Glossary of Terminology

Property Tax Terms

Ad valorem tax—In reference to property, a tax based upon the value of the property.

Annual Assessment Report (AAR)—A USPAP required report completed by the assessor for their client, the municipality, which explains how the assessor completed their assessment work for the year. This report must be completed within 30 days after the final adjournment of the Board of Review.

Apportionment—A proportional distribution of the levy of a taxing jurisdiction among municipalities based upon the value of the municipalities or parts of municipalities.

Assessed Value—A dollar amount assigned to the taxable property, both real (by parcel) and personal (by owner), by the assessor for the purpose of taxation. Assessed value is estimated as of January 1 and will apply to the taxes levied at the end of that year. Assessed value is called a primary assessment because a levy is applied directly against it to determine the tax due. Accurate assessed values ensure fairness between properties within the taxing jurisdiction. (See Equalized value for fairness between municipalities).

Assessment district—An assessor's jurisdiction; it may or may not be an entire tax district. Any subdivision of territory whether whole or part of a municipality where a separate assessment of taxable property is made. Such districts may be referred to as taxing districts, administrative districts, or special purpose districts. **(See sec. 70.08, Wis. Stats.)**

Assessment District—Any subdivision of territory whether whole or in part of a municipality in which a separate assessment of taxable property is made. Such districts may be referred to as taxation jurisdictions, administrative districts, special purpose districts. etc. (See sec. 70.08 Wis. Stats.)

Assessment Level—The relationship between the total assessed value and the equalized value of non-manufacturing property minus corrections for the prior year over and under charges within a municipality-town, village, or city. For example if the assessed value of all the property subject to property tax in the municipality is $2,700,000 and the equalized value in the municipality is $3,000,000 then the "assessment level" is said to be 90% ($2,700,000/$3,000,000 = .90 or 90%).

Assessment level—The ratio of the assessed value to the market value of all taxable property within a district (town, village, or city). For example if the assessed value of all the taxable property in Town "A" is $2,700,000 and the market value of all taxable property in Town "A" is $3,000,000 then the "**assessment level**" is said to be 90%.

Assessment Ratio—The relationship between the assessed value and the fair market value For example, if the assessment of a parcel which sold for $150,000 (fair market value) was $140,000, the assessment ratio is said to be 93% (140,000 divided by 150,000). The difference in the assessment level and the assessment ratio is that the level typically refers

to the taxation district; the ratio refers to the individual parcel. The assessment ratio does not apply to agricultural lands, agricultural forest, or undeveloped lands.

Assessing—The act of valuing a property for the purpose of establishing a tax base.

Assessment—See Assessed value.

Assessment roll—The official listing of all properties within a given municipality (Town, Village, City) by ownership, description, and location showing the corresponding assessed values for each.

The completed assessment roll is an official listing which contains owners and legal descriptions of all real estate parcels and items of personal property within a taxation district, acreages of most parcels, the statutory classification and assessed value, according to land and improvements, of general taxable parcels.

Assessment year—The period of time during which the assessment of all properties within a given assessment district must be completed; the period between tax lien dates.

Assessor—The administrator charged with the assessment of property for ad valorem taxes; the precise duties differ from state to state depending upon state statutes.

Board of Review—A quasi-judicial board charged with the responsibility of raising or lowering assessments proven incorrect as well as correcting any errors in the assessment roll.

The Board of Review consists of a clerk and selected municipal officers (other than the assessor) or citizens. It hears all objections to the amount or valuation of property if objections are made in writing and filed with its clerk prior to adjournment of public hearings. The Board examines the assessment roll or rolls and corrects all apparent errors in description or computation, adds all omitted property to the assessment roll and determines whether an assessor's valuation is correct from evidence brought before it. The Board cannot determine exempt or taxable status of property.

CDU rating—A composite rating of the overall Condition, Desirability and Usefulness of a structure as developed by the Cole-Layer-Trumble Company and it is used nationally as a simple, direct and uniform method of estimating accrued depreciation.

Certified Assessment Evaluator—A professional designation (CAE) conferred by the International Association of Assessing Officers (IAAO) upon qualifying individuals.

Certified property tax—An ad valorem property tax where the assessment ratio varies for different property classes. This differs from state to state depending upon state statutes.

Doomage assessment—The process of arriving at an assessment from the best information available when the assessor is denied the opportunity to physically inspect a property; making an assessment without actually viewing the property or receiving and/or accepting the taxpayer's declaration of personal property.

Electronic Computer Exemption Report—The Electronic Computer Exemption Report was previously known as the Computer Exemption Report. The Computer Exemption Report is an electronically filed report filed by the assessor with the Department of

Revenue by May 1st. Amended filings can be submitted through September 1st. This report provides the value of all exempt computer and peripheral equipment, as its true cash value.

Equalized Value—The estimated value of all taxable real and personal property in each taxation district, by class, as of January 1 and certified by DOR on August 15 of each year. The value represents market value (most probable selling price), except for agricultural property, which is based on its use (ability to generate agricultural income) and agricultural forest and undeveloped lands, which are based on 50% of their full value.

Equalization—The process of establishing the January 1 market value (or use value for agricultural land) by class of real property and item of personal property for each taxation district.

Equated Value—The dollar amount placed on individual parcels of manufacturing property in a taxation district for tax collection purposes. It is calculated by multiplying the market value assessment of the property as determined by DOR times the assessment level of all other property within the taxation district.

Equity—In reference to property taxes, a condition in which the tax load is distributed fairly (or equitably), based on the concept of uniformity provided in the state constitution (i.e. each person's share of the tax is based on each property's value compared to the total value of all taxable property). Typically, this would require periodic reviews of the assessments (local revaluations) to account for the constantly changing economic factors impacting property. In practical terms, you have equity in taxes when the assessed value of each property bears the same relationship to market or use value.

In reference to value, it is the owner's financial interest in the property remaining after deducting all liens (including mortgages) and charges against it.

Estimated Fair Market Value- As found on tax bills—The assessed value of each locally assessed parcel (except those including agricultural land) divided by the entire taxation district's level of assessment (titled average assessment ratio on the tax bill). This estimate gives the property owner a basis for comparison of their perception of the market vs. what is being used to base their share of taxes on. Since the level of assessment is an average for the taxation district, and there is naturally going to be some variance in the local assessor's accuracy on every parcel. Minor differences between the estimated fair market value and the property owner's opinion of value shouldn't raise concern. Large differences require further investigation.

Exempt property—See **tax exemption.**

Expert help—Is employed when the governing body of a municipality not subject to assessment by a county assessor determines it is in the public interest to appoint such help

to aid in making the assessments in order that they may be equitably made and in compliance with the law. The expert help may be a private firm or person, or an employee of the Department of Revenue.

Field crew—The total staff assigned to a specific appraisal project, including data collectors, reviewers, staff appraisers, clerical and administrative supporting personnel.

Forest cropland--Land taxes at a set amount per acre, must contain at least 40 or more acres, is more suitable for the growing of timber than for other purposes, assessed by the local assessor, subject to review under Chapter 70 and is open to the public for hunting and fishing.

Fractional assessment—When the assessment is made at some percentage of the full value as determined by policy by the government.

Full Value—(1) Throughout this manual this term means the value at 100% of the value standard. This is the value that should be applied in assessing the property per Wisconsin statutes, see pages 7-6 and 7-7. (2) The same as equalized value, however is often used when referring to the value of school and special districts.

General property tax—The following elements must be present: (1) a dollar amount of levy; (2) total assessed values of individual properties (parcels of real property/personal property items); and (3) uniform rate of taxation within the same common area is to be applied to all taxable real and personal property within that area.

Improvement—An addition to raw land intended to increase the value. Examples include buildings, structures, and attachments or annexations to land that are intended to remain so attached or annexed, such as sidewalks, trees, drives, tunnels, drains, and sewers.

Inequity—See **equity**.

Land value maps—A map used in conjunction with mass appraising, generally drawn to small scale and showing comparative unit land values, on a block to block basis.

Level of Assessment—See Assessment Level

Levy—The amount of tax imposed by a taxation jurisdiction or government unit.

Lien—A charge against property whereby the property is made the security for the payment of a debt.

Market value—The definition of market value is the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they

consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Mass appraisal—The process of valuing a universe of properties, as of a specified date, utilizing standard methodology, using common data and allowing for statistical testing.

Mass appraisal model—A mathematical formula or equation reflecting how supply and demand factors interact on a market level.

Mill rate—A mill is one-thousandth of one dollar. Tax rates are often expressed in mills per dollar.

Example: Tax = $3,000 Taxable assessed value = $100,000

Mill rate = 3,000/100,000 = 0.03 of a dollar per dollar of taxable assessed value

Municipal Assessment Report—The Municipal Assessment Report was previously known as the Assessor's Final Report (AFR). The Municipal Assessment Report is an electronic report filed by the assessor with the Department of Revenue. It can be filed as an "Estimate" (before the Board of Review), as a "Final" (after the Board of Review), or as an "Amended" report to make changes to a previously filed "Final" version. This electronic report provides changes in assessed values and reasons for the changes between the prior year's assessed values and the current year's assessed values of the entire taxation district. An estimated or final version of this report must be filed by the second Monday of June.

Notice of Changed Assessment—A written notification to a property owner of the assessed value of certain properties described therein; mandated by law to be given to each property owner following a change in value of the property.

Over assessed—A condition wherein a property is assessed proportionately higher than comparable properties.

Parcel identification number (PIN)—An identification number, assigned to a parcel of land to uniquely identify that parcel from any other parcel within a given taxing jurisdiction.

Preferential assessment—An assessing system providing preferential treatment in the form of reduced rates to a particular class of property, such as a system providing for farm properties to be assessed in accordance to their value in use as opposed to their value in the open market.

Property class—A division of like properties generally defined by statutes and generally based upon their present use. The basis for establishing assessment ratios in a classified

property assessment system.

Property record card—A document specially designated to record and process specified property data; may serve as a source document, a processing form; and/or a permanent property record.

Real Estate Transfer Return—The form required to be filed with the register of deeds by the grantor when recording real estate which has been conveyed to a different entity. The form's primary use is for the assessor to use in implementing the uniformity provision Article VIII of the State Constitution. Among other things, the form documents the property transferred, the grantor, grantee and the value placed on the property.

Reassessment—The revaluation of all properties within a given jurisdiction for the purpose of establishing a new tax base.

When a written complaint is made to the Department of Revenue by the owners of 5% or more of the assessed valuation of the property within a municipality stating that the assessment of property in the municipality is not in substantial compliance with the law and that the interest of the public would be promoted by a reassessment, the department can order such actual doing over of the assessment roll (**reassessment**) of all or part of the taxable property in municipality.

Revaluation—Placing new values on all taxable property for the purpose of a new assessment. The previous year's assessment roll is not affected. The term is often used in conjunction with sec. 70.055, Wis. Stats., where expert help can be hired to work with the assessor in revaluing the district.

Sales ratio study—A statistical analysis of the distribution of assessment or appraisal-to-sale ratios of a sample of recent sales made for the purpose of drawing inferences regarding the entire population of parcels from which the sample was abstracted.

