

Forbury Launches Development Appraisal Solution to meet “Full Life-cycle Analytics Gap”

Sydney, 29 October 2020 – Forbury, leading commercial real estate valuation platform trusted by A-REIT's, developers, valuers and agencies has launched Forbury Develop – a software solution for commercial real estate investment professionals who need to confidently analyse life-cycle returns for a build to hold investment scenario.

Up until now, solutions to assess Commercial Real Estate (CRE) developments have lacked the rich modelling capability to support accurate valuation and effective decision making. Solutions initially tailored for residential projects and used for the CRE sector have historically been deficient in the analytical and visualisation sophistication required by developers for large-scale multi-million dollar investments leading to workflow inefficiencies as well as risky business practices.

In addition, legacy solutions have had limitations in that their calculations assumed a sell down on completion resulting in CRE developers building their own customised solution or combining a number of solutions in an attempt to produce the valuation rigour their investors have demanded.

Forbury Develop now enables assessment of on-completion valuations using market capitalisation, discounted cashflow and direct comparison methodologies and is designed to handle a develop and hold scenario with ease. Forbury Develop also provides capability to evaluate development returns based on static residual and development cashflows giving customers the process improvements and the confidence to provide accurate analysis for their recommendations.

“Forbury Develop was developed based on a build to hold and on completion model moving to established value assessment,” says Scott Wilson CEO, Forbury. “It's a lifecycle investment product which comes equipped with standardised templates with pre-defined formats allowing developers to concentrate on content rather than form. It integrates the benefits of Excel as an interface with the computational power of the Forbury database engine to project valuations and development cashflows.”

In addition, Forbury Develop also features flexible development cost inputs, development finance, lifecycle returns analysis and the ability to calculate residual land values making it ideal for REITs who require analytics to estimate how much cost and capital expenditure will be required over time and to meaningfully determine net asset values. Organisations no longer need to combine systems or worry about outdated, unsupported spreadsheets.

“The lack of security and workflow inefficiencies have historically made spreadsheets a poor choice for such a critical task. By using the Forbury cloud engine, we've replaced the need for complex spreadsheet formula's with automated feasibility analysis to speed up decision making for development appraisals, commercial valuation lifecycle analysis, and run through modelling,” says Wilson.

“This provides discipline, saves time, provides users with trust and confidence in the numbers and delivers the certainty of a fail-safe result due to errors that creep in through mis-keying or corrupted formula, lost or overwritten supporting documentation.”

Future versions of Forbury Develop will also enable users to take automatic advantage of new feature functionality, including links to portfolio reporting, project budget tracking and staging for commercial developments.

“As REITs across the globe attempt to navigate the uncertainties created by the COVID-19 pandemic, it is more crucial than ever for business leaders to have a clear view of the numbers. Growing concerns over the details and accuracy of valuation is a call to action for companies to ensure they have the right approach in place – transparency, real-time insight and accountability are crucial. Forbury Develop now provides organisations with the confidence to make accurate decision making in a period when certainty is required more than ever,” says Wilson.

About Forbury

Forbury software exists to solve an industry problem: how to quickly and confidently determine the value of property assets. Forbury tools are user-friendly, intuitive and take the complexity and time-consuming nature out of property investment modelling, while empowering customers to cover more of the market without additional resources and expense.

Valuers use Forbury to provide external valuation to building owners. Agents use Forbury to provide due diligence on a purchase and property owners use Forbury to assess the value of new assets and the development of existing assets as well as to forecast cash flows.

Forbury customers include Colliers International, CBRS, Dexus, GPT Group, Cushman & Wakefield, Lend Lease, Savills, Stonebridge, Centuria and Cromwell.

For further information, please visit: www.forbury.com

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