

CASE STUDY

Responding to investor demands without stretching resources

How a small firm gets access to the best deals

Client profile

Company: Real estate private equity firm

Funds under engagement: Series of CRE vehicles

Assets under engagement: \$1.5B

Solution used: Altus Valuation Management

Combines technology, analytics and expertise to streamline valuation processes, deliver unique performance insights, and exceed the valuation independence and transparency requirements of sophisticated investors and their regulators.

The challenge

Our client always had the goal of becoming a major player in commercial real estate. As they approached ten years, they began to review their operations for efficiencies, prioritizing areas that would allow their staff to focus on core competencies and also improve the company's deal-making abilities. Property valuations and waterfall modeling were taking up employee time, but were also items they knew would be scrutinized by larger investors.

The solution

One of the company's JV partners recommended Altus Group to manage their valuation process. With property-level data across the US, Altus Group's ability to bring both broad market perspective and specific asset considerations to valuations is very important. Additionally, the firm benefits from access to top experts and quality technology without spending the resources to manage it.

The results

Altus Group was initially enlisted for valuation management services at the property level. The client quickly recognized how expanding the partnership to the fund level would allow their staff to focus on asset management and portfolio growth. Their ambition to become a prominent firm led them to sophisticated joint venture transactions with complex waterfall models. We provide them with a trusted output, and the additional benefit of perspectives and data on markets and asset types outside of the company's portfolio.

Altus Group staff quickly became an extension of the team, understanding the company's assets at the same level, and providing seamless valuations reporting. Our client is comfortable calling on their Altus representatives to participate in board meetings and select external calls.

Conclusion

Prospective investors lead with questions on valuation policy, independence, and accuracy. Additionally, they want a partner that can focus on growing the fund's value and scale resources only as necessary. Altus Group is helping this ambitious company achieve their growth goals by improving their attractiveness to key investors and joint ventures.

Now, no matter the size or complexity of the opportunity, the company is confident they can provide transparent, audit ready valuations for current or future investors. They have improved their marketability as a partner and can compete with larger firms for ideal projects.

Want results like these?

Contact a representative to see how **Altus Valuation Management** can help you improve your valuation processes and strategic decision-making.

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