

IVSC TAB Meeting Update July 2025

Items shown in bold italics should include links to the relevant documents

This IVSC Update highlights preliminary decisions of the IVSC Standards Review Board (Board). Projects affected by these decisions can be found on the ***IVSC Publication Schedule***. The Board's final decisions on IVS® Standards and Amendments are formally balloted as set out in the ***IVSC Standards Review Board Due Process and Working Procedures***.

The Board met remotely on 9 July 2025. The topics in order of discussion were:

Administration

- Administration. Welcome and Attendance
(2025.06.09. IVSC TAB Conference Call Agenda PDF to follow)
- IVSC TAB Prague Meeting Update June 2025
(IVSC TAB Prague Meeting Update June 2025 Final)

Global Insights & Markets Update

Around the World – Markets Update

- Africa – Molefi Kubuzie
- North America –Brendan Gallagher, Kyle TenHuisen
- South America – Eduardo Rottman
- Asia/Oceania –Sandip Kumar Deb, Kim Hildebrandt, Leo Lo
- Europe – Ayda Chamcham, Becky Gaughan, Charles Golding, Ludmila Simonova, Massimo Gozzo, Paakow Winful, Paloma Arnaiz
- Middle East – Ron Cohen-Seban

IVS SRB Perspectives Paper Update

- Private vs Public Markets
(2025.06.23. Final Perspectives Paper - Mind the Gap - Exploring the divergence in public and private real estate markets .docx)
- Use of Technology in Valuation
(2025.06.03. Draft Use of Technology in Valuation Perspectives Paper clean)

IVS Exposure Draft Update

- Update re Prague SRB meeting
- IVS 300
(2025.07.02. IVS 300)
- IVS 400
(2025.06.25. IVS 400 and IVS 410 with track changes)

IVSC SRB Working Group

- IVSC SRB Working Groups
(2025.07.01. IVSC SRB Working Groups List)
 - IVSC SRB ESG Working Group (Also ISSB)
 - IVSC SRB Valuation Risk Working Group
 - IVSC SRB Listed vs Unlisted Working Group
 - IVSC SRB Technology and Valuation Working Group
 - IVSC SRB Glossary Working Group
 - IVSC SRB Quality Control Working Group - news working group
 - IVSC SRB Financial Reporting Project Group - still in discussion. Not yet activated.

IVSC TAB Working Groups

- IVSC TAB Working Groups
(2025.05.09. IVSC TAB Working Groups)
 - IVSC TAB IVS 400 and IVS 410 Working Group - ongoing
 - IVSC TAB AI working Group - to be reactivated
 - IVSC TAB Inspection Working Group - on sabbatical
 - IVSC TAB Valuation Review Working Group - on sabbatical
 - IVSC TAB Trade Related Property Working Group - new

IVSC TAB Future Meetings

- IVSC TAB Future Meetings
 - November 2025 AGM - New Delhi (27th October 2025 - 29th October 2025)
 - June 2026 - Lisbon (15th June 2026 – 17th June 2026)

Administration

- Stakeholder Engagement/Outreach
(2025.04.30. IVS Presentation List 2025)
 - EMF
 - IASB
 - Czech Valuation Forum
 - Czech Banking Authority
 - TAB Public Meeting
 - Czech National Bank
 - Czech Ministry of Finance
 - Update to North America VPO leaders
- AOB

The Board was asked if there were any conflicts of interest in relation to the proposed topics and no conflicts were declared.

Administration

Administration. Welcome and Attendance ((2025.06.09. IVSC TAB Conference Call Agenda PDF)

KH welcomed the Board and thanked them for their attendance at the Prague meeting.

KH advised that there were a number of action points from the Prague meeting, which will flow over the next few weeks.

Next steps

AA to reach out to non-attending Board members on request to provide a Board update.

IVSC TAB Meeting Update April 2025 (IVSC TAB Prague Meeting Update June 2025 Final)

The Board reviewed the IVSC TAB Prague Meeting Update June 2025 Final and agreed that it was an accurate report of the meeting. There were no further revisions suggested, and the meeting update was approved by the TAB.

Next steps

AA to send the meeting update to Janine Ong to be put on the IVSC website.