Tax bill—An itemized statement showing the amount of taxes owed for certain property described therein and forwardable to the party or parties legally liable for payment thereof.

Tax exemption—Either total or partial freedom from taxation granted by specific state statute.

Tax Increment District Assessment Report—The TID Assessment Report was previously known as Tax Incremental Assessor's Final Report (TID AFR). The TID Assessment Report is an electronically filed report filed by the assessor with the Department of Revenue. Like the Municipal Assessment Report, the TID Assessment Report can be filed as an "Estimate" (before Board of Review), as a "Final" (after Board of Review), or as an "Amended" report. Amended reports make changes to a previously filed "Final" version. This electronic report provides the total assessed value of all locally assessed property in each Tax Increment District, by School District, Union High District (if any), and Special District. An estimated or final version of this report must be filed by the second Monday of June.

Tax Incremental Financing District—A contiguous geographic area, within a city or village defined and created by resolution of the local legislative body. It is targeted toward eliminating blighted areas, rehabilitating areas declining in value, and/or promoting industrial development. The taxes generated due to value increase are used to pay for TIF eligible projects such as public improvements.

Tax levy—In reference to property taxes, the total revenue realized by the tax.

Tax mapping—The creation of accurate representations of property boundary lines at appropriate scales to provide a graphic inventory of parcels for use in accounting, appraising and assessing. Such maps show dimensions and the relative size and location of each tract with respect to other tracts. Also known as assessment maps and cadastral maps.

Tax rate—The rate generally expressed in dollars per hundred or dollars per thousand (mills) applied against the tax base (assessed value) to compute the amount of taxes. The tax rate is derived by dividing the total amount of the tax levy by the total assessed value of the taxing district.

Tax roll—The official list showing the amount of taxes, special assessments, and charges levied against each parcel and item of personal property in the municipality.

Tax sale—The sale of a taxpayer's property to collect delinquent taxes from the proceeds of the sale when the taxpayer has failed to redeem it within the statutory period.

Taxation—The right of government to tax property to support the government.

Taxation District—A town, village, or city. If a city or village lies in more than one county, that portion of the city or village which lies in each county. (See sec. 74.01(6), Wis. Stats.).

Taxation Jurisdiction—An entity which is authorized by law to levy taxes on general property which is located within its boundaries. (See sec. 74.01(7), Wis. Stats.). In addition to towns, villages and cities, this includes school districts, sewerage districts and lake rehabilitation districts, for example.

True Cash Value—The statutory reference to the market value of personal property (sec. 70.34, Wis. Stats).

Uniformity—The constitutional requirement that the taxable property must bear its proportionate share of ad valorem basis taxes. As applied to assessing, a condition wherein all properties are assessed at the same ratio to market value, or other standard of value depending upon the particular assessing practices. Following a 1974 amendment to the constitution, agricultural land may be non-uniform with other property, but must be uniform within its class. The standard for value for agricultural property is its value in use.

Use Value—The value a specific property has for a specific use. Beginning in 2000, agricultural property is assessed according to its use as farmland instead of its market value as indicated by sales. The guideline values are based on 5-year average income and expense data modified by the tax rate in each taxation district in the state.

Use Value Assessment—An assessment based on the value of the property as it is currently used, not its market value. This only applies to agricultural land. The guidelines for the use values are based on administrative rules, and developed by DOR staff serving as support for the Farmland Advisory Council who adopts the values.

Value Standard—The basis for the methods used in estimating values for the equalized or assessed values. There are two basic values used in the process, the market value ('full value' for real property and 'true cash value' for personal property), which is the basis for value of all property except agricultural land. The market value is based on the most probable selling price of the property. Agricultural land, as defined by administrative rule, is based on a valuation standard which analyzes the ability to generate income as it is currently being used, hence 'use value'.

Woodland tax lands—Land taxes at a set amount per acre, containing at least 10 acres but less than the acreage required for forest croplands, located outside villages and cities, void of an improvement having assessed value in itself and more suitable for the growing of timber than for other purposes.

Statistical Terms

Aggregate ratio—As applied to real estate, the ratio of the total assessed value to the total selling price.

Average deviation—In a distribution of values, the average amount of deviation of all the values from the mean value equal to the total amount of deviation from the mean divided by the number of deviations.

Coefficient—A value prefixed as a multiplier to a variable or an unknown quantity.

Coefficient of dispersion—As applied to an assessment-to-sale ratio distribution, a measure of dispersion in a given distribution equal to the average deviation of the ratios from the mean or median ratio divided by the mean or median ratio.

Frequency distribution—A display of the frequency where each value in a given distribution occurs; or in a **grouped frequency distribution**, a display of the frequency of the values within various intervals, or value groupings occur.

Mean—A measure of central tendency equal to the sum of the values divided by the number. Also referred to as **arithmetic average** or **arithmetic mean**.

Median—A measure of central tendency equal to that point in a distribution above which 50% of the values fall and below which 50% of the values fall. The 50th percentile is the 2nd quartile.

Mode—A measure of central tendency equal to the value occurring most frequently in a given distribution. In a grouped frequency distribution, the mode is equal to the midpoint of the interval with the greatest frequency.

Multiple Regression analysis—A statistical technique for making statements as to the degree of linear association between a criterion (**dependent**) variable and one or more predicator (**independent**) variables; a simple linear regression having one independent variable, and multiple linear regression having more than one independent variable.

Normal distribution—A distribution in which all the values are distributed symmetrically about the mean value, with 68.26% of the values falling between ± 1 standard deviation, 95.44% between ± 2 standard deviations, and 99.74% between ± 3 standard deviations.

Percentile rank—The relative position of a value in a distribution of values expressed in percentage terms; for instance, as applied to an assessment-to-sale ratio distribution, a ratio with a percentile rank of 83 would indicate 83% of the ratios were lower and 17% of the ratios were higher than that particular ratio.

Population—As applied to real estate, all the parcels of a given type in the group under study, i.e., all the parcels of a given neighborhood, district, etc.

Precision—As applied to real estate, it refers to the closeness of estimated value to actual selling price on an aggregate basis.

Price related differential—As applied to real estate, an analytical measure of the vertical uniformity of values in a given distribution calculated by dividing the mean ratio by the aggregate ratio; a ratio of more than one being generally indicative of the relative undervaluation of high priced properties as compared to the less valuable properties, whereas a ratio of less than 1 would indicate the converse relationship.

Quartile—Positions in a distribution at 25 percentile intervals; the **first quartile** being equal to the 25th percentile, the **second quartile** being equal to the 50th percentile or the median, and the **third quartile** being equal to the 75th percentile.

Range—The difference between the highest and lowest value in a distribution.

Ratio—A fixed relationship between two similar things expressed in terms of the number of times the first contains the second; the quotient of one quantity divided by another quantity of the same type, generally expressed as a fraction.

Sample—As applied to real estate, a set of parcels taken from a given universe which is used to make inferences about values for the universe.

Random sample—A sample where each parcel in the universe is given equal chance of being included.

Selective sample—A sample where each parcel in the universe being chosen by other criteria, is not given an equal chance of being included. Essentially all assessment-to-sale ratio studies are non-probability samples.

Sample size—As applied to real estate, the number of parcels needed from a universe to achieve a desired level of precision, given the total number of parcels in the universe and the standard deviation thereof.

Standard deviation—A measure of dispersion, variability or scatter of values in a given distribution equal to the square root of the arithmetic mean of the squares of deviations from the mean.

Standard error of the mean—A measure of the statistical variability of the mean equal to the standard deviation of the distribution divided by the square root of the sample size.

Stratified sampling—The selection of sample parcels from distinct groups within the total universe based upon the known sizes and characteristics of these distinct groups.

Architectural and Construction Terms

Absorption field—A drainage system consisting of a series of pipes laid in trenches filled with sand, gravel or crushed stone, through which septic tank effluent may seep or leach into the surrounding ground.

Acoustical tile—A ceiling or wall tile finishing material with an inherent property to absorb sound; usually made of mineral, fiber, or insulated metal materials.

Addition—Part of building added or joined to an existing building. Living areas built onto residence after original construction; single wall in common with residence, usually only one door connects the two.

Aggregate—Any of various hard, inert materials, like sand, gravel, or pebbles added to a cementing or bonding agent to make concrete, plaster, etc.

Anchor bolt—Long bolts cemented into the top of a foundation wall, and to which the sill of the structure is bolted.

Apartment hotel—A building designed for non-transient residential use divided into dwelling units similar to an apartment house, but having such hotel accommodations as room furnishings, lounges, public dining room, maid service, etc.

Apartment house—A multi-family residence containing three or more non-transient residential living units and generally providing a number of common facilities and services.

Apron—A finish strip applied below the stool of a window to cover the rough plaster or drywall edge. A paved or hard packed area abutting a garage door or other opening.

Arcade—A series of arches and their supports, which provides covered passage between buildings. A roofed walkway or passageway, frequently with shops on both sides.

Arch—A curved structural member used to span an opening, so designed that vertical loads are transmitted as vertical or oblique stresses on either side of the opening.

Areaway—An uncovered space next to a building, for entrance of light, air or access.

Asbestos cement—A mixture of asbestos fibers, Portland cement, and water which can be formed into building products with high fire and weather resistance.

Ashlar—A wall facing of masonry slabs (stone, terra cotta) applied over the bearing masonry of exterior walls.

Asphalt—Bitumen mixed with mineral aggregates used as a hard surface for driveways, streets, etc.

Asphalt flooring—Consists of limestone dust and coarse aggregate incorporated with either asphaltic bitumen or equal proportions of asphaltic bitumen and asphalt.

Attic—An unfinished or semi-finished portion of a building lying between the highest finished story and the roof and wholly within the roof framing.

Awning—A roof-like shelter extending over a doorway window, porch, etc., which provides protection from the sun or rain.

Backfill—The material used for refilling an excavation.

Backing—Rough inner face of a wall; earth deposited behind retaining wall.

Backup—The inner, load bearing or structural portion of a masonry wall, usually finished with face brick, stone, ashlar, stucco or other decorative or protective veneer.

Balcony—A balustraded or railed elevated platform projecting from the wall or a building, usually cantilevered or supported by columns.

Balusters (bannisters)—A short pillar or post, usually circular, slender above and building below, supporting a rail; the uprights supporting the handrail of a staircase.

Balustrade—A row of balusters surmounted by a rail, coping or cornice.

Base molding—Finishing wood to cover construction joints between baseboard and floor.

Basement—A building story which is wholly or partly below grade level.

Batten—Narrow strips of wood or other material used to finish and cover the vertical joints where two boards meet.

Batter board—One of a pair of horizontal boards nailed to posts set at the corners of an excavation, used to indicate the desired level of the foundation, also as a fastening for stretched strings to indicate outlines of foundation walls.

Bay—(1) a horizontal area division of a building usually defined as the space between columns or division walls; (2) an internal recess formed by causing a wall to project beyond its general line.

