

## **Market Value Declaration at Year End**

SK Burmester SMSF Super Fund (“the Fund”)

Venue: 6/26 Industrial Drive Noth Boambee Valley

Date: 30 June 2023

Present: Sheldon Burmester & Kathleen Burmester (“Directors”)

Chair: Sheldon Burmester

The Trustees understand that there is a requirement to display assets owned by an SMSF at market rates at the end of the Financial Year.

It is allowable for Trustees to make an assessment for their reasonable understanding for what the assets should be. The best estimate is of the values as follows at 30<sup>th</sup> June 2023.

<b>Description of Investments</b>	<b>Market Value</b>
6/26 Industrial Drive Nth Boambee Valley	\$450,000

Typical valuation that Trustees can use to value a property.

- Trustee assessment of market value

Director 1

\_\_\_\_\_  
Sheldon Burmester

Director 2

\_\_\_\_\_  
Kathleen Burmester

## **Information on Market Valuation of Property**

### **Valuation for financial reports**

When valuing real property assets for SMSF financial reports, the valuation may be undertaken by anyone as long as it is based on objective and supportable data. A valuation undertaken by a property valuation service provider, including online services or real estate agent would be acceptable.

In certain instances, the law requires valuations be undertaken by a qualified, independent valuer.

**Market Value:** It is usually the valuation process undertaken rather than who conducted it that governs the acceptability of a valuation. In all cases the person who conducts the valuation must base their valuation on objective and supportable data.

Depending on the situation, a valuation may be undertaken by a:

- a) registered valuer
- b) professional valuation service provider
- c) member of a recognized professional valuation body
- d) person without formal valuation qualifications but who has specific experience or knowledge in a particular area.

### **Real property**

For preparing SMSF financial reports, an external valuation of real property is not required each year. A recent valuation however would be prudent if you expect that the valuation is now materially inaccurate or an event occurred that may have affected the value of the property since it was last valued. This may be due to a change in market conditions or a natural disaster.

When valuing real property, relevant factors and considerations may include:

- a) the value of similar properties
- b) the amount that was paid for the property in an arm's length market
- c) independent appraisals
- d) whether the property has undergone improvements since it was last valued for commercial properties, net income yields.

**Business real property** acquired from a related party of the SMSF must be made at market value. Disposals of real property to a related party of the SMSF must be conducted at arm's length.