

MONECO FINANCIAL TRAINING

COMMERCIAL PROPERTY VALUATION

April 16-17, 2018

Lecturer: David Hunt

Registration Deadline: April 2, 2018



Upcoming Seminar

Attend this intensive 2-day training program and learn:

- How valuers use traditional and modern methods to appraise property
- The differing approaches to valuing the various property types
- What is meant by an IVS compliant valuation report?
- How to interpret the results through better understanding of the underlying inputs and assumptions
- Valuations of development sites
- The role of property in mixed investment portfolios
- Current trends in the pan-European property market

Course Description

Real estate valuation reports can be opaque and difficult to decipher and yet are a crucial element of the world of investment and development. This course will develop skills by taking participants through the process of preparing commercial property valuations. Participants will be introduced to basic valuation approaches and how to identify the key drivers of real estate value. Building on the initial theory, more sophisticated methods will be covered that combine in the production of high-quality valuation reports.

Each session will provide an insight to the valuation profession looking at the procedures followed by property valuation experts. Day 1 will introduce you to the main concepts, offering an overview of the methodologies employed in the appraisal of real estate as well as the main regulatory frameworks. Day 2 will provide an opportunity to examine practical examples before looking at property as an investment asset class and the nature of multi-property asset investment portfolios.

What is the goal of this training?

This training will be of interest to practicing and novice valuers, as well as those that use valuation reports and stakeholders in the real estate investment process. The training will also bridge the gap between users of property valuation reports and the valuers who prepare them. This will ensure the instruction and report processes will run smoother, saving time and expense. You will learn the relevance of real estate as an investment medium, particularly relevant as the availability and sophistication of property investment products continues to grow.

Who should attend?

- Investors
- Fund Managers
- Asset Managers
- Property Analysts
- Real Estate Financers
- Valuation Professionals

Methodology:

Each session comprises classroom teaching combined with interactive group exercises and discussions, typically accompanied by a case study.

MONDAY, APRIL 16

09⁰⁰–09¹⁵

Welcome and Introduction

09¹⁵–12³⁰

Session 1: Introduction to Property Valuation

- Run through of topics for the two days.
- Warm up exercise – ‘Why do we need to value property?’
- Property as an Asset
- Market conditions in CEE
- Introduction to methods of property valuation
- Overview of main organisations that regulate Real Estate Valuation, IPMS, Ethics

Case study: Consideration of comparable buildings – what features drive value?

Session 2: Commercial Real Estate valuation methods and bases

- Commercial Real Estate valuation methods
- UK model – 5 traditional methods of valuation plus modern methods
- US/International model – 3 approaches
- How methods affect value
- Growth implicit methods v Growth Explicit methods
- Worth v Price v Value
- Valuations for secured lending, valuations for financial reporting

Case study: Comparison of methods

12³⁰–13³⁰

Lunch

13³⁰–17⁰⁰

Session 3: Starting small – valuation of a single-let property (Investment method)

Inputs

- Consider and compare lease terms
- Calculation of a suitable capitalisation rate
- Valuation Arithmetic (PV, Year’s Purchase, growth)

Outputs

- Initial yield
- Reversionary yield
- Equivalent yield
- Equated yield

Case study: Valuation of a single-let investment opportunity, calculation of equivalent and equated yields

Session 4: Growth Explicit Models of Valuation

- Cash flow for real estate investments
- Discount rate
- Net Operating Income
- Discounted Cash Flow (DCF) model for RE
- Internal Rate of Return v NPV
- Worth or Value, Appraisal or Valuation?

Case study: Valuation of single-let investment using modern methods, comparison and discussion

TUESDAY, APRIL 17

09⁰⁰–12³⁰

Session 5: Development Valuation

- Warm up exercise – “Value sensitive factors – discussion”
- Stages of development
- Traditional Methods
- Modern Methods
- Comparison

Case study: Valuation of development site

Session 6: Multi-let properties

- Valuing multi-let assets
- WAULT and Running yield
- Valuation specifics by property type – inherent differences between the main sectors

Case study: Shopping centre valuation – qualitative v quantitative measures and their effects on valuation

12³⁰–13³⁰

Lunch

13³⁰–17⁰⁰

Session 7: Risk and return in Valuation Approaches

- Portfolio Management
- Property Portfolio Measurement
- Quantitative and Qualitative approaches
- Practical risk analysis
- Scenarios and Simulation
- Prioritising major variables
- Property Performance analysis

Case study: Examination of a property portfolio

Session 8: Properties within a portfolio

- Property’s place in a multi-asset portfolio – discussion
- Europe’s newest institutional asset class – Residential
- True Equivalent Yield/ Quarterly (or monthly) in advance
- Cross-border valuation – International differences

