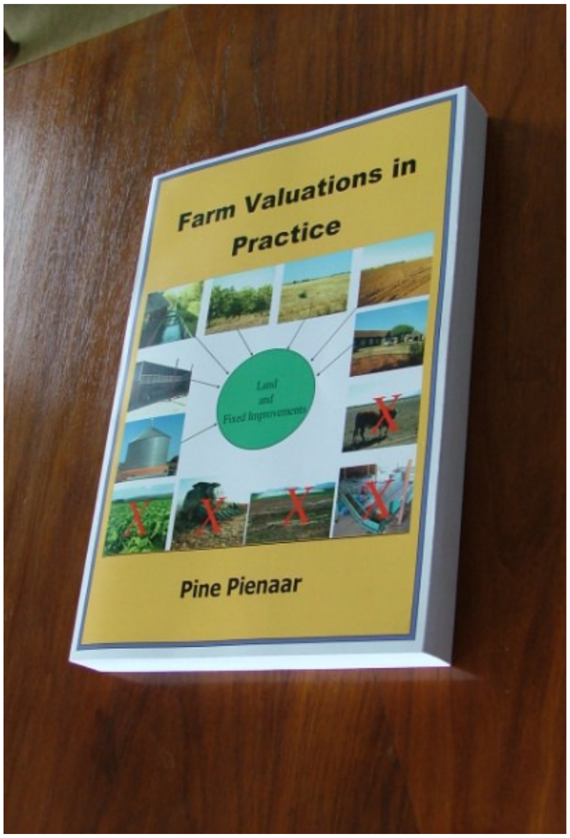

THE BOOK

Book size: A4
Cover: Soft cover
Pages: 442
Pages with colour: 250
Font: Tahoma 10 (Mostly)
Number of words: 149 000
Exhibits: 550

Order from: Pine Pienaar
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Available since13 Dec 2013

BOOK OUTLAY

The book has a concise table of contents, listing the chapters and attachments.

The book also has a comprehensive table of contents to make finding a subject easy.

The exhibits (tables, figures and pictures) are numbered according to the chapters.

The book has a background section followed by what influences the value of a farm and then a section on valuation methodology.

The valuation of grazing and game farms is discussed separately, as is the valuation of cultivated land.

Irrigation water and its legality are very important and two chapters are dedicated to this subject and the valuation of irrigation land and water entitlement.

The different commercial permanent / perennial crops are discussed separately in terms of suited areas, soil & water requirements, value curves and what adds value.

More than one section is allocated to improvements and their valuation.

CONCISE TABLE OF CONTENT

The book “Farm Valuations in Practice” in a nut shell

The valuation industry has a huge responsibility in determining realistic values for properties. In the context of this book it means realistic valuations in the agricultural industries. It is a challenge to be realistic in a sector where the stakeholders have different expectations of the outcome of a valuation.

Knowledge is seen as creating power and it is no different with valuations in the agricultural industry. This book gives a background to farm valuations and analyses what determines a farm’s value in general, in a specific area and on a specific farm. In doing so, it explains how natural resources (the DNA of a farm) influence the value of a farm.

Natural veld, permanent established pastures and game farms are valued differently and are discussed separately in this book. It also acknowledges that the values are not in direct correlation to potential and that perception plays a role in the price paid for a farm.

The influences of soil types, soil health and soil potential on the value of dry land, irrigation land and in permanent crops are explained.

The book offers the valuer information on what to take into consideration when valuing different permanent crops (orchards, plantations, etc.) and gives insight in the production of the major permanent crops. It also points out that the establishing cost is not the value of an orchard.

Water, as one of the natural resources, plays a major role in the value of a farm. The lawfulness of water use is explained as well as the correct way to value water entitlement and irrigation. The valuation of water and irrigation is probably the most misunderstood issue in farm valuations.

Improvements, which are always a controversial subject in terms of their value, are put into perspective. Guidance is given on how to value normal and specialised farm improvements. The application of construction guidelines are explained and also how to apply different types of depreciation to arrive at the contributory value of farm improvements.

This book is not meant to be a theoretical document, but rather to be a handbook for the farm valuer. It is a source of information when valuing farms, especially if the valuer is not an expert in that field. The experienced valuer, however, can also use it as a checklist to ensure that all aspects have been considered and treated correctly. It is an attempt to give something back of 50 years’ experience in agriculture and in farm valuations, hence the title: **Farm Valuations in Practice.**

Pine Pienaar is currently CEO and majority shareholder of the company Agri Land Price Index (Alpix) that serves the valuation profession by specialising in complex agricultural valuations, farm valuation training and supplying valuation guidelines on request. This book is an attempt to give back to others some of the knowledge and experience that he gained over his working career.

During Pine's working career he gained a thorough knowledge of agriculture in the whole of South Africa. While working for the Department of Agriculture Technical Services he obtained a National Diploma for technicians in Agriculture - Field Services. He gained experience by being an advisor, consultant, farmer and valuer. He worked and travelled all over South Africa and demarcated the country in 1 200 homogenous valuation guideline areas and facilitated valuation forums in all.

The natural outflow from the knowledge gained as advisor and consultant was to become a practical farmer, which he did with great success for various companies. Farming enterprises include intensive crops such as fruit and vegetables, field crops and a variety of livestock enterprises.

As manager of a farming concern he soon realised that the technical side of agriculture is not enough to make a success of farming and that his management and financial skills had to be developed. During his farming career he completed his Bachelors Degree of Commerce and a Masters Degree in Business Leadership at UNISA. These qualifications afforded him the opportunity to become the financial manager for a large farming company.

Being a person who always looks for a challenge, he joined a Financial Institution when the farming concern was developed fully. He shared his knowledge and experience with many farmers and colleagues throughout South Africa by developing and presenting courses and seminars on recordkeeping, budgeting, financial management, getting finance and farm valuation methodology.

Pine left the banking industry in December 2005 to concentrate on his brain child, valuation guidelines. Although he was involved in valuations since 1987 he felt he needed a formal valuation qualification. In 2006 he enrolled at UNISA for the national diploma in real estate with specialization in valuations, which he completed in 2008 and wrote his Valuers Board examinations in 2009 to become a full professional valuer. Pine is not only a leader in the farm valuation industry; he is also active in compiling business plans, feasibility/viability studies in agriculture and present farm valuation courses. He trained personnel from the Department of Land Affairs and the Land Claims offices of seven provinces in understanding farm valuations and why farms differ in value. He is still supplying support to some of these personnel. Pine is also mentor to several farm valuers.