Global Insights & Markets Update

Around the World – Markets Update and Agenda Items for Prague Meeting

- *Africa Molefi –Molefi Kubuzie*
- *North America –Brendan Gallagher, Kyle TenHuisen*
- *South America – Eduardo Rottman*
- *Asia/Oceania –Sandip Kumar Deb, Kim Hildebrandt, Leo Lo*
- *Europe – Ayda Chamcham, Becky Gaughan, Charles Golding, Ludmila Simonova, Massimo Gozzo, Paakow Winful, Paloma Arnaiz*
- *Middle East – Ron Cohen-Seban*

- *Africa Molefi*

- Molefi Kubuzie*

- MK advised that Africa was no in a different geopolitical environment, which affects professionals, the valuation industry and the economy.
 - MK further advised that this is the result of potential US tariffs, which creates market uncertainty.
 - MK also advised that this also affected infrastructure and environmental plans within Africa.
 - MK added that the tariffs had also affected economic growth and even in South Africa growth had slowed to between 1% and 1.5%.
 - MK further added that there was a lot of focus on V20 as South Africa are hosting the V20 Summit in Cape Town between the 14th and 16th September 2025.
 - MK also added that the AFRES (<https://afres.org>) conference was taking place in August in Nigeria.
 - MK advised that the current level of economic activity may lead to a general market slowdown.
 - MK further advised that the level of inflows and outflows had stayed consistent for most market activities.
 - MK also advised that there was good growth in Kenya and there was a renewed infrastructure and resuscitation program.
 - MK added that in Kenya it was anticipated that the growth rate would reduce by 1% to 2%, so there were general challenges all around.

- *Asia/Oceania*

- Sandip Kumar Deb*

- SKD advised that Bank of India had reduced their interest rates by 1 basis point, but this has had no effect on the real estate industry.
 - SKD further advised that the border is currently closed with Bangladesh, and this has effected the medical industry as 70% of medical tourists come from Bangladesh.
 - SKD also advised that the was part of the team working hard on organising the IVSC AGM in Delhi.
 - SKD added that the conference team had received many requests from the Technical Committee to take part in the Real Value conference and different panel sessions.
 - SKD further added that the organising committee was still in the process of sending invites to international panellists.
 - SKD also added that there would be 600 to 700 delegates at the conference.

- SKD advised that the conference organisers also expected representatives from the Indian regulatory authorities and ministries to participate in the conference.
- SKD further advised that the conference organisers were offering one day's additional free hotel accommodation to speakers, panellists and moderators.
- SKD also advised that Ben Elder is helping organise the conference speakers.

Kim Hildebrandt

- KH advised that the Biggest news in Australia was that there was 100% consensus among economists that there would be a rate cut.
- KH further advised that despite this the Reserve Bank made no rate cut after a 6 to 3 decisions by the Board.
- KH also advised that inflation is currently at 2.4% and is expected to be between 2% to 3% over the next years.
- KH added that unemployment is still very low.
- KH further added though there is still some uncertainty from the potential US tariffs and therefore the banks are trying to keep interest rates steady so there is room to move.
- KH also added that the potential tariffs had raised some concerns in the residential housing market as most loans are variable loans or fixed loans for a term of 3.5 years.
- KH advised that 90% of Australians are exposed to variable rate mortgages.
- KH noted that all markets are currently considering the potential impact of US tariffs and global political volatility.

• *Europe*

Ayda Chamcham

- AC advised that similar to the situation in the UK there was a rise in life science facilities in Europe.
- AC further advised that in addition to life science facilities there was increased investment in co-living and data centres.
- AC also advised that a number of investors are trying to get their investments finalised prior to any changes in the market due to US tariffs.
- AC added a number of office buildings are being revamped to improve their green building status.
- AC further added that the retail market had shown increased investment in large shopping centres.

Charles Golding

- CG advised that there was some positivity in the UK office market as rents were expected to grow in 2025.
- CG further advised that offices in secondary and tertiary markets were being converted to alternative uses such as residential.
- CG also advised that in the UK life science buildings are expanding in a similar way to the US and several locations are becoming prominent life sciences hubs, including London's Canary Wharf and Whitechapel, as well as other areas like Cardiff, Liverpool, and Cambridge.
- CG added that life science buildings often include purpose-built lab spaces, research facilities, and collaborative workspaces and are designed to foster innovation and attract investment.
- CG further added that some office facilities are being changed into life science facilities.
- CG also added that at the RICS AGM the key theme was an increase in the use of technology such as artificial intelligence in valuation.
- CG advised that the RICS were looking to have standards around AI in the Red Book.
- CG further advised that the RICS currently had an active consultation around standards for ESG and commercial property.
- CG also advised that as part of this consultation the RICS had incorporated IVS requirements and were considering practical applications in the UK, Europe and Australia.
- CG added that IFRSA had a good summary on sustainability and financial reporting.
- CG further added that the RICS was also reviewing how valuers could get better data around ESG.

