



**BROKER PRICE OPINION**  
**Standards & Guidelines**

**Standards**

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**Version 3.1**  
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**BSB – BPO Standards Board**





# Standards

## Standards and Guidelines:

- Ø *BPOSG* is a compilation of Standards and Guidelines for the BPO industry. To clearly delineate between Standards and Guidelines, *BPOSG* is divided into two documents. Standards are contained in this document and Guidelines are contained in a separate document.
- Ø Standards are absolute and must be adhered to without exception.
- Ø Guidelines are best practices and must not be confused with Standards. Guidelines are best practices and/or procedures that are widely accepted, yet allow for flexibility in application. The Guidelines contained in *BPOSG* allow for flexibility and exceptions to the Guidelines are entirely acceptable. Commentary is recommended for any situation that falls outside the Guidelines set forth within *BPOSG*.
- Ø **BPO Customer specifications overrides the Guidelines set forth in *BPOSG*.** Any instance where a BPO customer's specifications conflict with the Guidelines of *BPOSG*, the customer's specifications must be observed and adhered to. To achieve maximum communication efficiency, in the absence of customer specifications, the Guidelines of *BPOSG* is assumed.
- Ø *BPOSG* is derived and maintained by the BSB - BPO Standards Board. The BSB is comprised of a diverse group of BPO subject matter experts representing various levels of the BPO industry supply chain. The BSB is facilitated by the National Association of BPO Professionals - NABPOP. The BSB derives, reviews, updates, and maintains BPO standards that are generally accepted throughout the BPO industry.
- Ø Comments and suggestions for *BPOSG* can be sent to the BPO Standards Board – BSB at [BSB@NABPOP.com](mailto:BSB@NABPOP.com)
- Ø For brevity, the term broker can refer to a licensed real estate broker or a licensed real estate sales agent.

Standards are a must do. Guidelines are a should do.

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## **Standards:**

### **1) Limitation**

- a) A BPO must not be completed if there is not enough data and/or comparables to arrive at a price opinion.

### **2) Ethics and Conduct**

- a) Broker must personally visit the site, conduct the inspection, and take the photos for field assignments and personally collect the comparables. Broker must not allow others to access materials such as passwords.
- b) Broker must remain objective and maintain a fiduciary responsibility to the organization that ordered the BPO and/or the end customer of the BPO.
- c) Broker must not discuss the BPO report or analysis subject matter (price or observations) with anyone besides the client and/or the identified user of the report. Broker must not discuss the BPO report with the homeowner and/or tenant of the subject property.
- d) Broker has no ownership interest, financial involvement, and/or anticipated interest in the subject property outside their customary professional fee (e.g. commission). Broker is not an advocate of the subject property. Broker must fully disclose and receive further instructions, in order to proceed, prior to accepting a BPO assignment or upon becoming aware of the following situations:
  - i) Broker is the listing/seller's broker for the subject property.
  - ii) Broker is a buyer or potential buyer's broker for the subject property.
  - iii) Broker has completed a BPO assignment on the same subject property within one month.
  - iv) Broker has completed, within a month, or is currently working on a BPO on the same subject property for another organization (other than the requesting organization).
- e) Broker must perform duties in professional, ethical, and competent manner.

f) Broker must adhere to all provisions of:

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, which prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability).

### 3) Competency

- a) Broker warrants that they are competent to complete the assignment.
- b) Broker warrants that they are geographically competent and will not accept assignments that are beyond their normal service area.
- c) Broker warrants that they have access to MLS coverage for the subject market area where MLS access is available.

### 4) Applicability

- a) Cite the sources of property data for both subject and comparables. Use verifiable sources whenever possible and cite identification numbers e.g. MLS#, tax#, APN, Doc# etc... if applicable.
- b) Comparables used should reflect the prevailing forces that are driving the same market that the subject is located in.
- c) If a distressed price evaluation is specifically requested for the subject, distressed comps should be used when available, rather than arm's length transactions, to price the subject.
- d) All comparable sales dates are as of Date of Contract - not close of escrow. Market Condition adjustments are made as of the Date of Contract.
- e) Proper grammar must be employed. Do not enter comments in all CAPS or all lower case. Spell check BPO verbiage.
- f) Any situation that falls outside the Guidelines set forth in BPOSG requires a comment.

