

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS

#### CBA

**CBA18QW:** Whether the valuations on large commercial investments or like large commercial investments financed by the bank are:

- (a) independently completed
- (b) whether they are completed and/or reviewed annually?
- (b) in reference to (b), if they are reviewed by whom?
- (c) in reference to (b), if not annually, how often, the trigger, and the average timeframe between review?

**Answer:**

- (a) Yes. When CBA takes mortgage security over a large commercial property, a valuation is typically completed by an independent third party specialist as a condition precedent to funding.
- (b) Yes. Where CBA takes mortgage security over large commercial property, valuations are typically updated annually by an independent third parties.
- (c) Valuations are prepared by independent third parties and reviewed by real estate financing specialists within the business.
- (d) Updated valuations prepared by independent third parties are typically required annually.