Bay window—A window, or group of continuous windows projecting from the main wall of a building. A bay window has its own foundation.

Beam—(1) a long structural load-bearing member which is placed horizontally or nearly so and which is supported by both ends, infrequently, at intervals along its length; (2) a principal load supporting member of a building; may be of wood, steel, or concrete; transmits load horizontally to vertical posts, columns, or bearing walls.

Beam, spandrel—A wall beam supporting the wall above, as well as the floor.

Bearing area—The area of contact between a bearing member (beam, girder, footing) and its underlying support (column bearing wall, load bearing ground).

Bed—Horizontal surface on which structural members or slabs are laid or supported.

Bent—A transverse frame of a building designed to support either horizontal or vertical loads.

Beveled wood siding—Siding board of varying widths, with lower edge thicker than upper edge is covered by lower edge of board above. Types include Dolly Varden, and shiplap.

Board foot—A unit of measure represented by a board one foot long, one foot wide, and one inch thick, or 144 cubic inches.

Boiler—Metal vessel for heating water for generating steam.

Bolster—A horizontal timber on a post for lessening the free span of a beam.

Bond—The arrangement of individual masonry units in certain overlapping patterns to give the finished structural unit additional strength and to allow the individual elements to act together as a cohesive, integrated unit.

Brace—A structural member reinforcing a frame or truss.

Bridging—A method of bracing floor joists by fixing lateral members between the joists.

Building—Any structure partially or wholly above ground designed to shelter people, animals or goods.

Building, fireproof—A building in which all parts carrying loads or resisting stresses (frame) and all exterior and interior wall, floors, and staircases are made of incombustible materials and in which all metallic structural members are encased in materials which remain rigid at the highest possible temperature in case its contents are burned, or which provide ample insulation from such a temperature.

Building, paper—Tarred felt paper sheathing for walls and roofs, to stop drafts and insulate against dampness.

Building service systems—Those units or systems providing plumbing, sewerage, heating, ventilating, air conditioning, lighting, power, vertical transport, fire protection and special services such as public address or oxygen to a building.

Building, single-purpose—A building designed for a specific purpose that cannot be used for another purpose without substantial alterations, e.g., a theater or church.

Built-ins—Items like cabinets, counters, desks, benches, shelving and equipment permanently attached to the building structure that cannot be removed without leaving evidence of removal. These items are not considered personal property.

Built-up roofing—Two or more layers of tarred felt, joined with bonding or sealing compound.

Bulkhead—A retaining structure of timber, steel, or reinforced concrete erected along the water for shore protection. Solid fill is usually placed behind it to extend the shore to the bulkhead line.

Bungalow—One-story dwelling unit somewhat more pretentious than a cottage.

Buttress—An external structure, usually brick or stone, built against a wall to support or reinforce it.

Caisson foundation—A foundation system where holes are drilled in the earth to bearing strata and then filled with concrete.

Chamfer—To bevel or round off a right angle corner.

Canopy—An ornamental roof-like covering supported by posts or suspended from a wall.

Cant strip—A wedge or triangular-shaped piece, generally installed on flat roofs around perimeter or at the junction of that roof and an adjoining wall.

Cantilever—A structural member projecting horizontally well beyond its vertical support.

Cap—The capital or uppermost part of a column or post; its function is to transmit supported loads to the column.

Casement window—A type of window having a sash with hinges on one side, allowing window to open vertically like a door.

Catch basin—A chamber designed in a drainage system to intercept solids and prevent their entrance into the system.

Causeway—A raised or paved way (road).

Cavity wall—A masonry or concrete wall consisting of two wythes with air space between them; the inner and outer wythes are tied together with metal ties.

Cellular concrete—Cement based concrete, mixed with fine sand and large amounts of air pockets no aggregate. Lightweight.

Chimney cap—A large stone or formed concrete which finishes the top of a chimney.

Chimney pots—Cylindrical earthenware pots at the top of the chimney shaft.

Clapboard—Siding board of varying widths, with lower edge thicker than upper edge that is covered by lower edge of board above.

Cleat—A strip fastened across something to give strength or hold in position.

Clerestory window—A window or series of windows in a wall above the primary roofline; designed to provide additional lighting and ventilation for the central part of the building.

Cofferdam—A temporary box-like structure used to hold back water or earth while work is being done inside it.

Column—(1) a structurally isolated vertical member which is at least eight to ten times as long as its least lateral dimension designed to carry loads. (2) a vertical structural member supporting horizontal members (beams, girders) designed to transmit load to bearing material at base of column.

Common brick—Local inexpensive clay brick, no uniform face or precision mold.

Composition siding—A manufactured wall covering, often finished in an imitation brick pattern.

Concrete—A hard stone-like material made by mixing sand, an aggregate such as crushed stone or gravel, cement, and water, and allowing the mixture to harden.

Concrete block—Concrete formed into the shape of a block and allowed to set until it hardens. Used as a masonry unit.

Conduit—A pipe or tube. An artificial tunnel used to enclose wires or pipes or to convey water or other fluids.

Construction, brick—A type of construction where the exterior walls are bearing walls (q.v.) made of solid brick and tile masonry.

Construction, brick veneer—A type of construction where the exterior walls are one-layer brick curtain walls backed by a wood frame.

Construction, mill—A type of construction where the exterior walls are substantial masonry bearing walls, the structural members are of heavy timber and further characterized by an open design and other safeguards against fire hazards.

Construction, reinforced concrete—A type of construction where the principal structural members, such as the floors, columns, etc., are made of concrete poured around isolated steel bars or steel meshwork in such manner that the two materials act together in resisting forces.

Construction, steel frame—A type of construction where a framework of steel structural members for the support of all loads and the resistances of all stresses.

Construction, wood frame—A type of construction in which there is a framework of wooden structural members for the support of all loads and the resistance of all stresses.

Continuous windows—Windows designed for saw-tooth roofs or roof monitors of industrial buildings; generally top hinged and opened by mechanical operators.

Coping—A special capping at the top of a wall, serving principally as a watershed.

Corbel—A supporting bracket of stone, brick or wood projecting from side of wall.

Cornice—A projecting element at the top of a wall, serving principally as a decoration or as part of the coping.

Cottage—One-story to two-story dwelling unit of small size and humble character.

Course—A uniform horizontal layer of brick, stone, terra cotta, shingles, or some other structural material, extending continuously around a building or along a wall.

Court—An open space bordered on two or more sides by the walls of a single building, or of two or more buildings, and by a lot line or a yard on any side not so bordered.

Craneway—The steel or concrete column and girder supports and rails on which a crane travels. Oftentimes the craneway is attached to the building frame.

Crawl space—An unfinished, accessible space below the first floor, generally less than full story height.

Cupola—A small building-like structure on a roof.

Curtain wall—An exterior wall that encloses but does not support the structural frame of a building.

Damp proofing—The coating of a surface to prevent the passage of moisture.

Dead load—The weight of the structure itself plus any permanent fixed loads.

Dome—A roof shaped like a hemisphere or inverted bowl, so constructed as to exert equal oblique thrust stresses in all directions.

Dormer—1) a relatively small structure projecting from a sloping roof, 2) a window set upright in the face of such a structure.

Double hung window—A type of window containing two movable sash sections that slide open vertically.

Double tee—A structural member of pre-cast concrete composed of two beams connected by a common slab.

Double wall—An exterior frame wall with siding, sheathing and interior lining.

Downspout—A pipe for carrying rainwater from roof gutters to the ground or the storm sewer system.

Drain tile—Burnt clay tile pipe, rendered impervious to water by glazing; laid with loose unsealed joints or plastic perforated pipe laid next to the foundation wall for drainage.

Dressed and matched—Boards which are finished, or dressed on 1 or 2 sides and tongue and grooved on the edges.

Drilled caisson—A hole drilled into the ground then filled with concrete. Depending on soil conditions, a pipe lining may be included.

Drip edge—A projecting part of a sill or cornice that sheds rainwater and protects structural parts below.

Drop panel—In reinforced concrete slab construction, a thickened portion of the ceiling around a column head for load distribution.

Drywall construction—Any type of interior wall construction not using plaster as a finish material; e.g., wood paneling, plywood, plasterboard, or other type of wallboard.

Duct—A pipe to convey warm or cooled air; pipe containing electrical wires or cables.

Dwelling—Any building or portion thereof designed or occupied in whole or in part as a place of residence.

Dwelling, attached—A multi-family dwelling where the dwelling units are separated vertically by means of common or party walls. See "**terrace**."

Dwelling, double—A two-family dwelling that the dwelling units are separated vertically, by means of a common or party wall.

Dwelling, duplex—A two-family dwelling in which the two dwelling units are separated horizontally with a private street entrance for each; i.e., a two-family flat.

Dwelling, multi-family—A building designed as a place of residence for more than two families or households; e.g., an apartment house or tenement.

Dwelling, row—Any one of a series of similar single-family, two-family, or multi-family dwellings having one or more contiguous common, or party walls.

Dwelling unit—Any room or group of rooms designed as the living quarters of one family or household, equipped with cooking and toilet facilities, and having an independent entrance from a public hall or from the outside.

Eaves—The portion of a sloping roof projecting beyond the wall of a building.

Elevation—A drawing representing a projection of any one of the vertical sides or vertical cross-sections of a building or of any other object.

Excavation—A hole or hollow dug in the earth.

Facade—The face of a building, especially one that is decorative or imposing.

Face brick—Generally, a hard burned brick of smooth or rough-texture face, of selected color and size; used to finish the exterior walls of a building.

Fascia—Any relatively broad flat vertical surface like that on the outside of a cornice. A finishing board used to conceal rafter boards.

Felt paper—A paper sheathing on walls and roofs insulating against heat, cold and dampness.

Fenestration—The design and disposition or arrangement of windows or other openings in building walls.

Fiber plank—A decking material composed of wood fibers with moisture and fire-resistive binders often used with bulb tees.

Fiberboard—Fine spun filaments of glass made into yarn, used in wooly masses as insulation. May be added to gypsum or concrete products to increase tensile strength.

Fill—The material used to equalize or to raise topography to a desired grade.

Firebrick—A brick made of fire clay that is capable of resisting high temperatures; used to line heating chambers and fireplaces.

Fire door—Door consisting of a core and external surfaces especially constructed to prevent the spread of fire.

Fireproofing—The use of incombustible materials to protect structural components of a building so it can withstand a complete burnout of contents without losing structural integrity.

Firewall—A wall of fire-resisting material erected between two parts of a building to prevent the spread of fire from one part to the other.

Flashing—Small metal strips used to prevent leaking of roofs around chimneys, dormers, hops and valleys.

Flat—Any one floor of a building two or more stories high each floor of which constitutes a single dwelling unit and has a private street entrance.

Float finish—The surface of concrete finished by a continuous spreading of the material with a flat board.

Floating foundation—(Mat, raft or rigid foundation) consists of concrete slabs usually 4 to 8 inches thick covering the entire foundation area.

Floor finish—Top, or wearing surface made of hardwood, linoleum, terrazzo, tile, or other finish materials.