Ludmila Simonova

- LS advised that despite the war in Ukraine the commercial real estate market is improving.
- LS further advised that commercial developments are slowly increasing, and a number of Ukrainian companies are developing underground production facilities.
- LS also advised that many Ukrainians are relocating to the west.
- LS added that a lot of Ukrainians, who have been internally displaced, have now got new accommodation in Kiev due to increased development of residential apartment buildings.
- LS further added that Ukraine has faced increased pressure from foreign countries to adopt IVS and EVS in law.
- LS also added that discussions were still ongoing but hopefully IVS would soon be adopted in law.

Paloma Arnaiz

- PA advised that that the biggest news in Spain is that the ECO Order for secured lending valuation have finally been modified and adopted by the government.
- PA further advised that the revised ECO Order included a valuation principle in relation to the consideration of sustainability and climate risk within valuations.
- PA also advised that as a result of this change valuations now had to consider sustainability where relevant and provide the data on which the analysis is based within their reports.
- PA added that the new ECO Order included modifications to net useable area and provided further alignment with iVS.
- PA further added that further revisions had been made to the ECO Order in relation to construction and developments with ongoing works.
- PA also added that the revised ECO Order provided greater security on secured lending.

- *Middle East*

Ron Cohen-Seban

- RC advised that the 12 day war with Iran seems to have finished.
- RC further advised that according to the bank of Israel inflation was steady at 4% to 5% and GDP growth was at 3.33%.
- RC also advised that the US chip giant Nvidia is planning to construct an 80,000 sqm to 180,000 sqm campus near Haifa for up to 14,000 staff.
- RC added that there is a lot of development taking place around Haifa including a \$500 million data centre.
- RC further added that these recent proposed developments are a sign of trust in the Israeli market.
- RC also added that the Nvidia development will be the company's main development outside the USA.
- RC advised that Rafael Advanced Defence Systems, the state-owned Israeli weapons developer, has purchased 6.5 floors of office space in the Cosmopolitan development project in central Tel Aviv for approximately \$150 million.
- RC further advised that Rafael Advanced Defence Systems also want to buy and build their own campus, and many lessees want to acquire sites on this campus.
- RC also advised that Apple are looking to expand their new Science park in Jerusalem and there are a number of opportunities for developers to sell.

- RC added that approximately 35 developers have loaned more than \$500 million for development.

Next steps

None.

IVS SRB Perspectives Paper Update

Private vs Public Markets (2025.06.23. Final Perspectives Paper - Mind the Gap - Exploring the divergence in public and private real estate markets .docx)

The Board was advised that the draft perspective paper had been distributed to the Technical Boards and there was some minor feedback, and the appropriate changes were made.

The Board was further advised that the perspectives paper would be published later that day on LinkedIn and would be subsequently published in the July Enews.

The Board was also advised that this was the first perspective paper in a series of perspective papers on this topic.

The Board was informed that the second perspectives paper in the series would be on valuation governance and regulation and would seek to explore whether investors, stakeholders and regulators in private markets are yearning for greater valuation transparency.

The Board was further informed that completing this perspectives papers had taken approximately two years of Board discussions.

The Board was also informed that the perspectives paper including a number of questions in order to illicit further stakeholder feedback on this topic.

Use of Technology in Valuation (2025.06.03. Draft Use of Technology in Valuation Perspectives Paper clean)

The Board was advised that the Perspectives Paper had been well received by the SRB and was awaiting publication.

The Board was further advised that the perspectives paper would be published on LinkedIn in early July and in the August Enews.

The Board was also advised that the perspectives paper would include consultation questions in order to help the working group better understand the extent and nature of the use of AI in valuations.

The Board was informed that the responses may lead to further revisions in the IVS Exposure Draft.

Next steps

AA to distribute the perspectives papers to the Board post publication.

IVS Exposure Draft

IVS General Standards Exposure Draft Update (IVSC SRB Prague Update)

The Board was advised that the SRB reviewed potential revisions to the IVS General Standards during the Prague meeting.

The Board was further advised that there was a lot of feedback on the proposed revisions to quality control.

The Board was also advised that the feedback was well received, and the proposed revisions were taken on board by the working group members.

The Board was informed that several SRB members felt that the requirements in relation to review and challenge were too onerous.

The Board was further informed that the SRB considered the need for any quality control requirements to be applicable to all asset classes.

The Board was also informed that the SRB discussed bias and how the potential for bias equally applied to a large firm and a sole practitioner.

