

Real Estate investment funds discount and premium to NAV

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This paper describes the valuation of Real Estate Investment Trusts (REITs) by Net Asset Value using IFRS (NAV under IFRS) and by market capitalization. The main focus is on the difference in the final values derived by both methods. The paper describes a possible explanation of the value differences summarizing literature review and presents examples of the differences. At the end the paper analyzes possible investment strategies using the valuation differences.