Flue—The duct or space within a chimney through which combustion gases and smoke are allowed to escape.

Flue lining—The tile or pipe inside a chimney.

Fluorescent light—Produced from a fluorescent-coated tube that glows as electrons pass from one end to the other.

Footing—A spreading base to a wall, column, or other supporting member, which serves to widen the ground area to which structural loads are transmitted.

Formica—The trade name for a hard, durable plastic sheeting used for table, sink and counter tops or for wall covering resistant to heat and chemicals.

Forms—The temporary panels, usually of wood, plywood, or metal that contain and control the shape of poured concrete until it hardens.

Foundation—The structural members below grade level, or below the first tier of beams above grade level, which transmit the load of a superstructure to the ground.

Foyer—The lobby of a theater or hotel; the entrance hall of a house.

Frame—The skeletal supporting structure of a building or construction component.

Frieze—A decorative horizontal band at or near the top of a wall.

Furring—The strips of wood or metal applied to a wall or other surface to make it level, to form an air space, or to provide fastening surface for a finish covering.

Gable—(1) The triangular portion of a wall between the slopes of a double sloping roof. (2) The whole of the wall containing such a triangular portion. (3) A portion of a building extending from the remainder of the building and covered with a gable roof.

Gambrel roof—A ridged roof, with sides having two pitches or slopes.

Giant tee—A structural member of pre-cast concrete composed of a beam connected to a slab.

Girder—(1) A large or principal beam (q.v.) used to support concentrated loads at isolated points along its length. Girders usually support the beams and structure above. (2) Any main horizontal supporting member or beam.

Girt—A secondary horizontal framing member extending between columns or studs to stiffen the framing system; also to provide support for the siding or sheathing.

Glazed concrete block—Concrete block with a glossy vitreous material surface.

Grade—The plane of the natural or finished surface of the ground.

Grade beam—A horizontal load-bearing foundation member, end-supported like a standard beam, not ground-supported like the foundation wall.

Granolithic—An artificial stone of crushed granite and cement.

Grillage—A system of beams laid crosswise to form a foundation to evenly distribute the load.

Groin—The sharp curved edge formed at the junction of two intersecting vaults.

Grout—A thin, fluid mortar used to fill small joints and cavities in masonry work.

Gutter—A trough or channel along or under the roof eaves which carries rainwater to downspouts or conductors.

Gypsum—A common mineral, hydrated calcium sulfate, found in rocks; used in plaster of Paris.

Gypsum plank—A lightweight pre-cast roof deck of gypsum core with steel mesh reinforcement.

Gypsum plaster—Substance obtained by heating gypsum that sets in a firm, hard mass when mixed with water.

Gypsum wallboard—A prefabricated sheet used in drywall construction as a substitute for plaster. Made of gypsum covered with paper that can be painted, textured or wallpapered.

Hardboard—Boards formed by combining shredded wood chips and glue with pressure.

Header—1) A structural member which is laid perpendicularly to a parallel series of similar members and against which the latter members abut. 2) A brick or other piece of masonry laid in a wall in such manner that its longest dimension extends along the thickness of the wall.

Hearth—The floor of a fireplace.

Heat exchanger—Cylinder with coils in it; used to transfer heat from one gas or liquid to another.

Hip—(1) A sloping line along which two roof surfaces meet to form an external angle of more than 180 degrees. (2) A hip rafter (q.v.). Compare **"Ridge"**; **"Valley**."

Hotel—A building designed for transient or semi-transient residential use, divided into furnished single rooms and suites and having such accommodations as lounges, public dining rooms and maid service, etc.

Hotel, apartment—See "**Apartment hotel**."

I-beam—Steel beam with cross section resembling the letter "I" now designated "S" for American Standard Beam.

Incandescent light—Light emitted from a lamp with a fine wire filament which produces light as a current passes through it.

Insulating board or fiberboard—A building board made of compressed plant fibers such as wood, cane or cornstalks, usually formed by a felting process, dried and pressed to specified thickness.

Insulation—Any material used to reduce the transfer of heat, cold or sound.

Jack rafter—Shorter than a full-length rafter. Is found in hip roofs where the top edge of a roof slope is not horizontal, and in roofs with valleys.

Jalousies—Adjustable glass louvers in doors or windows to regulate light and air or exclude rain.

Jamb—The side framing or finish of a doorway or window.

Joist—One of a series of small parallel beams laid on edge and used to support floor and ceiling loads, and usually supported in turn by larger beams and girders.

Keene's cement—A white, hard finish durable plaster that sets quickly; used in bathrooms and kitchens.

Keystone—The central topmost stone or piece of an arch which holds the other in place.

King post—The vertical member at the center of a triangular truss.

Lally column—A concrete filled steel pipe used as a vertical framing support.

Lath—Strips of wood or expanded metal used as base for plaster walls.

Lattice—Any openwork panel of crossed strips, rods, or bars of wood or metal, used as a screen.

Leader—Pipe to conduct rainwater from roof gutters to ground or storm sewer system.

Lean-to—A small structure with a single pitch roof; built against an outside wall of a building.

Light—A window pane or section of a window sash for a single pane of glass.

Lintel—A beam over a wall opening, such as a door or window, designed to carry the load of the wall over such opening.

Live load—Any moving or variable load applied to a structure, expressed in pounds per square foot of floor areas for various types of building occupancy.

Load bearing wall—Weight of wall and portion of floor/roof load are supported by the wall, remainder is supported by the interior framing.

Lobby—An entrance passage or waiting area in a theater, hotel or other public building.

Loft—An unpartitioned or relatively unpartitioned upper story of a building, designed for storage, wholesaling, or light manufacturing.

Lookout—A short timber support for an overhanging roof at a gable.

Louver (or louvre)—A ventilator containing slats placed lengthwise across the ventilator opening, each slat being slanted in such manner as to overlap the next lower slat and to permit ventilation but exclude rain.

Luminous ceiling—A suspended ceiling of translucent materials, above, which is installed a system of fluorescent tubes, making the entire ceiling the source of light, a practice that greatly reduces glare and shadows.

Mall—Originally a shaded walk. Now adopted to designate an area for pedestrians in a retail section or shopping center.

Mansard roof—A roof with two slopes or pitches on each of the four sides, the lower slopes steeper than the upper. Convenient for adding another story to a building.

Marquise—A flat roof-like structure sheltering a doorway, having no floor beneath it and is usually supported wholly from the walls or the building.

Masonry—Anything constructed of stone, brick, concrete tile, concrete block, using mortar as a bond.

Mastic—An adhesive material used to cement two surfaces together. Flooring materials applied to the base floor in a stiff plastic state by spreading, rolling and troweling.

Mercury vapor lamp—Produced by an electric arc discharging through mercury vapor in a tube. White light.

Metal pan joist—A floor or roof system using metal pans to form a system of closely spaced beams and connecting slabs.

Mezzanine—Low story formed by placing a floor between what would ordinarily be the floor and ceiling of a high story.

Mill construction—A type of fire-resistant or slow burning construction; masonry, heavy timber framing, and planked or laminated wood floors much thicker than ordinary joist construction.

Millwork—All of the wooden portions of a building, whether frame construction or otherwise, which are customarily purchased in finished form from a planing mill, such as doors, windows, trim, balusters, etc.

Mineral wool—Insulation material made by blasting molten slag or rock with steam. Such materials are known as rock wool, glass wool, etc.

Molding (moulding)—A curved section formed in the edge or face of wood and/or stone, chiefly for the sake of ornament. Mostly used to fill corners. Classified by its purpose (bed, crown, shingle) or by design, cove, ogre, quarter-round.

Monitor roof—A raised structure on a roof having windows or louvers for ventilating or lighting a building such as a factory or warehouse.

Monolithic—Poured floor or structure in one piece.

Mortar—The bonding agent in masonry work made of lime, sand, and cement mixed with water.

Newel—The vertical post that the steps of a winding staircase turn. The post at the top or bottom of a staircase supporting the handrail or a balustrade.

Non-bearing wall—A wall that supports only its own weight.

On center—The distance from the center of one structural member to the center of another. Term used for spacing studs, joists, rafters, etc.

Oriel—Window type; ordinarily projects beyond exterior face of wall; octagonal or hexagonal in plan, commonly corbelled or cantilevered out.

Overhang—A finished portion of a building having full story height that extends beyond the foundation wall line if part of the ground story, or beyond the exterior walls of the ground story if part of any higher story.

Overhead structure—Similar to overhang above ground story, such as overhead pedestrian walkway.

Panic device—Door opening operator usually consisting of a door-wide bar at waist height which, when pushed against, pulls back the door latching mechanism allowing the door to open.

Parapet—A low wall along the edge of a roof, balcony, ridge, or terrace. Also a parapet wall.

Parging—A coating of cement on a masonry wall, frequently used to waterproof the outside surface of a basement wall.

Parquet floor—A hardwood floor laid in small rectangular or square patterns, not in long strips.

Partition—See "**Wall, partition**."

Penthouse—A structure or enclosure on a roof for housing stairway to roof, elevator machinery, utility room or water tank.

Pier—(1) A thick, solid mass of masonry that is fully or partially isolated from a structural standpoint and which is designed to transmit vertical loads to the earth; (2) a structure projecting from land into water for use in loading and unloading vessels. Compare "**Column**."

Pilaster—A flat-faced pillar projecting somewhat from but engaged in, the wall of a building and used for decorative purposes or to help support truss and girder loads or both.

Pile—A heavy timber, metallic, or masonry pillar forced into the earth to form a foundation member.

Pitch—The slope of any structural member, such as a roof or rafter, usually expressed as a simple fraction representing the rise per lateral foot.

Plan—A drawing representing a projection of any one of the floors or horizontal cross-sections of a building or of the horizontal plane of any other object or area. Compare "**Elevation**."

Plaster—A mixture of lime, sand and water. Used as a finished surface for walls and ceilings.

Plate—A horizontal structural member laid across the top of a row of studs, serving as the frame for interior partitions, and exterior walls. The purpose of a plate is 1) to provide lateral rigidity for the wall by "tying" the studs together and 2) to serve as a support for upper story floor joists, ceiling joists and as the lower support for rafters.

Plumb (bob)—Exactly perpendicular vertical.

Plywood—A fabricated wood product constructed of three or more layers of veneer joined with glue; usually laid with grain of adjoining piles at right angles.

Porcelain—A vitrified, glass-like, coating of ceramic materials bonded to a base metal by fusion.

Post—A vertical structure member carrying stresses in compression, used where strength in bending is not a requisite.

Pre-cast concrete—Concrete structural components that are cast separately, either at a separate location or on a building site; not formed and poured in place in the structure.

Pre-engineered building—A building constructed of pre-designed, pre-manufactured, and pre-assembled units such as wall framing, floor and roof panels. Pre-engineered units are simply erected at the construction site.

Pre-stressed concrete—A structural member with reinforcing strands placed under tension either before or after the concrete sets.

Purlin—A beam running along the underside of a sloping roof surface and at right angles to the rafters, used to support the common rafters, and usually supported in turn by larger structural members, such as trusses or girders (usually run along length of building).