The Board was advised that the SRB discussed how there was no single approach to quality control and how quality control could be defined as *“the process and procedures used to minimise valuation risk and to ensure the valuation is appropriate for its intended use.”*

The Board was further advised that the SRB agreed to create a new chapter titled IVS 107 on Quality Control.

The Board was also advised that the SRB agreed that this chapter should focus on quality control requirements and should be mute as to who carries out the quality control.

The Board was further informed that the SRB also discussed the proposed inclusion of a new section within IVS 104 Data and Inputs on the *“Use of Management Inputs.”*

The Board was also informed that the SRB considered some of the proposed requirements too onerous and also considered that these requirements should also apply to Client Data.

The Board was advised that further to these discussions the SRB retitled this section *“Use of Management or Client Data”* and watered down some of the requirements.

The Board was further advised that the SRB discussed proposed revisions to existing definitions and new proposed definitions for artificial intelligence systems, business, business interest, credible, financial instrument, non-financial liability, quality control, sustainability and value uncertainty.

Next steps

AA to keep the Board informed of proposed changes to the IVS General Standards.

IVS 300 (2025.07.02. IVS 300)

The Board was advised that the only changes to IVS 300 were consequential amendments to align with the proposed changes to IVS 400.

The Board was further advised that no additional changes to IVS 300 were being considered at this point in time, but this would partly depend on proposed changes to the IVS General Standards.

Next steps

TAB to keep an eye on proposed changes to IVS General Standards and to see if any further changes are required.

IVS 400 (2025.06.25. IVS 400 and IVS 410 with track changes)

The Board discussed the proposed changes to IVS 400 and the proposed merger of IVS 400 Real Property Interests and IVS 410 Development Property.

The Board reviewed the proposed changes and made revisions where applicable.

The Board also discussed the numbering of the chapter and were advised that the numbering of IVS was currently being reviewed and the IVSC Technical Directors were discussing potential revisions with the publication team.

The Board also discussed the order of the items in the *“Residual Method for Development Property”* as follows:

- (a) *Proposed development*
- (b) *Development timetable*
- (c) *completed property value,*
- (d) *construction costs,*
- (e) *professional fees,*
- (f) *statutory fees,*
- (g) *marketing costs,*
- (h) *finance costs,*
- (i) *development profit (on both land and building), and*
- (j) *discount rate.*

The Board discussed construction costs and CG advised that the ability of the developer to supply construction costs depended on the nature of the development.

SKD agreed with this but added that vacant land costs were part of the valuers responsibility and the valuer should not depend on others information but should use his professional judgement.

The Board discussed this topic further and noted for some more unique and specialist valuations such as infrastructure valuations the valuer would need a specialist to assist in this process .

The Board also noted that the valuer needed to be cautious about the inputs used in a valuation and needed to verify inputs.

Further to discussion para 130.37 was revised as follows:

“130.37 When valuing a development property, professional judgement is required when considering projected costs and income through all stages of the development.”

Next steps

CG to check potential amendments to the construction cost section within IVS 400 (130.31 to 130.37).

IVSC SRB Working Groups

IVSC SRB Working Groups (2025.07.01. IVSC SRB Working Groups List)

IVSC SRB ESG Working Group (Also ISSB)

The Board was advised that the working group was currently focussed on revisions to IVS to incorporate both a definition of sustainability within the IVS Glossary and references to sustainability within the IVS 104 Data and Inputs Appendix.

The Board was further advised that the working group was also focussed on updating the ESG survey to be issued later this year.

IVSC SRB Valuation Risk Working Group

The Board was advised that the perspectives paper titled “2025.05.30. IVSC Perspectives Paper Getting the Process Right Exploring-Valuation-Risk” was published in the May ENews.

The Board was further advised that this was part of series of perspectives papers on this topic and the working group was now drafting the second perspectives paper in the series on value uncertainty.

IVSC SRB Listed vs Unlisted Working Group

The Board was advised that the perspectives paper titled “Mind the Gap- Exploring the difference between public and private markets” had been published on LinkedIn in June and would be published in the July Enews.

The Board was further advised that this was part of series of perspectives papers on this topic and the working group was now drafting the second perspectives paper in the series on Valuation governance and regulation.

The Board was also advised that the second perspectives paper would explore whether investors, stakeholders and regulators in private markets are yearning for greater valuation transparency.

IVSC SRB Technology and Valuation Working Group

The Board was advised that the first perspectives paper in the series titled "2025.07.23. Navigating the Rise of Artificial Intelligence in Valuation- Opportunities, Risks, and Standards" had been finalised.

