

3 Ways Independent Valuations Foster Success

Success in alternative debt investing requires raising capital at scale, as a larger asset base provides the foundation to better manage costs. As competition to attract capital for alternative lending activities grows, more funds are seeking to differentiate themselves and gain a competitive edge. Here are three ways that independent third-party valuations can position alternative lenders for success.



1. BETTER TRANSPARENCY AND CLARITY

Alternative assets are generally illiquid, with no readily available valuations or price discovery. Independent third-party valuations, help investors can understand the market value of their investments. Many investors are more frequently requiring them as part of their diligence process.

2. AVOIDING THE REPERCUSSIONS OF STALE DATA

Non-bank lenders are typically highly entrepreneurial, with leaner staffs than banks. Team members may wear multiple hats – originating and underwriting loans and taking charge of asset management upon closing. Getting marks done on a periodic basis shows that a lender has proper checks and balances to reduce the possibility of stale or off-market valuations.

3. DEMONSTRATING BEST PRACTICES AND CONTROLS

Alternative asset managers can gain a competitive advantage by leveraging best practices across asset management, accounting, compliance, valuations and reporting – demonstrating to investors that they have the proper infrastructure to weather any storm.

SitusAMC offers a comprehensive suite of services designed to help alternative lenders originate, transact, and manage commercial real estate debt with confidence and ease. We are an industry-leading provider of CRE debt valuations and advisory services to clients across the CRE Finance markets, with \$130 billion in debt valued quarterly for 100+ clients across the U.S. and EMEA. For more information, visit:

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