Radiant heat—Heat transmitted from heated surface by radiation rather than conduction or convection.

Rafter—Structural member placed, as a rule, in a sloping position and used as the supporting element for the structural material forming the plane of the roof.

Rafter, hip—A rafter placed in an inclined position to support the edges of two sloping roof surfaces which meet to form an external angle of more than 180 degrees.

Rafter, valley—A rafter placed in an inclined position to support the edges of two sloping roof surfaces which meet to form an external angle of less than 180 degrees.

Rake—A board or molding plate along the sloping sides of a frame gable to cover the ends of the siding.

Ramp—An inclined plane connecting two different floor levels and used in lieu of steps.

Reinforcement—A system of steel rods or mesh for absorbing tensile and shearing stresses in concrete work, complementing the inherent compressive qualities of concrete.

Reservoir—Below-ground fluid storage tank built with concrete walls, floor and roof.

Residence—See **Dwelling**.

Resilient tile—Flooring which includes a number of products such as asphalt, linoleum, cork, vinyl, and rubber.

Ridge—A horizontal line along which the upper edges of two roof surfaces meet to form an external angle of more than 180 degrees.

Rise—(1) In general, any vertical distance, (2) specifically, the rise of a roof, being the distance between the top of an exterior wall and the peak of the roof; the rise of a stair, being the distance from tread to tread.

Roll roofing—A roofing material made of compressed fibers saturated with asphalt, supplied in rolls.

Roof, curb (or curbed)—A roof where the pitch of the upper part of a sloping side is less than the pitch of the lower part.

Roof, flat—A roof that is flat or sloped only enough to provide proper drainage.

Roof, gable—A double-sloped roof having a cross section similar to the shape of the inverted letter “v”.

Roof, gambrel—A curbed gable roof.

Roof, hip (or hipped)—(1) In general, any roof having one or more hips, (2) usually, a roof with four sloping sides meeting along four hips or along four hips and a ridge.

Roof, lean-to—(1) A roof having a single sloping side that is supported at the upper edge by the wall of an attached building or of a larger and higher portion of the same building, (2) any roof with a single slope.

Roof, mansard—A roof with two slopes or pitches on each of the four sides, the lower slopes steeper than the upper. Convenient for adding another story to a building.

Roof, monitor—A type of gable roof, commonly found on industrial buildings, having small raised portion along the ridge with openings for the admission of light and air.

Roof, pyramid—A roof having four sloping triangular sides, usually of equal pitch, meeting together at the peak.

Roof, saw tooth—A roof with a series of parallel sloping surfaces interspersed between a series of vertical surfaces which rise from the lower edges of such sloping surfaces and contain windows for the admission of light and air.

Roof, single pitch—A roof with a single slope other than a lean-to roof.

Rotunda—A circular building or room covered by a dome.

Rubblework—Masonry built of rubble or roughly dressed stones laid in irregular courses.

Sandwich panel—A core of insulation covered on both sides with materials such as concrete, metal, or asbestos.

Sanitary sewer—A sewer carrying only waste material, not surface water.

Sash—The wooden or metal framework in which the glass of a door or window is set.

Saw kerf—A notch made by a saw in a board.

Scratch coat—The first coat of plaster applied to a wall, scratched or scored to provide a bond of the second coat.

Scuttle—A framed opening in a ceiling or roof, fitted with a lid or cover.

Shake—A shingle formed by splitting a short log into a number of tapered radial sections.

Sheathing—The covering, usually of rough lumber, placed immediately over studding or rafters.

Sheet piling—Planking or steel shafts driven close together vertically to form a temporary wall around an excavation.

Shingle—A roof or wall covering of waterproof material.

Shoring—Structural bracing used as temporary support for a building during construction.

Shutter—Hinged door that covers a window.

Siding—A finish covering for exterior walls of a building.

Sill—(1) The lower horizontal part of a door-case (the threshold) or of a window; (2) the lowest horizontal structural member of a frame building, upon which the superstructure is supported.

Skin wall—External wall covering of aluminum, porcelain enamel, steel or other material.

Slab on ground—A building floor (usually concrete) that rests on, or touches the ground.

Slate—A hard, fine-grained rock that cleaves naturally into thin, smooth-surfaced layers.

Sleeper—A structural member laid horizontally on the ground or upon a masonry base as a support to a floor or other superstructures.

Sodium vapor light—Produced by electric current passing between electrodes in lamp filled with sodium vapor. Orange light.

Soffit—The undersiding of a building member such as an arch, cornice, overhang, or stairway.

Soil stack—A general term for the vertical main of a system of soil, waste or vent piping.

Span—The horizontal clear distance between supports as between those of a bridge, or between columns of a structure.

Spandrel—A beam that lies in the same vertical plane as the exterior wall.

Specifications—A detailed description of the dimensions, materials, quantities, structural procedures, etc. applicable to a projected or completed piece of construction.

Staging—A temporary scaffolding to support workmen and materials during construction.

Stair riser—Vertical part of a step in a staircase.

Stair tread—The part of a step actually trodden on when stairs are climbed.

Stile—The upright or vertical outside piece of a sash, door or panel.

Storm sewer—A sewer that only carries rain or surface water.

Story—The portion of a building enclosed by a floor, a ceiling and the exterior walls.

Story, ground—The first story lying wholly above the ground level.

Story, half (or one-half)—(1) For buildings with a mansard or gambrel roof, a finished portion of a building which lies above the wall plate or cornice and has a usable floor area substantially less than that of the next lower story, (2) for all other buildings, a finished portion of a building which is above one or more full stories which is wholly or partly within the roof frame and has one or more exterior walls substantially lower than the full height of the story.

Story, one—A building having no finished story above the ground story.

Stretcher—A brick or other masonry unit laid length wise in a wall.

Stringer—Inclined member supporting the treads and risers of a stair.

Structural floor—Floors above the ground resting on walls or columns.

Strut—Any structural member that holds apart two or more other members by counteracting a pressure that tends to bring them together.

Stucco—A cement plaster used as an exterior wall surface finish; usually applied over a metal or wood lath base.

Stud—One of a series of small slender structural members placed vertically and used as the supporting element of exterior or interior walls.

Subfloor—The flooring laid directly on top of floor joists but beneath the finished floor.

Superstructure—The part of a building above the foundation or ground level.

Tenement—A building, usually of obsolete nature, designed primarily for non-transient residential use and divided into three or more dwelling units having common stairs, halls, and street entrances, and sometimes common bath and toilet rooms.

Termite shield—A sheet metal shield placed to prevent the entry of termites into the wooden portion of a structure.

Terrace—An unroofed level area covered with grass or masonry or both, raised above the surrounding ground level, and having a vertical or sloping front.

Terra cotta—A hard-baked pottery molded into decorative tiles, brick, etc. and used particularly for facing and trim on buildings.

Terrazzo—A durable floor finish made of small chips of colored stone or marble embedded in cement and polished in place to a high glaze.

Thickened edge slab—A type of concrete floor slab foundation where the slab is thickened around the edge in lieu of a foundation.

Threshold—A strip of wood, stone or metal placed beneath a door.

Tie—Any structural member that binds together two or more members by counteracting a stress that tends to draw them apart.

Tilt-up concrete panels—Concrete wall sections that are cast horizontally and tilted or lifted into building position.

Trim—(1) The wooden portions of a plastered room, such as the doors, windows, wainscotting, and molding, or the corresponding portions of a room finished otherwise than with plaster, (2) the contrasting elements on the exterior of a building which serve no structural purpose but are intended to enhance its appearance; e.g., the cornice, occasionally, the hardware of a house, such as locks, hinges, doorknobs, etc.

Trowel finish—The surface of concrete finished by smoothing with a trowel.

Truss—Any of various structural frames based on the geometric rigidity of the triangle and composed of members subject only to longitudinal compression and tension; rigid under anticipated loads, spans large area without interior support, i.e., Bowstring, Cambered, Flat Roof, Sawtooth, Scissors and Triangular.

Unit heat—Heat produced by factory-built, gas or electric fired heater, which contain a fan to direct heat to a specific area.

Valley—A sloping line along which two roof surfaces meet to form an external angle or less than 180 degrees.

Vapor barrier—Material used to retard the passage of vapor or moisture into walls and floors, thus preventing condensation.

Veneer—A thin ornamental or protective facing which does not add appreciably to the strength of the body to which it is attached.

Vent (ventilator)—Allows air to circulate in areas susceptible to dampness or condensation. (Basement, foundation, attic, roof and eave.)

Waffle pan construction—Flat, reinforced concrete slab foundation with a grid of projections on its lower surface to give additional rigidity. Used when bearing capacity of soil is poor or not firm enough to support a plain flat slab foundation.

Wainscot (or wainscoting)—(1) A wooden facing on the lower portion of a contrasting interior wall, (2) by extension, a facing of marble tile, or the like on the lower portion of interior walls.

Wall, bearing—A wall designed primarily to withstand vertical pressure in addition to its own weight.

Wall, common—A wall owned by one party but jointly used by two parties, one or both are entitled to such use under the provisions of a lease.

Wall, curtain—A nonbearing wall which is supported by columns, beams or other structural members, and whose primary function is to enclose space.

Wall, partition—An interior bearing or nonbearing wall separating portions of a story.

Wall, party—A wall jointly used by two parties under easement agreement and erected at or upon a line separating two parcels of land held under different ownership.

Wall, retaining—A wall designed primarily to withstand lateral pressures of earth or other filling or backing deposited behind it after construction.

Waterproofing—To render impervious to water or dampness.

Weep hole—A series of small holes in a retaining wall or similar structure that permits the drainage of water through the wall and hence reduces the pressure against the wall.

Appraisal Terms

Abandonment—(1) Cessation of the use of right of way or activity thereon with no intention to reclaim or use again. (2) The act of vacating real property and/or the leaving of fixtures or other attachments.

Abstract—To reduce a legal description of a property to another form; also, to identify a property from its legal description.

Access—(1) The means or way by which a property is approached. (2) The means or method of entrance into or upon a property.

Access Rights—(1) The right of ingress to and egress from a property which abuts upon an existing street or highway. It is an easement in the street that is appurtenant to abutting property and is a private right as distinguishable from the rights of the public. It is well-established law in the United States that the right of access cannot be denied or unreasonably restricted unless other reasonable access is available or provided or compensation is awarded. (2) The right of a riparian owner to pass to and from the waters upon which the premises border.

Accrued depreciation—See **Depreciation**.

Acre—A land measure of 160 square rods or 43,560 square feet.

Actual Age—The number of years elapsed since an original structure was built. Sometimes referred to as historical or chronological age.

Aerial photo—Airplane photography of entire U.S. land mass taken by Federal Government every few years. Available from County Agricultural Stabilization and Conservation Service Office.

Age/Life Method—A method of estimating accrued depreciation founded upon the premise that, in the aggregate, a mathematical function can be used to infer accrued depreciation from the age of a property and its economic life.

Agricultural property—Land and improvements devoted to or best adaptable for the production of crops, fruits, timber and the raising of livestock.

