



EDBS/C/40/2020
13th April 2020

All Banks
All Financing Companies
All Ancillary Service Providers
Manama
Kingdom of Bahrain

Dear Sir,

Webinar on Principles and Practices of Real Estate Valuation in the Financial Services Sector

CBB would like to inform you that the Real Estate Regulatory Authority (RERA) has in cooperation with the Royal Institute of Chartered Surveyors (RICS) organised a series of courses for the employees of financial institutions whose responsibilities include real estate related transactions and employees who are involved in the review of valuation reports issued by real estate valuers. This is to ensure that the valuation of real estate assets of financial institutions is conducted accurately and in accordance with the Bahrain Valuation Standards (BVS) which are based on the International Valuation Standards (IVS).

In this respect, the first course in the series on the topic of "Principles and Practices of Real Estate Valuation in the Financial Services Sector" will be held in association with the Bahrain Institute of Banking and Finance (BIBF) in English language, through a webinar on 21st of April 2020, from 9:00 AM until 4:00 PM (see course details attached).

CBB urges all licensees to nominate their employees to participate in the above webinar. Details of the nominees should be sent to BIBF at realestate@bibf.com. BIBF shall then provide registered participants with further details on the webinar.

For more information on real estate valuers' licenses and the BVS, please visit the real estate valuers' page on RERA's website at www.rera.gov.bh.



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Central Bank of Bahrain

For any enquires on the above, please contact Mr. Abdulla Al Kooheji – Director of Policies and Strategic Planning Department at RERA, at Tel No. 17566750 or email: aalkooheji@rera.gov.bh.

Yours sincerely,

Khalid Hamad Al-Hamad



Course for Bankers / Financial Institutions

Course plan, divided into 4 modules

Module 1 - Introduction to RERA's newly introduced Bahrain Valuation Standard (BVS) and process

- Motivation for the new standard and process
- The main components of the standard and where to find it online
- The focus on ethics and professional standards
- The qualification process for valuers

Module 2 - Introduction to the 7-tier Valuation Framework

- Types of amounts (value, price, cost & worth)
- Types of properties
- Purposes of valuation
- Premises of Value
- Basis of Value
- The 3 Valuation Approaches
- The 5 Valuation methods

Module 3 - Residential and Commercial valuation 5 methods of valuation

- Introducing Method 1: Comparative method (Theory and examples)
- Introducing Method 2: Investment method (Theory and examples)
- Touching upon the advanced Methods 3, 4 and 5: Residual, DRC, Profits (Only the main idea)

Module 4 - Best practices for procuring Registered Valuers services

- How to select the appropriate valuer
- What to expect in a compliant report?
- Best practices in reviewing valuation reports