## 5) Photo Requirements and Recommendations

- Ø For purposes of Standards and Guidelines, a distinction is needed between the photos taken while at the property and photos that are submitted with the BPO. *BPOSG Standards* establish the photos that must be taken while at the property. It is better to take an abundance of photos, even if customer specifications do not call for the photos that are detailed in the Standards, rather than returning to the property at a later date. All photos taken serve as a record of the property even if not submitted with the BPO report (see also *BPOSG Standards – Records*). *BPOSG Guidelines* establish photos that are recommended to be submitted. Although the Guidelines are most commonly accepted practices, photo requirements vary from customer to customer. Customer specifications override the Photo Guidelines set forth in BPOSG.
- Ø Due to the similarity in detailing photos to be taken and photos that should be submitted, Photo Standards and Guidelines are combined in the *Photo Requirements and Recommendations* section in order to give an adjacent comparison rather than referring back and forth between Standards and Guidelines. Note: *BPOSG Standards - Photo Requirements and Recommendations* section is identical to this section.

### a) Exterior Photos

#### i. Front View:

**Standard** – Take at least one front view of the property. Take as many photos as needed to represent the property properly.

**Guideline** – Submit one photo. Take the photo at a 45 degree angle (as opposed to straight ahead) and attempt to capture one of the corners of the house.

(Customer specifications override the Guidelines set forth in *BPOSG*)

#### ii. Street View/Street Scene:

**Standard** – Take at least one street view/street scene. Take as many photos as needed to represent the composition of the neighborhood. If the neighborhood looks the same in all directions, one photo will suffice.

**Guideline** – Submit one photo.

(Customer specifications override the Guidelines set forth in *BPOSG*)

**iii. Street Sign:**

**Standard** – Take a close up of the street sign of the subject. Ensure the name of the street is readable in the photo.

**Guideline** - Submit street sign photo **only** if requested.  
(Customer specifications override the Guidelines set forth in *BPOSG*)

**iv. Address Verification:**

**Standard** – Take one address verification (a close up photo of the address - if available)

1. on the house, or
2. on the mailbox, or
3. on the sidewalk

**Guideline** – Submit one photo based on the above standard.  
(Customer specifications override the Guidelines set forth in *BPOSG*)

**b) Interior Photos (interior inspections only):**

**Standard** - Take photos of ALL rooms. If the angle is difficult to capture or portray the room, take multiple photos of a room. The floor and at least two walls must be visible.

**Guideline** – Submit photos of the main rooms:

- Kitchen
- Living room
- Main Bathroom
- Master bedroom
- One other bedroom if applicable

(Customer specifications override the Guidelines set forth in *BPOSG*)

**c) Exterior, Interior, and/or surrounding neighborhood:**

**Standard** - Take photos of the following:

- Anything that will influence the price of the property
- Non-conforming features
- Upgrades
- Damage/Deferred maintenance
- Renovations/Construction

**Guideline** – Submit photo(s) based on the above standard.

(Customer specifications override the Guidelines set forth in *BPOSG*)

**d) All photos:**

- Before leaving the property ensure the photos are clear and usable.
- All photos must be labeled.

**e) Exceptions:**

- i. People and/or pets/animals should not be in any photos.
- ii. Avoid photos that may indicate race, creed, religion, or national origin.

## 6) Records

- a) Retain BPO records for a minimum of 1 year. Records can be a print out, digital, or a combination of both. Retain a minimum of:
  - i) MLS# of each comparable (the MLS print out is recommended but not necessary).
  - ii) Any document used to establish characteristics of the subject e.g. tax record.
  - iii) All photos of the subject property taken during the inspection.

Ø Although not required, recommend retaining the above records for 5 years or refer to state law for statute of limitations, whichever is greater.

## 7) Disclaimer

A disclaimer must appear either preprinted on the BPO form or in commentary form. If a disclaimer is not preprinted on the BPO form or it is not clear that a web based BPO form includes a disclaimer, provide the following statement in the comments:

“Notwithstanding any preprinted language to the contrary, this is not an appraisal of the market value of the property. If an appraisal is desired, the services of a licensed or certified appraiser must be obtained.”