Air rights—The right to inclusive and undisturbed use and control of a designated air space within the perimeter of a stated land area and within stated elevations. Such rights may be acquired for the construction of a building above the land or building of another, or for the protection of the light and air of an existing or proposed structure on an adjoining lot.

Alley influence—The enhancement to the value of a property rising out of the presence of an abutting alley, most generally applicable to commercial properties.

Allocation—The allocation of the appraised total value of the property between the land and improvements.

Allowance for Vacancy and Income Loss—That amount deducted from Potential Annual Gross Income to reflect the effect of probable vacancy and turnover, or non-payment of rent by tenants; commonly expressed as a percentage of Potential Annual Gross Income and then converted to a dollar figure, the percentage of vacancy and income loss is the complement of the occupancy ratio.

Amenities—In reference to property, the intangible benefits arising out of ownership; amenity value refers to the enhancement of value attributable to such amenities.

Anticipation, principle of—Affirms that value is created by the anticipation of future benefits. (Value may be defined as the present worth of all rights to future benefits.)

Appraisal—An estimate or opinion of value, usually in written form of the described property as of a specified date; may be used synonymously with valuation or appraised value.

Appraiser—One who estimates value. More specifically, one who possesses the expertise to execute or direct the execution of an appraisal.

Appreciation—Increased value of a property, in terms of money, from all causes. For example, or a property of any sort may appreciate as a result of inflation.

Arm's-Length Sale—A sale between two parties neither of whom is related to or under abnormal pressure from the other. See Market Value.

Assemblage—The combining of two or more continuous parcels into one ownership or use.

Aesthetic value—A value, intangible in nature, which is attributable to the pleasing appearance of a property.

Azimuth—The angle between true north or true south and an object. In surveying, it is measured clockwise from north.

Balance, principle of—Holds that value is created and maintained in proportion to the equilibrium attained in the amount and location of essential uses of real estate. The degree

of value of a property is governed by the balance or apportionment of the four factors in production, land, labor, capital and management.

Base price—A value or unit rate established for a certain specified model, and subject to adjustments to account for variations between that particular model and the subject property under appraisement.

Bearing—(1) The situation or horizontal direction of one point or object with respect to another, or to the points of the compass. (2) That portion of any member of a building that rests upon its supports.

Blighted area—A declining area or district characterized by structural deterioration and/or environmental deficiencies.

Book value—The capital amount of property shown on the books of an accountant. Usually, it is the original cost less reserves for depreciation plus additions to capital.

Boring test—A study of load-bearing qualities of subterranean surface by analysis of bore or drilling residue (core samples).

Building Capitalization Rate—A rate which includes return on and return of capital invested in improvements, separate, and apart from capital invested in the underlying land; used in the residual techniques which separate property income into components attributable to land and to improvements.

Building Residual Technique—A technique used to estimate the value of a property from a knowledge of normal net income, the discount rate, the remaining economic life of the property, the value of the land, the income stream attributable to the building, and the income stream attributable to the land. The technique estimates total value by discounting the income stream attributable to the building and adding the result to an independent estimate of the value of the land.

Bundle of Rights Theory—Ownership of a parcel of real estate embraces six rights. These include the right to buy; the right to sell it in whole or part; the right to bequeath; the right to lease; the right to use the real estate and the right to do none of these.

Capitalization—A mathematical procedure for converting the net income which a property is capable of producing into an indication of its current value.

Cash Flow Analysis—A study of the anticipated movement of money into or out of an investment.

Central business district—The center of the city in which the primary commercial, governmental and recreational activities are concentrated.

Certificate of title—A document usually given to a home buyer with the deed, stating that the title to the property is clear. It is usually prepared by an attorney or qualified person who has examined the abstract of title for the property. It is only an opinion that the title is good, not to be confused with title insurance.

Change, principle of—Holds that economic and social forces are constantly at work and because changes brought about by these forces affect real property. The appraiser views real property and its environment as in transition, observing evidence of trends which may affect the property in the future. The law of change is fundamentally the law of cause and effect.

Chattel—In law, any property other than a freehold or fee estate in land. Chattels are treated as personal property, although they are divisible into chattels real and chattels personal.

Comparables; comparable sales—Properties that have recently sold that are similar in important respects to a property being appraised. The sale price, and the physical, functional and locational characteristics of each of the properties are compared to the property being appraised in order to arrive at an estimate of value. By extension, the term comparables is sometimes used to refer to properties with rent or income patterns comparable to a property being appraised.

Competition; principle of—Hold that profit tends to breed competition and excess profit tends to breed ruinous competition.

Component part-in-place method—The application of the unit-in-place method to unit groupings or construction components. See **unit-in-place method**.

Condemnation—The act of government (federal, state, county, municipal), and of duly authorized units of government and public utility companies invested with the right of eminent domain, to take private property for public use and benefit, upon the payment of just compensation. It is the act of the sovereign in substituting itself in place of the owner and/or the act of taking all or a part of the rights of an owner.

Condominium—A form of fee ownership of whole units or separate portions of multi-unit buildings by statute which provides the mechanics and facilities for formal filing and recording of a divided interest in real property, where the division is vertical as well as horizontal. Fee ownership of units in a multi-unit property and joint ownership of the common areas. Not to be confused with "**Cooperative**."

Conformity, principle of—Holds that the maximum of value is realized when a reasonable degree of homogeneity, sociological as well as economic, is present. Thus, conformity in use is usually a highly desirable adjunct of real property, since it creates and/or maintains maximum value.

Consideration—The amount of money and other valuable goods or services upon which a buyer and a seller agree to consummate a sale.

Consistent use—Maintains that a property in transition to another use cannot be valued on the basis of one use for the land and another for the improvements.

Contour line—Outline of a figure, body, mass; lines representing such an outline as the edge of the water of a lake. A line on a topographic map or chart connecting the points on a land surface which have the same elevation.

Contract rent—Payment for the use of property as designated in a lease. Used to establish the fact that the actual rent designated, or contract rent, may differ from market rent.

Contribution, principle of—A valuation principle which states that the value of an agent of production or of a component part of a property depends upon how much it contributes to the value of the whole; or how much its absence detracts from the value of the whole. The Principle of Contribution is sometimes known as the Principle of Marginal Productivity.

Corner influence—The enhancement of the value of a property rising out of its corner location; most generally applicable to commercial properties.

Cost approach—One of the three traditional approaches to value by which an indication of the value of a property is arrived at by estimating the value of the land, the replacement or reproduction cost new of the improvement, and the amount of accrued depreciation to the improvement. The estimated land value is then added to the estimated depreciated value of the improvements to arrive at the estimated property value.

Cost factor—A factor or multiplier applied to a replacement or reproduction cost to account for variations in location and time, as well as for other elements of construction costs not otherwise considered.

Cover crop—A crop planted principally for the purpose of controlling wind or water erosion during the dormant season. It is normally plowed under and not harvested.

Crop rotation—The practice of alternating, usually on an annual basis, field crops, such as corn or wheat, with legumes in order to maintain or improve the structure and productivity of the soil.

Cubic content—The cubic volume of a building within the outer surface of the exterior walls and roof and the upper surface of the lowest floor.

Cubic yard—A measure of volume that is three feet wide, three feet high, and three feet deep. There are 27 cubic feet in a cubic yard.

Curable depreciation—Those items of physical deterioration and functional obsolescence that are economically feasible to cure and hence are customarily repaired or replaced by a prudent property owner.

Deed—A written instrument that conveys an interest in real property. A quit claim deed conveys the interest described therein without warranty of title. A trust deed conveys interest described therein to a trustee. A warranty deed conveys the interest described

therein with the provisions that the freehold is guaranteed by the grantor, and the grantor's heirs or successors.

Delinquent taxes—Taxes remaining unpaid on and after a date upon which a penalty for nonpayment is normally attached.

Depreciation—Loss in value from all causes; may be further classified as physical, referring to the loss of value caused by physical deterioration; functional, referring to the loss of value caused by obsolescence inherent in the property itself; and economic, referring to the loss of value caused by factors extraneous to the property.

Accrued depreciation refers to the actual depreciation existing in a particular property as of a specified date.

Normal depreciation refers to that amount of accrued depreciation one would normally expect to find in buildings of certain construction, design, quality and age.

Depreciation allowance—A loss of value expressed in terms of a percentage of replacement or reproduction cost new.

Depth factor—A factor or multiplier applied to a unit land value to adjust the value in order to account for variations in depth from an adopted standard depth.

Depth table—A table of depth factors.

Design factor—A factor or multiplier applied to a computed replacement cost as an adjustment to account for cost variations attributable to the particular design of the subject property which were not accounted for in the particular pricing schedule used.

Deterioration—Impairment of structural condition evidenced by the wear and tear caused by physical use and the action of the elements, also referred to as physical depreciation.

Drain tile—A specially designed pipe used in a drainage system.

Easement—A non-possessing interest held by one person in land of another person whereby the first person is accorded partial use of such land for a specific purpose. An easement restricts but does not abridge the rights of the fee owner to the use and enjoyment of the easement holder's rights. Easements fall into three broad classifications: surface easements, subsurface easements and overhead easements.

Economic life—The life expectancy of a property during that it can be expected to be used profitably.

Economic obsolescence—Loss in value of a property (relative to the cost of replacing it with a property of equal utility) that stems from factors external to the property. For example, a buggy-whip factory, to the extent that it cannot be used economically for anything else, suffers substantial economic obsolescence since automobiles have replaced horse drawn buggies.

Economic rent—The rent which a property can be expected to bring in the open market as opposed to contract rent which is the rent the property is actually realizing at a given time. Also called market rent.

Effective age—The typical age of a structure equivalent to the one in question with respect to its utility and condition. Knowing the effective age of an old, rehabilitated structure or a building with substantial deferred maintenance is generally more informative than knowing its chronological age.

Effective depth—In reference to property valuation, that depth, expressed in feet, upon which the selection of the depth factor is based.

Effective gross income—The estimated gross income of a property less an appropriate allowance for vacancies and collection losses.

Effective valuation date—In reference to a revaluation program, the date as of which the value estimate is applicable.

Eminent domain—The right by which a sovereign government, or some person acting in its name and under its authority, may acquire private property for public or quasi-public use upon payment of reasonable compensation and without consent of the owner. The right or power of the government to take private property for public use upon making just compensation.

Encroachment—The displacement of an existing use by another use.

Engineering breakdown—A method of estimating accrued depreciation under which separate estimates are made for the individual components and then totaled.

Environmental deficiency—A neighborhood condition such as adverse land uses, congestion, poorly designed streets, etc. operating to cause economical obsolescence and, when coupled with excessive structural deterioration, blight.

Escheat—Reversion of property to the state when the owner dies without leaving a will or heirs.

Excessive frontage—Frontage because of the particular utility of the lot does not add value to the lot.

Exchange value—The value, in terms of money, of a commodity to persons generally; as opposed to use value of a specific person.

Exempt property—Property not subject to general property taxation.

Feasibility Analysis—A study of the cost-benefit relationship of an economic endeavor.

