

# Requirements for International Standards in Valuation & Surveying

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# Glossary of Terms for International Valuation Standards

The eighth edition of the International Valuation Standards comprise:

- Introduction
- Concepts Fundamental to Generally Accepted Valuation Principles
- Code of Conduct
- Property Types
- International Valuation Standards of which there are three
- International Valuation Applications of which there are three
- Guidance Notes, of which there are fifteen
- Three International Financial Reporting Standards and twelve International Accounting Standards
- Three International Public Sector Accounting Standards

# 298 Definitions

Adjusted Book Value	Asset	Calibration
Administrative (Compliance) Review	Asset-Based Approach	Capitalisation
Ad Valorem Property Taxation	Assumptions	Capitalisation Factor
Agricultural Activity	Auction Price	Capitalisation Rate (All Risks Yield)
All Risks Yield (ARY)	Average Competent Management	Capital Structure
Appraiser	Basis of Value	Carrying Amount
Annuity	Biological Asset	Cash Generating Assets
Arm's Length Transaction	Book Value	Cash Flow
Assessed, Rateable, or Taxable Value	Business Entity	Cash Generating Unit
	Business Valuations	Certification of Value
	Business Valuer	

# 298 Definitions

Collectibles	Contract Rent or Passing Rent	Cultural Property
Comparable Data	Contractor's Method	Current Assets
Comparable Sales Method (Market or Direct Market Comparison Method)	Control	Dairy Farms
Compliance Review	Control Premium	Damages
Compliance Statement	Cost	Debenture
Component Value	Cost Approach	Deed Restrictions and Restrictive Covenants
Compulsory Acquisition/Purchase	Cost Approach for Valuing Fine Art	Depreciable Amount
Condemnation	Cost Model	Depreciated Replacement Cost
Conservation Assets	Crop(ping) Farms	Depreciation
	Cultural Heritage	Desk Review

# 298 Definitions

Develop	Elements of Comparison	Fair Value Model
Discount for Lack of Control	Equipment	Feasibility Study in the Extractive Industries
Discount Rate	Equitable or Equity Interest	Fee Simple (Estate)
Discounted Cash Flow (DCF) Analysis	Exploration Property or Area	Field Review
Dividends Method	External Obsolescence	Finance Lease
Easement	External Valuer	Financial Asset
Economic Life	Extractive Industries	Financial Instrument
Economic Obsolescence	Fair Value	Financial Interests
Economic Rent	Fair Value Less Costs to Sell	Financial Liability
		Financial Modelling

# 298 Definitions

Financial Statements

Fixed or Long-Term  
Assets

Fixtures and Fittings

Forced Sale

Forestry/ Timberland

Fractional Interests

Freehold

Freehold Interest

Freehold subject to  
Lease Interest(s)

Functional  
Obsolescence

Furniture, Fixtures  
and Equipment  
(FF&E)

GAVP

Going Concern

Goods and Chattels  
Personal

Goodwill

Government  
Business Enterprise  
(GBE)

Ground Lease

Hammer Price

Hazardous Substance

Headlease or Master  
Lease

Headlease-hold Interest  
or Sandwich Lessor  
Interest

Heritage Asset

Highest and Best Use

Historic (Historical) Cost  
Convention (Accounting)

# 298 Definitions

Historic House Owner  
Associations

Historic Property

Holding Company or  
Investment Business

Impairment

Impairment Loss

Improvements

Income Capitalisation  
Approach

Income Multiplier or  
Years' Purchase

Independent Valuer

Infrastructure Assets

Intangible Assets

Intangible Property

Integrated Unit

Internal Rate of  
Return (IRR)

Internal Valuer

Intrinsic Value

Invested Capital

Invested Cash Flow

Investment Analysis

Investment Asset

Investment Method

Investment Property

Investment Value or  
Worth

Irrigated Land

Joint Venture

Land

Lease

Lease Interest

Leased Fee Estate

Leasehold Estate

# 298 Definitions

Leasehold Improve-  
ments or Tenant's  
Improvements

Leasehold Interest

Legal Estates

Legal Life

Lessee

Lessee Interest

Lessor

Lessor Interest

Limiting Conditions

Liquidation Value

Listing of (Heritage)  
Buildings or Historic  
Properties Register

Livestock Ranches/  
Stations

Loan Security

Machinery

Majority Interest

Market Rent

Market Value

Marketability Discount

Marriage Value

Mass Appraisal

Master Lease

Mineral

Mineral Reserve

Mineral Resource

Minerals Industry

Minority Discount

Minority Interest

Modern Equivalent  
Asset (MEA)

Mortgage



# 298 Definitions

Mortgage Lending Value (MLV)

Net Present Value (NPV)

Net Realisable Value

Non-Cash Generating Assets

Non-Current Assets

Obsolescence

Operating Company

Operating Lease

Operational Asset

Optimisation

Option

Oral Report

Owner-Occupied Property

Partial or Fractional Interest

Participation Rent

Partnership

Passing Rent

Percentage Rent

Perennial Plantings

Personal Goodwill

Personal Property

Personality

Petroleum

Petroleum Industry

Petroleum Reserves

Petroleum Resources

Plant

Plant and Equipment

Plant and Machinery

Portfolio

# 298 Definitions

Prefeasibility Study in  
the Extractive Industries

Present Value

Preservation Incentives  
Price

Principle of Substitution

Private Treaty Sale

Professional Property  
Valuer

Property

Property Company

Property Plant and  
Equipment (PP&E)

Property Rights

Property with Trading  
Potential

Public Building

Public Sector Asset

Public Utility

Publicity Designated  
Historic Properties

Rate of Return

Real Estate

Real Property

Realty

Reasonably Efficient  
Operator or Average  
Competent Management

Recognition

Recoverable Amount

Recoverable Costs

Recoverable Service  
Amount

Recreation of Assets

Rent(al)

# 298 Definitions

Rent Escalations or Stepped Rents	Royalty or “Royalty Interest” in the Extractive Industries	Special, Unusual or Extraordinary Assumptions
Replacement Cost (New)	Sale and Leaseback	Specialised Livestock Facilities
Report Date	Sales Comparison Approach	Specialised or Special Purpose, Agricultural Properties
Reproduction Cost (New)	Salvage Value	Specialised Property
Residual Value	Sandwich Lessor Interest	Specialised Trading Property (STP)
Revaluation Model	Securitised Investment Instruments	Special Value
Revalued Amount	Service Potential	Specifications for the Valuation Assignment
Reversion Yield	Special Purchaser	
Rights of Way		

# 298 Definitions

Stepped Rents

Sub-leasehold

Subsequent Costs

Substitution

Summation Approach

Syndication

Synergistic Value

Tangible Assets

Technical Assessment in  
the Extractive Industries

Technical Expert in the  
Extractive Industries

Technical

Obsolescence

Technical Review

Tenant's Interest

Terminal Capitalisation  
Rate or Reversion

Yield

Timberland

Toxic

Trade Fixtures or  
Tenant's Fixtures

Trade Related Property

Trading Potential

Transferable Goodwill

Turnover Rent or  
Participation Rent

Unit(s) of Comparison

Useful Life (of Property  
Plant and Equipment)

Utility

Vacant Possession

Valuation

Valuation Approach

Valuation Assignment

Valuation Brief

# 298 Definitions

Valuation Date	Valuation Standards	Value of Improvements
Valuation Method	Value	Valuer
Valuation Procedure	Value in Exchange	Wasting Asset
Valuation Ratio	Value in Use	Working Capital
Valuation Report	Value in Use of a Non Cash Generating Asset	Worth
Valuation Review		Written Report