International Property Measurement Standards (IPMS): One Standard for All
Today, measurement standards are not consistent.

- Property is measured in many different ways around the world.

- Depending on the standard used, the floor area measurement can vary dramatically…
VARIATION IN PROPERTY MEASUREMENT GLOBALLY

24%

IN SOME PARTS OF THE MIDDLE EAST FLOORS NOT PRESENT BUT SUPPORTABLE BY EXISTING FOUNDATIONS CAN BE INCLUDED

IN INDIA OFF-SITE AREAS SUCH AS CAR PARKING AND COMMON AREAS CAN BE INCLUDED

IN SOME COUNTRIES, ONLY AIR CONDITIONED SPACE IS INCLUDED

LOOKING FOR AN OFFICE BUILDING FOR 100 MEMBERS OF STAFF? MEASUREMENT VARIATIONS COULD MEAN THE ACTUAL CAPACITY IS JUST 78 STAFF

BENEFITS OF IPMS:
- INCREASED TRANSPARENCY OF PROPERTY DATA
- CONSISTENT LANGUAGE FOR MEASUREMENT WORLDWIDE
- REDUCES RISK, FACILITATING INTERNATIONAL TRADE IN PROPERTY
- EASIER PROPERTY PORTFOLIO BENCHMARKING
- GREATER CREDIBILITY FOR VALUATION PROFESSIONS WORLDWIDE

WWW.IPMSC.ORG
The Existing Challenge

- Difficult to compare like-with-like.
- Lack of consistency
- Difficult to compare cross-border transactions.
- Impact on Financial Reporting
IPMS, IVS and IFRS

• World Bank estimates up to 70% of global wealth is in real estate and land

• International Financial Reporting Standards used in 120 countries already

• International standards provide a common global language for business

• International Valuation Standards are used globally to inform financial reporting
International Property Measurement Standards …the missing link
Washington 2013: The birth of IPMS
International Property Measurement Standards Coalition (IPMSC):

- By the profession; for the profession
- Professional members in more than 150 countries
- Public interest mandate
- Standards Setting Committee
- Trustees of IPMS
Global real estate to get uniform international measurement standards SOON

Standard (IPMS) for office buildings.

The three month consultation, closing on 04 April 2014, is calling for real estate (office) sector practitioners and stakeholders to contribute to the new international standard.

The new standard, produced by the IPMSC Standards Setting Committee, is the first of its kind and will provide a common language for measuring offices across international markets, benefiting real estate practitioners including investors, lenders, agents, valuers and occupiers.
The IPMSC launches public consultation

IPMSC launches public consultation on new International Property Measurement Standard and appoints Board of Trustees.

Australian Property Institute (API) News | 19 February 2014 15:47

Sapoa Ensures South African Input On Global Property Standard

PropertyPlus On September 26, 2014, Sapoa became the vanguard of a new international standard as part of the International Federation of Surveyors.

International Federation of Surveyors

Change around the corner for global real estate

A change around the corner for global real estate

Property Council Joins IPMSC

Tuesday, 14 January 2014, 3:32 pm
Press Release: Property Council Of New Zealand

Media Release

14 January 2014

Appraisal Institute Past Measurement Standard

Appraisal Institute Immediate Past President Sara W. Stephens, MAI, was among 10 real estate experts selected by the International Property Measurement Standards Coalition to create the first global standard for measuring property. The Standards Setting Committee includes experts with first-hand experience in 50 countries, across five continents. It will act independently and is tasked with the job of...
Today the IPMS Coalition is 66 organisations strong…
INTERNATIONAL PROPERTY MEASUREMENT STANDARDS (IPMS)

ABOUT IPMS AND IPMSC

The International Property Measurement Standards Coalition (IPMSC) is a group of professional and not-for-profit organizations from around the world, committed to the development and implementation of an international standard for property measurement.

At present, the way property assets – such as homes, office buildings or shopping centres – are measured varies dramatically from one market to the next. For example, in some markets it is established practice to include common space (e.g. hallways, communal balconies etc.) in floor area measurements, whereas off-site parking might be included or even swimming pools.

With so many different methods of measurement in use, it makes it difficult for global owners, occupiers and investors to accurately compare space. In search of global standards, Jones Lang LaSalle supports and endorses the methods used in a property’s floor area measurement can vary by as much as 24%.

The International Property Measurement Standards Coalition (IPMSC) is an international group of professional and not-for-profit organizations working together to develop and endorse a single property measurement standard.

An International Property Measurement Standard (IPMS) will mean that property assets are measured in a consistent way, creating a more transparent marketplace, greater public trust, stronger investor confidence, and increased market stability.
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Dubai becomes first Government to adopt IPMS

In September 2014 Dubai became the first government to officially endorse IPMS and commit to its adoption.

Dubai’s endorsement of IPMS was a core theme in their successful bid to host Expo 2020.
IPMS ‘Partners’

- IPMS Partners are commercial organisations that have announced their intention to use or request IPMS measurements.

- Partners sign up on a voluntary basis to show their support for international standards.
IPMS Partners:

More than 150 Partners have signed up, including:

- BASF
- CBRE
- Vodafone
- Davis Langdon & Seah (DLS)
- Deutsche Asset & Wealth Management
- Benson Elliot
- Union Investment
- DTZ (a UGL company)
- RLB | Rider Levett Bucknall
- JLL
- Cluttons
- Colliers International
- Knight Frank
- Xerox
IPMS: Office Buildings

- Concise at 26 pages long
- Covers measurement of offices and includes definitions and drawings.
- Consultation drafts downloaded more than 800 times.
- First launched in English with translations to follow in 2015
- Available to access for free on the IPMSC website:
  www.ipmsc.org/consultation
“This issue has challenged the entire property industry for a long time, with implications of trust, transparency and consistency for tenants, landlords and owners alike. Through the vision and collective efforts of the coalition and others, we now have IPMS, which will help bring transparency and consistency for all. As an owner, landlord and tenant; we will fully embrace IPMS across our global portfolio.”

Scott McMillan Division Chief: Real Estate, International Monetary Fund (IMF)

“Vodafone occupies space for a wide range of uses all around the world. Like many other corporates we have had to develop our own means of benchmarking these property assets. I am certain that IPMS will save corporate occupiers time, money and effort across their property portfolios, and will enable us to compare space between companies far more easily than today.”

Bill Davidson, Global Property Director, Vodafone

“Our involvement in this initiative supports our position in raising the benchmark for unifying surveying standards in Dubai. The efforts to unify surveying standards will benefit owners and investors, as it will negate some of the issues and problems that can arise from differing standards used by real estate operators. It will support transparency and trust and will contribute to the convergence of global markets.”

Sultan Butti Bin Mejren, Director General of the Dubai Land Department
What’s next?

- Implement Offices
- Residential Consultation Now!
- Industrial and Retail coming…