disclosure of AI use, verification of AI-generated outputs, and protection of confidential information.

Application —

This Professional Standard applies to all individuals who hold the CVAu professional credential and AVAA Corporate Members that provide valuations.

Standard —

1. Principle of Professional Responsibility

1.1 The valuer remains fully responsible for the content, analysis, conclusions, and opinions contained within a valuation report.

1.2 The use of artificial intelligence must not replace or substitute the professional judgement, expertise, or analytical reasoning of the valuer.

1.3 All conclusions expressed in a valuation report must be derived from the valuer's independent professional assessment of the available evidence.

2. Use of Artificial Intelligence in Data Collection

2.1 Artificial intelligence technologies may be used to assist with the collection, aggregation, and organisation of information relevant to a valuation assignment.

2.2 Artificial intelligence tools may be used to assist with the identification or analysis of:

a. publicly available market information.
b. transaction data and comparable sales.
c. online listings and market databases.
d. images or unstructured information.
e. historical pricing and market trends.

2.3 Where artificial intelligence is used for data sourcing or collection, the valuer must ensure that the underlying data is credible, relevant, and appropriate for the valuation engagement.

3. Use of Artificial Intelligence in Data Analytics and Modelling

3.1 Artificial intelligence technologies may be used to support analytical processes including:

a. statistical analysis.
b. market trend analysis.
c. predictive modelling.
d. automated valuation models.
e. scenario modelling and sensitivity analysis.

3.2 Where artificial intelligence-based analytical tools or models are used, the valuer must:

a. understand the methodology applied by the model.
b. assess the suitability of the inputs used.
c. critically review and interpret the outputs produced.

3.3 Outputs generated through artificial intelligence-based models must not be relied upon without independent professional assessment and verification by the valuer.

4. Use of Artificial Intelligence in Report Preparation

4.1 Artificial intelligence tools may be used to assist with the preparation or drafting of valuation reports.

4.2 Artificial intelligence must not be used in a manner that produces unsupported, generic, or misleading statements within a valuation report.

4.3 The valuer must review, verify, and approve all report content prior to issuing a valuation report.

5. Verification and Accuracy

5.1 Any information, analysis, or narrative generated by AI must be carefully reviewed and verified by the valuer prior to inclusion in a valuation report.

5.2 The valuer must ensure that all AI-generated content is accurate, relevant, and consistent with the evidence relied upon in the valuation.

6.3 The valuer must exercise professional scepticism when reviewing AI outputs and must correct or remove any content that is inaccurate, generic, or unsupported.

6. Disclosure of Artificial Intelligence Use

6.1 Where artificial intelligence has materially assisted in the preparation of a valuation report, the valuer should disclose the use of artificial intelligence within the report.

6.2 For the purposes of this Standard, artificial intelligence is considered to have "**materially assisted**" where it contributes to the creation, analysis, interpretation, or drafting of substantive content within the valuation engagement, including:

a. data collection or market research.
b. analytical modelling or statistical analysis.

c. interpretation of market data.
d. preparation or drafting of valuation report sections.
e. generation of valuation commentary or conclusions.

6.3 Artificial intelligence use is generally considered incidental where it performs routine productivity or editorial functions that do not contribute to valuation analysis or conclusions, including:

a. spelling or grammar correction.
b. formatting or layout assistance.
c. document summarisation for internal reference.
d. transcription or note-taking.

6.4 Incidental uses of artificial intelligence that do not influence the valuation analysis, reasoning, or conclusions do not ordinarily require disclosure under this Standard.

6.5 Where there is uncertainty as to whether artificial intelligence use is material, valuers should adopt a transparent approach and disclose the use of artificial intelligence.

7. Verification and Professional Oversight

7.1 Any information, analysis, or narrative generated by artificial intelligence must be reviewed and verified by the valuer prior to inclusion in a valuation report.

7.2 The valuer must ensure that:

a. data relied upon is accurate and relevant.
b. analytical outputs are reasonable and supportable.
c. conclusions remain supported by appropriate evidence.

7.3 The valuer must exercise appropriate professional judgement and scepticism when reviewing outputs generated by artificial intelligence and must not rely on such outputs without independent evaluation and verification.

7.4 Artificial intelligence may assist the valuation process; however, responsibility for the accuracy, integrity, and reliability of the valuation analysis and conclusions remains with the valuer.

8. Confidentiality and Data Security

8.1 Valuers must ensure that confidential client information is not disclosed to artificial intelligence systems without appropriate safeguards.

8.2 Where web-based or externally hosted artificial intelligence platforms are used, valuers must recognise that such platforms may not provide secure or confidential environments for the submission of information.

8.3 Valuers must not provide commercially sensitive, confidential, or client-identifiable information to publicly accessible artificial intelligence systems where the security, storage, or subsequent use of that information cannot be assured.

8.4 Information entered into publicly accessible artificial intelligence systems may be stored, processed, reused, or accessed by the platform provider or third parties, and the confidentiality of such information may therefore be compromised.

8.5 Valuers must take reasonable steps to ensure that prompts, data, or documents submitted to artificial intelligence systems do not contain confidential client information, commercially sensitive data, or material that could compromise the interests of a client.

8.6 Where artificial intelligence systems are used in professional practice, valuers must prefer secure enterprise or organisational systems that provide contractual confidentiality protections, data governance controls, and restrictions on the storage, reuse, or disclosure of submitted information.

9. Record Keeping

9.1 Where artificial intelligence is used in a valuation engagement, valuers should maintain records describing the nature and extent of that use.

9.2 Records may include:

a. the artificial intelligence system used.
b. the purpose of its use.
c. the nature of the analysis performed.
d. steps taken to verify the outputs.

10. Prohibited Uses

10.1 Artificial intelligence must not be used to produce valuation conclusions without independent professional analysis by the valuer.

10.2 Artificial intelligence must not be used in a manner that misrepresents the role of the valuer or suggests that a valuation conclusion was produced solely by automated systems.

Status & Review —

AVAA Board Approval: Not Approve (Draft)
Periodic Review Due: 5 Years after approval

75th Anniversary
1952 - 2027

The **Auctioneers and Valuers Association of Australia (AVAA)** is the leading national body representing professional auctioneers and valuers across a diverse range of specialties, including fine art, antiques, collectables, goods, vehicles, plant, and equipment.

Our Vision

As the peak body for auctioneers and valuers in Australia, AVAA upholds the highest professional and ethical standards through education, advocacy, and leadership.

Our Mission

To support and represent Australia's auctioneers and valuers through rigorous standards, ethical leadership, quality education, and credible advocacy, ensuring trust, professionalism, and future-readiness in a changing world.

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