



## **PFA Issues Paper – Dealing with Valuation Uncertainty – Investment Real Estate**

Preston Rowe Paterson Chairman, Greg Preston LFAP, has prepared a very extensive discussion paper on the topic of Dealing with Valuation Uncertainty in Investment Real Estate.

The paper has been published in conjunction with the Property Funds Association, the peak body for Unlisted Property Fund Managers in Australia.

The underlying value of all assets, including investment real estate, underpins economic activity in any given cycle.

The rapidly evolving economic circumstances we find ourselves in relating to valuing, owning, managing and administering commercial real estate as a result of the economic impact of COVID-19 are unprecedented and profound.

The paper considers a range of matters from relevant valuation and accounting standards to specific standards developed for the times we are in and, importantly, how Commonwealth and State Government stimulus packaging may impact commercial real estate values.

The paper importantly also considers some practical application of valuation methodologies as well as the necessary corroborating valuation support inputs required under both the accounting and valuation standards.

The National Cabinet Mandatory Code of Conduct – SME Commercial Leasing Principles During COVID-19 (the Code) will present additional administrative and cash flow challenges for us all. It is already abundantly clear that it will need to be carefully considered in cash flow forecasting for valuation purposes.

**Please download a full copy [here](#)**