The Board was further advised that the perspective paper would be published on LinkedIn in July and in the August Enews.

IVSC SRB Glossary Working Group

The Board was advised that the IVSC SRB Glossary working group had been meeting on a monthly basis.

The Board was further advised that the working group had proposed revisions to the definitions of ESG and Quality Control.

The Board was also advised that the working group had proposed incorporating definitions for Business, Business Interest, Credible, Financial Instrument, Non-Financial Liability, Quality Control, Review and Challenge, Sustainability and Value Uncertainty within the IVS Glossary.

IVSC SRB Quality Control Working Group

The Board was advised that this was a new working group that was set up during the SRB Prague Meeting.

The Board was further advised that this working group was a small working group with a representative from the SRB and each of the Technical Boards (*BVB, FIB and TAB*).

The Board was also advised that the Becky Gaughan was the TAB representative.

The Board was informed that the working group would focus on drafting a new General Standard titled "*IVS 107 Quality Control*".

IVSC SRB Financial Reporting Project Group

The Board was advised that this was a new project group set up at the IVSC SRB Prague meeting.

The Board was further advised that the aim of this working group was to explore greater linkages between IVS and Financial Reporting.

The Board was also advised that the initial aim of this project group was to draft an initial brief on the planned scope of work.

Next steps

AA to distribute the revised and newly incorporated IVS Glossary terms to the Board for consideration and review.

IVSC TAB Working Groups

IVSC TAB Working Groups (2025.05.09. IVSC TAB Working Groups)

IVSC TAB IVS 400 and IVS 410 Working Group

The Board was advised that the working group had been meeting on a monthly basis.

The Board was further advised that the next meeting of the working group was on Wednesday 30th July.

The Board was also advised that the working group was finalising changes to IVS 400 to be considered by the Board at the next conference call on Wednesday 13th August.

IVSC TAB AI working Group

The Board was advised that this working group was currently on sabbatical.

The Board was further advised that the working group would be reactivated post publication of the SRB perspectives paper on this topic in ENews.

IVSC TAB Inspection Working Group

The Board was advised that this working group was on sabbatical until the IVS Exposure Draft consultation responses had been received.

IVSC TAB Valuation Review Working Group

The Board was advised that this working group was on sabbatical until the IVS Exposure Draft consultation responses had been received.

IVSC TAB Trade Related Property Working Group

The Board was advised that this was a new working group which had been formed at the IVSC TAB Prague meeting.

The Board was further advised that the working group would be holding their first meeting on Tuesday 22ndy July.

The Board was also advised that the first task of the group would be to agree a scope of work.

KH advised that he had a lot of experience in this area and would provide the working group with some real life examples.

Next steps

AA to reactivate the IVSC TAB AI working Group post publication of the SRB perspectives paper on this topic in ENews. AA to include KH within the IVSC TAB Trade Related Property Working Group.

IVSC TAB Future Meetings

IVSC TAB Future Meetings

The Board was advised that the TAB would not be meeting in March in Mexico

November 2025 AGM - New Delhi (27th October 2025 - 29th October 2025)

The Board was advised that the IVSC AGM would be held in Delhi between Monday 27th October and Wednesday 29th October.

The Board was further advised that the TAB would be meeting on Monday 27th October 2025 and Tuesday 28th October 2025 from 09:00 to 17:00.

The Board was advised that there probably would be a public meeting in Prague to approve the publication of the IVSC Exposure Draft.

The Board was informed that IVSC would be providing further information on the hotel and AGM over the course of the next few weeks.

June 2026 - Lisbon (15th June 2026 – 17th June 2026)

The Board was advised that the TAB would be meeting in Lisbon between the 15th June 2026 and 17th June 2026.

The Board was further advised that the main focus of the meeting would be a review of the IVS Exposure Draft consultation responses.

Next steps

IVSC to send further details on the IVSC Delhi AGM over the course of the next few weeks.

Administration

Stakeholder Engagement/Outreach (2025.04.30. IVS Presentation List 2025)

The Board was advised that over the past month the main outreach was in relation to the Prague meeting.

The Board was further advised that over the past month presentations had been provided to the following stakeholders:

- EMF
- IASB
- Czech Valuation Forum
- Czech Banking Authority
- TAB Public Meeting
- Czech National Bank
- Czech Ministry of Finance
- Update to North America VPO leaders

KH advised that he would undertake some further outreach once the public vs private perspectives had been published.

AOB

KH asked the Board if they had any other business and as there was no other business he closed the meeting.