

# 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	Functional Obsolescence	Ground Lease
Fixed or Long-Term Assets	Furniture, Fixtures and Equipment (FF&E)	Hammer Price
Fixtures and Fittings	GAVP	Hazardous Substance
Forced Sale	Going Concern	Headlease or Master Lease
Forestry/ Timberland	Goods and Chattels	Headlease-hold Interest or Sandwich Lessor Interest
Fractional Interests	Personal	Heritage Asset
Freehold	Goodwill	Highest and Best Use
Freehold Interest	Government Business Enterprise (GBE)	Historic (Historical) Cost Convention (Accounting)
Freehold subject to Lease Interest(s)		

# 298 Definitions

Historic House Owner Associations	Infrastructure Assets	Investment Method
Historic Property	Intangible Assets	Investment Property
Holding Company or Investment Business	Intangible Property	Investment Value or Worth
Impairment	Integrated Unit	Irrigated Land
Impairment Loss	Internal Rate of Return (IRR)	Joint Venture
Improvements	Internal Valuer	Land
Income Capitalisation Approach	Intrinsic Value	Lease
Income Multiplier or Years' Purchase	Invested Capital	Lease Interest
Independent Valuer	Invested Cash Flow	Leased Fee Estate
	Investment Analysis	Leasehold Estate
	Investment Asset	

# 298 Definitions

Leasehold Improvements or Tenant's Improvements	Listing of (Heritage) Buildings or Historic Properties Register	Mass Appraisal
Leasehold Interest	Livestock Ranches/ Stations	Master Lease
Legal Estates	Loan Security	Mineral
Legal Life	Machinery	Mineral Reserve
Lessee	Majority Interest	Mineral Resource
Lessee Interest	Market Rent	Minerals Industry
Lessor	Market Value	Minority Discount
Lessor Interest	Marketability Discount	Minority Interest
Limiting Conditions	Marriage Value	Modern Equivalent Asset (MEA)
Liquidation Value		Mortgage

# 298 Definitions

Mortgage Lending Value (MLV)	Optimisation	Personal Goodwill
Net Present Value (NPV)	Option	Personal Property
Net Realisable Value	Oral Report	Personality
Non-Cash Generating Assets	Owner-Occupied Property	Petroleum
Non-Current Assets	Partial or Fractional Interest	Petroleum Industry
Obsolescence	Participation Rent	Petroleum Reserves
Operating Company	Partnership	Petroleum Resources
Operating Lease	Passing Rent	Plant
Operational Asset	Percentage Rent	Plant and Equipment
	Perennial Plantings	Plant and Machinery
		Portfolio

# 298 Definitions

Prefeasibility Study in the Extractive Industries	Property Plant and Equipment (PP&E)	Real Property Realty
Present Value	Property Rights	Reasonably Efficient Operator or Average Competent Management
Preservation Incentives	Property with Trading Potential	
Price	Public Building	Recognition
Principle of Substitution	Public Sector Asset	Recoverable Amount
Private Treaty Sale	Public Utility	Recoverable Costs
Professional Property Valuer	Publicity Designated Historic Properties	Recoverable Service Amount
Property	Rate of Return	Recreation of Assets
Property Company	Real Estate	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	Technical Obsolescence	Transferable Goodwill
Sub-leasehold	Technical Review	Turnover Rent or Participation Rent
Subsequent Costs	Tenant's Interest	Unit(s) of Comparison
Substitution	Terminal Capitalisation Rate or Reversion Yield	Useful Life (of Property Plant and Equipment)
Summation Approach	Timberland	Utility
Syndication	Toxic	Vacant Possession
Synergistic Value	Trade Fixtures or Tenant's Fixtures	Valuation
Tangible Assets	Trade Related Property	Valuation Approach
Technical Assessment in the Extractive Industries	Trading Potential	Valuation Assignment Valuation Brief
Technical Expert in the Extractive Industries		

# 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