Fee appraisal—Appraisals of property one at a time for a fee.

Fee simple—In land ownership, complete interest in a property, subject only to governmental powers.

Flood plain—The nearly flat surfaces along the courses of rivers and streams that are subject to overflow and flooding.

Functional depreciation/obsolescence—See **depreciation**.

Functional utility—The composite effect of a property's usefulness and desirability upon its marketability.

General property—All taxable real and personal property except that which is taxed under chapters 76 and 77. It includes manufacturing property subject to sec. 70.995, Wis. Stats., but does not include exempt property, private forest croplands, woodland tax law lands, or public lands.

Goodwill—An intangible, saleable asset arising from the reputation of the business and its relation with its customers as distinguished from the value of the physical plant and its stock.

Government lots—Those land areas which, because of location of size, could not be divided into sections and quarters under government survey. Such tracts usually lie along the edge of rivers or lakes and extend from the waterline to the first section boundary.

Government survey—A ground survey authorized by the Continental Congress in 1785 and by subsequent congressional acts, encountered in Florida, Alabama, Mississippi, and all states (except Texas) north of the Ohio or west of the Mississippi Rivers. The land is divided into townships approximately six miles square, each township normally containing 36 sections and each section normally containing 640 acres.

Grade—The classification of an improvement based upon certain construction specifications, and quality of materials and workmanship.

Grade factor—A factor or multiplier applied to a base grade level for the purpose of interpolating between grades or establishing an intermediate grade.

Grantee—A person to whom property is transferred and property rights are granted by deed, trust instrument, or other similar documents.

Grantor—A person who transfers property or grants property rights by deed, trust instrument, or other similar documents.

Gross area—The total floor area of the building measured from the exterior of the walls.

Gross income—In reference to property valuation the scheduled annual income produced by the property.

Gross income multiplier—A multiplier by which gross income of a property is multiplied and its value estimated.

Gross sales—The total amount of invoiced sales before making any deductions for returns, allowances, etc.

Ground lease—A document entitling the lessee certain specified rights relating to the use of the land.

Ground rent—Net rent from a ground lease; that portion of the total rent which is attributable to the land only.

Highest and best use—A concept in appraisal and assessment law requiring that each property be appraised as though it were being put to its most profitable use, given probable legal, physical and financial constraints.

Horizon—A layer of soil approximately parallel to the land surface with more or less well-defined characteristics that have been produced through soil building processes.

Income approach—One of the three traditional approaches to value which measures the present worth of the future benefits of a property by the capitalization of its net income stream over its remaining economic life. The approach involves making an estimate of the potential net income the property may be expected to yield, and capitalizing that income into an indication of value.

Income property—A property primarily used to produce a monetary income.

Increasing and decreasing returns—A valuation principle stating that when successive increments of one or more factors of production are added to fixed amounts of the other factors there is a resulting enhancement of income (in dollars, benefits, or amenities), initially at an increasing rate to a point of maximum return and then decreasing until eventually the increment to value becomes increasingly less than the value of the added factor (or factors). The Principle of Increasing and Decreasing Returns is sometimes known as the Principle of Diminishing Returns or the Principle of Variable Proportions.

Incurable depreciation—Elements of physical deterioration or functional obsolescence which either cannot be corrected; or if possible to correct, cannot be corrected except at a cost in excess of their contribution to the value of the property.

Industrial park—A subdivision designed and developed to accommodate specific types of industry.

Industrial property—Land, improvements, and/or machinery used or adaptable for use in the production of goods either for materials, or by changing other materials and products i.e., assembling, processing and manufacturing as well as the supporting auxiliary facilities.

Influence factor—A factor serving to either devalue or enhance the value of a particular parcel of land, or portions thereof, relative to the norm for which the base unit values were established; generally expressed in terms of a percentage adjustment.

Institutional property—Land and improvements used in conjunction with providing public services and generally owned and operated by the government or other non-profit organizations, hospitals, schools, prisons etc. Such property is generally exempt from paying property taxes.

Interest—The premium paid for the use of money; the interest rate usually incorporates a risk factor, a non-liquidity factor, a time-preference factor, an inflation factor and potentially others, too.

Investment analysis—A study reflecting the relationship between acquisition price and anticipated future benefits of a real estate investment.

Irrigation—The artificial application of water to the soil for full crop production when the rainfall is not sufficient at the time of need, or in arid regions.

Joint tenancy—Refers to the situation where two or more individuals own inseparable interest in a parcel of real property, i.e., an individual does not own a particular part of a property, but owns a proportionate share of the entire property. The ownership interests of each individual expire with the individual's demise and cannot be transferred through a will, except in the case of the last survivor (the right of survivorship).

Land classification—The classification of land based upon its capabilities for use; and/or production.

Land contract—A purchase contract wherein the grantee takes possession of the property with the grantor retaining the deed to the property until the terms of the contract are met as specified.

Land residual technique—Land valuation technique which requires the value of the building(s) to be known; the value of the land can then be indicated by capitalizing the residual net income remaining after deducting the portion attributable to the building(s).

Landscaping—Natural features such as lawns, shrubs, and trees added to a plot of ground or modified in such a way to make it more attractive.

Land use restrictions—Legal restrictions regulating the use to which land may be put.

Lean-to—A small structure with a single pitched roof, usually erected against an outside wall of a larger structure.

Lease, lessee, lessor—A written contract by which one party (**lessor**) gives to another party (**lessee**) the possession and use of a specified property, for a specified time and under specified terms and conditions.

Leased fee—A property held in fee with the right of use and occupancy conveyed by lease to others. A property consisting of the right to receive ground rentals over a period of time, plus the right of ultimate repossession at the termination of the lease.

Leasehold—The interests in a property associated with the lessee (tenant).

Leasehold improvements—Additions, renovation and similar improvements made to a leased property by the lessee.

Leasehold value—The value of a leasehold; the difference between the contractual rent and the currently established economic or market rent.

Legal description—A description of a parcel of land that serves to identify the parcel in a manner sanctioned by law.

Lessee—One who possesses the right to use or occupy a property under lease agreement; a tenant.

Lessor—One who holds title to and conveys the right to use and occupy a property under lease agreement; a landlord.

Life estate—An interest in property that lasts only for a person's lifetime; thus the person in question is unable to leave the property to that person's heirs.

Lister—A field inspector whose principle duty is to collect and record property data (**not an appraiser**). Also referred to as a **data collector**.

Management fee—As an item of expense, the sum paid or the amount equivalent to the value of management service.

Market Analysis—A study of real estate market conditions for a specific type of property.

Market data approach—One of the three traditional approaches to value by which an indication of the value of a property is arrived at by compiling data on recently sold properties which are comparable to the subject property and adjusting their selling prices to account for variations in time, location and property characteristics between the comparables and the subject property.

Market rent—The rental income a property would most probably command on the open market as indicated by current rentals being paid for comparable space (as of the effective date of appraisal). This is preferred to the term "Economic Rent" which has traditionally been used in appraisal analysis, even though both are currently considered synonymous.

Market value—The definition of market value is the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;

4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Metes and bounds—Angles and distances; a description of a parcel of land accomplished by beginning at a known reference point, proceeding to a point on the perimeter of the property being described, and then tracing the boundaries until one returns to the first point on the perimeter, usually a corner. The angles are described by reference to points of the compass, and the distances are described in feet or chains; curves are treated as arcs on a circle.

Mineral rights—The right to extract subterranean deposits such as oil, gas, coal and minerals as specified in the grant.

Minimum rental—The portion of the rent in a percentage lease that is fixed.

Modeling method—A method of computing the replacement or the reproduction cost of an improvement by applying the cost of a specified model and adjusting the cost to account for specified variations between the subject improvement and the model.

Modernization—Corrective action taken to update a property so it conforms to current standards.

Mortgage, mortgagee, mortgagor—A legal document that an owner of a property (**mortgagor**) pledges the property to a creditor (**mortgagee**) as security for the payment of a debt.

Neighborhood—A geographical area exhibiting a high degree of homogeneity in residential amenities, land use, economic and social trends and housing characteristics.

Neighborhood trend—Stages in the life cycle of a neighborhood the **improving stage** characterized by development and growth; the **static stage** characterized by a leveling off of values; and the **declining stage** characterized by infiltration and decay and revitalization.

Net income—The income remaining after deducting allowable operating expenses from effective gross income.

Net lease—A lease wherein the lessee assumes to pay certain applicable operating expenses related to the cost of ownership.

Non-conforming use—A use which, because of modified or new zoning ordinances, no longer conforms to current use regulations, but is nevertheless upheld to be legal as long as certain conditions are adhered to.

Observed depreciation—Loss in value that is discernible through physical observation by comparing the subject property with a comparable property that is either new or capable of rendering maximum utility.

Obsolescence—A diminishing of a property's desirability and usefulness brought about by either functional inadequacies or over-adequacies inherent in the property itself, or adverse economic factors external to the property. Refer to functional depreciation and economic depreciation.

Occupational tax—A tax/charge on a particular trade or profession, paid and collected in the same manner as taxes on personal property; not a general property tax.

Omitted property—Real or personal property not assessed in any of the 2 previous years and entered on the assessment roll once for each previous year of omission. The value affixed by the assessor is what it should have been assessed at in the year of omission according to the assessor's best judgment.

Operating expenses—The fixed expenses, operating costs and reserves for replacements required to produce net income and are deducted from effective gross income in order to arrive at net income.

Operating income—Income derived from the general operation of a business. Not synonymous with net profit, but rather indicates a stage in profit-and-loss account where all direct costs of operation and all direct income from operation have been taken into account and nothing else.

Overall rate—A capitalization rate representing the relationship of a net income of a property to its value it contains, in their proper proportions, the elements of both the land and the building capitalization rates.

Parcel—Piece of land held in single ownership.

Parcel count—The number of assessments of land/improvements by class on the assessment roll.

Parcel identification number—An identification number assigned to a parcel of land to uniquely identify that parcel from any other parcel within a given taxing jurisdiction.

Parent material—The unconsolidated mass from which the soil profile develops.

Pasture—Land devoted to the production of tame or native forage that is harvested directly by livestock.

Percentage lease—A type of lease where the rental is based on a percent of income (gross/net) usually with a guaranteed base rental.

Percolation—The term is used to describe the seepage of water through soil; the ability of soil to absorb water or other liquid as effluent from a septic system.

Permeability—A term used to discuss the behavior of water in soil. A soil easily permeated by water would be friable, deep, and without dense or compacted horizons restricting free movement of water.

Personal property—All goods, wares, merchandise, chattels and **(See sec. 70.04, Wis. Stats.)** effects of any nature or description having any real or marketable value and not included in the term real property. It also includes toll bridges; private railroads and bridges; saw logs, timber, and lumber either upon land or floating; steamboats, ships, and other vessels whether at home or abroad; ferry boats including the franchise for running them; ice cut and stored for use, sale, or shipment; manufacturing machinery and equipment defined in sec. 70.11(27), Wis. Stats.; and entire property of companies defined in sec. 76.02(8), Wis. Stats., located entirely within one municipality.