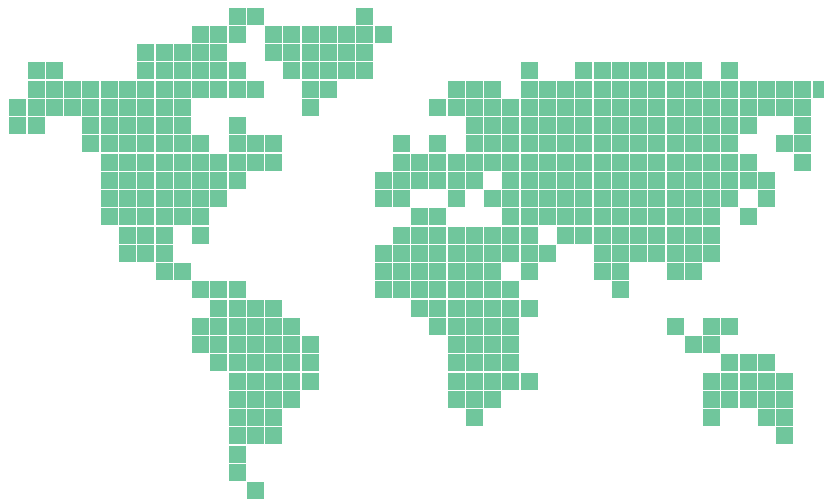
Final Activity: Closing remarks, open discussion, questions

David Hunt

David has over 10 years of commercial real estate experience mostly gained in Central and Eastern Europe. As a Chartered Surveyor he has specialised in valuation. He qualified while working with the UK's Valuation Office Agency before moving to DTZ's Ukraine office. He later worked in Romania and Poland for a total of 3 years with Cushman & Wakefield.

- Member of the RICS
- Fellow of the HEA

David currently works for the University College of Estate Management (UCEM) in Reading, UK. David joined UCEM in September 2015, principally as a tutor on valuation modules. He is module leader for several valuation modules at undergraduate and postgraduate levels. He is also responsible for drafting and editing all valuation course content on the Bachelor of Science Degree in Real Estate Management.



Knowledge Leads the Way...

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Terms and Conditions of the MONECO Financial Training

MONECO Financial Training

MONECO Financial Training offers a comprehensive programme of English-language seminars, trainings and practical workshops lectured by qualified tutors. Our objective is to provide the industry professionals with advanced financial know-how and up-to-date analytical methods and skills.

Seminar Venue and Accommodation

The bulk of the MONECO seminars are traditionally held at the international four-star NH Prague Hotel in Prague, Czech Republic. Since we are expanding our training activities, we run some selected seminars also in other European destinations. Accommodation is not included in the seminar price, but upon request we are happy to offer you hotel reservations in every of our training destinations at special discounted prices for our valued clients.

Tuition Language

Seminar tuition is in English language, as are all manuals, training software etc. Therefore, in order to benefit from participation, at least a passive knowledge of English, including common financial phrases and related terminology, is required.

Registration

Clients who decided to participate, should submit us in advance a registration for a particular seminar (letter, fax, internet etc.). Subject to availability, the participant will then receive a confirmation of participation. The number of participants is always strictly limited in order to secure an effective and focused learning environment.

Seminar Prices

The quoted seminar prices are per person and include all the training manuals, lunches and refreshments, certification diploma in English and selected software solutions used at the seminar. The price does not include hotel accommodation. Quoted prices are exclusive of local VAT (21 %) "Bundle" prices represent the total fee for participation in mutually related seminars (i.e. "Bundles 3+2, 2+3, 2+2, 3+1, 1+3, 1+2+2 and 2+2+1"). "Bundle" prices are provided in the Calendar of the MONECO Financial Training seminars.

Discounts

Bulk discounts are offered when submitting an application for the participation of more than one person. A 10 % discount is offered when at least two participants from one company register for a seminar or one participant registers at once for two or more seminars. The discounts do not apply for "bundle" prices, as these already represent discounted prices.

Invoicing and Payment

An invoice for the seminar price will be sent to the participants no later than 10 working days prior to the beginning of the seminar. **Full payment of the invoice must be made before the start of the seminar as a precondition of participation.**

Terms of Cancellation

If for whatever reasons a registered participant is unable to attend, a substitute delegate may be appointed to participate instead. For cancellations received 20 days or more before the beginning of the seminar, a 10 % cancellation fee of the full price will be invoiced i.e. 90 % of the price is refunded. **For cancellations received less than 20 days prior to the beginning of the seminar, the full price is payable i.e. no refund will be provided. All cancellations must be in writing.** The organizers of the MONECO Financial Training courses reserve the right to cancel the individual participation or cancel the entire seminar or part of it for whatever unspecified reasons, including possible force majeure. In this case, the price paid will be refunded in full or in part, accordingly.

REGISTRATION FORM

**Registration Deadline:
April 2, 2018**

Commercial Property Valuation

April 16 – 17, 2018

€ 1260

COMPANY

Name:

Approving Manager:

Person responsible for training:

Address:

Tax Registration No.: VAT Identification No.:

PARTICIPANTS

1. Title: Name: Phone:
Mr/Mrs/Ms

E-mail: Position:

2. Title: Name: Phone:
Mr/Mrs/Ms

E-mail: Position:

3. Title: Name: Phone:
Mr/Mrs/Ms

E-mail: Position:

Date: Signature: