Summary

- Globalising real estate markets require robust and consistent cross-border valuation benchmarks.
- Yields, widely-used as a benchmark of value for comparisons between markets, can conceal a range of factors such as varying lease duration, escalation clauses and rent-free incentive periods that materially influence investment performance between markets and through time.
- E plicitly ad!usting for these factors provides a more consistent basis for yield comparisons across some of the ma!or "sia-#acific office markets.

Introduction – a level playing field

$n globalising real estate markets, investors require valuation benchmarks that are robust

Appendi-: *alculation of adjusted yields

%he basic 4ap +ate model is derived as follows(

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M D /E;/Pc<, where
c D capitalisation rate ;which is equal to the discount rate in a Mero
inflation, Mero real rent growth world<

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