Plat—A map intended to show the division of land into lots or parcels. Upon recordation with the appropriate authorities, land included in the plat can be legally described by reference to the plat, omitting a metes-and-bounds description.

Plat book—A record showing the location, size and name of owner of each plot of land in a stated area.

Police power—The right of government to limit the exercise of property rights in real estate, without compensation, provided the limitation is not specific to one parcel. The limitation is to serve the interest of public health, public safety, public morals and the general welfare.

Present worth—The current monetary value. It is the discounted value of aggregate future payments.

Principal meridians—Boundary lines indicating the rectangular survey system of the continental United States. Farmland description is by rectangular survey.

Productivity—(1) The capacity of a soil to produce crops under the environment where it occurs and under a specified system of management. (2) The amount of goods produced by labor, or other factors of production, per unit of time. (3) The net value of the services provided by space. Productivity is a direct function of use.

Progression; principle of—Indicates the value of a lessor object is enhanced by association with better objects of the same type.

Property inspection—A physical inspection of a property for the purpose of collecting and/or reviewing property data.

Quantity survey method—A method of computing the replacement or the reproduction cost of an improvement by applying unit costs to the actual or estimated material and labor

quantities and adding an allowance for overhead, profit and all other direct and indirect construction costs.

Quarter (Section)—In public land survey, it is a division of a section containing 640 acres, the quarter being 160 acres.

Range—One of a series of government survey lines extending due north and south at six-mile intervals and are numbered east or west from the principal meridian. These form the east and west boundaries of townships.

Real estate—The physical land and appurtenances affixed thereto; often used synonymously with real property.

Real property—The terms "real property" and "real estate" shall include the land and all buildings and improvements thereon, and all fixtures and rights and privileges appertaining thereto, except that for the purpose of time-sharing property as defined in s. 707.02(32), real property does not include recurrent exclusive use and occupancy on a periodic basis or other rights, including, but not limited to, membership rights, vacation services and club memberships.

Recapture rate—The rate at which an investment is returned to the investor. The annual amount which can be recaptured (or allocated for future recapture), divided by the amount of the original investment.

Reconciliation—The process by which the appraiser evaluates, chooses and selects from among two or more alternative conclusions or indications to reach a final value estimate.

Regression—The measurement of the closeness with which two or more variables are associated.

Remaining economic life—The number of years remaining in the economic life of the structure or structural component, as of the date of the appraisal.

Rent—The amount paid for the use of a capital good. See economic rent.

Replacement cost—The current cost of reproducing an improvement of equal utility to the subject property; it may or may not be the cost of reproducing a replica property.

Reproduction cost—The current cost of reproducing an improvement having exactly the same characteristics as the improvement in question.

Reserve for replacements—A reserve established to cover renewal and replacements of short-lived items that will not last for the remaining economic life of a property.

Residential property—Vacant or improved land devoted to or available primarily as a place to live.

Restrictive covenant—A private agreement restricting the use and occupancy of real estate that is a part of the conveyance and is binding on all subsequent purchasers. Such covenants may have to do with control of lot size, setback and/or placement of buildings, architecture and cost of improvements.

Right of way—The privilege which one person or persons particularly described, may have of passing over the land of another in some particular line. Usually, an easement over the land of another. The term is used to describe a strip of land used for railroad and highway purposes, for pipe or pole lines and for private or public passageways.

Sales ratio study—A statistical analysis of the distribution of assessment ratios of a sample of recent sales made for the purpose of drawing inferences regarding the entire population of parcels from which the sample was abstracted.

Salvage value—The price one would be justified in paying for an item of property to be removed from the premises and used elsewhere.

Scarcity value—Value caused by a demand for a good when the supply cannot be increased. Antique furniture is an example.

Scrap value—The price for a part of a property for sale and removal from the premises for the reclamation of the value of the basic material itself, such as copper.

Section—In public lands survey, one of the 36 sections, each a mile square, that each township is divided.

Set-back—The term refers to zoning regulations designating the distance a building must be set-back from the front property line, or the height at which the upper floors of a building are recessed, set-back from the face of a lower structure. In tall buildings there may be more than one set-back.

Site—A parcel of land that is improved to the extent that it is ready for use for the purpose it is intended.

Site development costs—All costs incurred in the preparation of a site for use.

Slope—The inclination or deviation of a surface from the horizontal; the grade. The degree of inclination usually expressed as a percentage, in highway usage it refers to the graded area beyond the shoulder area extending to natural and undistributed ground.

Software—(1) Computer programs. (2) Those parts of a computer system that are not machinery or circuits; procedures and possibly documentation are included along with programs.

Soil erosion—The wearing or carrying away of the topsoil by running water or wind.

Soil productivity—The capacity of a soil to produce crops under the environment where it occurs and under a specified system of management.

Soil profile—A vertical section of the soil through all its horizons and extending into the parent material.

Soil series—A grouping of soils having the same character of profile; the same general range in color, structure, consistence, sequence of horizons, and the same conditions of relief and drainage; and of common or similar origin (parent material) and mode of formation.

Soil survey report—A written report with a soil map, describing the areas surveyed, the characteristics and capabilities for use of the soil types and phases shown on the map, and the principal factors responsible for soil development.

Soil type—A soil that, throughout its full extent, has relatively uniform texture in addition to the soil series characteristics.

Sound value—The depreciated value of an improvement.

Sound value estimate—An estimate of the depreciated value of an improvement made directly by comparable condition, desirability and usefulness without first estimating its replacement cost new.

Standard depth (base lot)—The lot depth selected as the norm against which other lots are to be compared, generally the most typical depth.

Statistics—The science of studying numerical data systematically and of presenting the results usefully. Two main branches exist: descriptive statistics and inferential statistics.

Stratify—To divide, for purposes of analysis, a sample of observations into two or more subsets according to some criterion. The criterion is most often, but not necessarily, a threshold value for a single variable. Houses could be stratified on the basis of whether they were brick or frame, more or less than 1,000 square feet and so on.

Sublease—See lease, the lessee in a prior lease becomes a lessor in a sublease.

Substitution, principle of—A valuation principle that states that a prudent purchaser would pay no more for real property than the cost of acquiring an equally desirable substitute on the open market. The Principle of Substitution presumes that the purchaser will consider the alternatives available, that the individual will act rationally or prudently on the basis of the information about those alternatives, and that time is not a significant factor. Substitution may assume the form of the purchase of an existing property, with the same utility, or of acquiring an investment which will produce an income stream of the same size with the same risk involved in the property in question.

Super adequacy—A greater capacity or quality in the structure or one of its components than the prudent purchaser or owner would include or would pay for in the particular type of structure under current market conditions.

Supply and demand, principle of—A valuation principle stating that market value is determined by the interaction of the forces of supply and demand in the appropriate market as of the date of the appraisal.

Surplus productivity; principle of—States the net income remaining after the cost of the agents of production, (land, labor, capital and management) has been paid is considered surplus productivity.

Tangible property—Property that, by its nature, is susceptible to the senses. Generally the land, fixed improvements, furnishings, merchandise, and other items used in carrying on an enterprise.

Template—A transparent plastic instrument calibrated with various sized squares and rectangles (representing two acres, five acres, ten acres, forty acres, etc.) used for measuring acreage on aerial photographs.

Tenancy—The nature of tenure. The holding of property by any form of title. A lease or right to occupy for years; for a definite period, as one year and six months; at will, being ended at any time by landlord; at sufferance, when tenant remains after expiration of the lease; or for life, the right to occupy for one's life.

Tenancy in common—The holding of property by two or more persons each of whom has an undivided interest which upon their death, passes to their heirs and not to the survivor or survivors.

Tenancy in severalty—An ownership interest in real estate by one owner.

Tier—A row of townships, running east and west, lying between any two consecutive township lines, comprising an area six miles wide.

Tillable land—Land suitable for growing annual crops requiring plowing, harrowing, planting, cultivating and harvesting as distinguished from land on a farm not so adapted, as marsh or swampland and wood lots.

Title—Evidence of ownership, typically in written form. Title passes when a deed is accepted by the grantee.

Topographic map—A map charting natural and manmade features and surface vegetation of an area of the earth's surface. The map uses contour lines, symbols, tinting, and shading to show these features.

Topography—The relief features or surface configurations of an area, such as hills, valleys, slopes, lakes and rivers. Surface gradations are classified as: compound slope, gently sloping land, hilly land, hog wallows, hummocks, rolling land, steep land, undulating land and very steep land.

Trended historical cost—The use of cost factors (time-location) to bring historical cost to current cost levels.

Unimproved land—Vacant land, a parcel without an improvement value.

Unit cost or price—The price or cost of one item of a quantity of similar items.

Unit-in-place method—A method of cost estimating in which all direct and some of the indirect costs of each individual construction component (such as foundation walls) are specified in appropriate units (such as area, volume, or length), multiplied by an estimate of quantity required by the particular structure, and added to obtain an estimate of the cost of the structure.

Use density—The number of buildings in a particular use per unit of area, such as a density of so many apartment units per acre.

Use value—The actual value of a commodity to a specific owner, as opposed to its value in exchange.

Useful life—The period of time over which the structure may reasonably be expected to perform the function for which it was designed or intended.

Vacancy—An unrented unit of rental property.

Vacant land—Unimproved land; a parcel for which there is no improvement.

Valuation—The process or business of appraising, of making estimates of the value of something. The value typically required to be estimated is market value.

Valuation principles—Economic principles or laws concerning value which are applicable in the valuation of real property. Significant ones include: anticipation, supply and demand, change, substitution, highest and best use, increasing and decreasing returns, competition, contribution, and conformity.

Value—The quantity of one thing that can be obtained in exchange for another; the ratio of exchange of one commodity for another, e.g., one bushel of wheat in terms of a given number of bushels of corn; thus, the value of one thing may be expressed in terms of another. Money is the common denominator by which real property value is usually measured. Value also depends upon the relation of an object to unsatisfied needs; i.e., scarcity of supply and demand. Value is the present worth of future benefits arising out of ownership to typical users or investors.

Warranty deed—A deed conveying to the grantee title to the property free and clear of all encumbrances except those stated in the deed itself.

Water frontage—Land abutting on a body of water.

Woodland—Land that is fairly densely covered with trees.

Zoning—The public regulation of the character and intensity of the use of real estate through employment of police power. This is accomplished by the establishment of districts or areas in each of which uniform restrictions relating to improvements, structure heights, areas, bulk, density of population, and other limitations are imposed upon the use and development of private property.

General Terms

Accretion—(1) The increase of land by the gradual or imperceptible action of natural forces. (2) Slow addition to land by deposition of water-borne sediment. (3) An increase of land along the shores of a body of water, as by alluvial deposit.

Alluvion—An accession to land by the gradual addition of matter (as by deposit of alluvium) that then belongs to the owner of the land to which it has been added.

Overburden—Material overlying a deposit of useful geological materials.

Reliction—(1) The gradual recession of water leaving land permanently uncovered. (2) Land uncovered by reliction.