

Station 5

# Financial Assessment Module: A MMT module providing a transparent appraisal of uncertainties

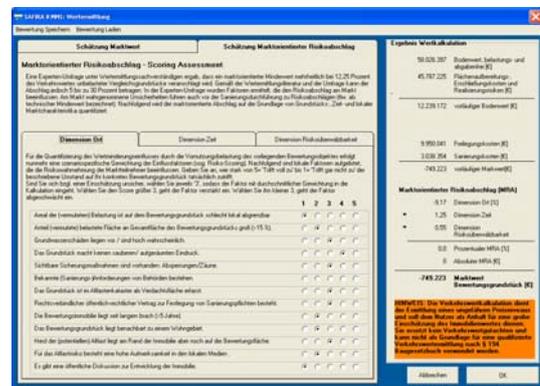
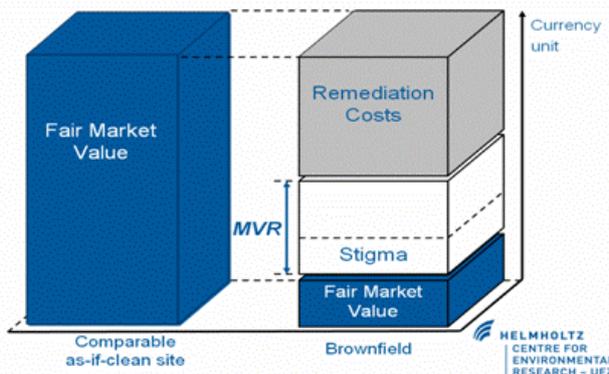


**MMT Market Valuation Module is used to calculate a value reduction reflecting the risks of redevelopment perceived by the market. The site’s market value is predicted taking into account the estimated clean-up costs.**

While contamination is by far the most important impediment to the re-use of brownfields, other "shadows" often add to it such as uncertainties with regard to estimated remediation costs, public liabilities, insurability and marketability. Hence, investors will only invest if they are offered a discount on the market value of a comparable as-if-clean site. This induces a so-called Mercantile Value Reduction (MVR) of contaminated sites to be included in the market value appraisal.

MMT Megasite Management Toolsuite includes an easy-to-use module that blends general market data, professional experience and specific plot characteristics to determine the property-specific market value including MVR in a straightforward scoring approach of re-use option to be appraised.

MMT **Market Valuation Module** assesses the market value of a brownfield by deducting from comparable as-if-clean site land value rehabilitation and treatment costs – estimated in MMT Remediation Cost Assessment Module. The transparent quantification of risks and uncertainties equivalent to MVR is a separate and transparent step.



**Market-oriented evaluation of uncertainties for market value appraisal of brownfields and contaminated land.**

This evaluation scheme and **Market Valuation Module** is supposed to be in line with standardised appraisal procedures and methods used internationally, and, furthermore, can add to existing risk measurement methods of property holding, banking and insurance companies.

Reference: Bartke, S. (2010): "Appraisal of Market Uncertainties for Contaminated Sites", Sustainable Approaches to Remediation of Contaminated Land – SARCL-2010, Nov. 15<sup>th</sup>–18<sup>th</sup>, San Diego, Ca. Download here: [http://www.ufz.de/data/CSM-2010\\_Bartke\\_print13986.pdf](http://www.ufz.de/data/CSM-2010_Bartke_print13986.pdf)

**Contact:**  
**Stephan Bartke**  
 Helmholtz-Centre for Environmental Research – UFZ  
 Permoserstr. 15 | 04318 Leipzig | Germany

[stephan.bartke@ufz.de](mailto:stephan.bartke@ufz.de)

→ [www.safira-mmt.de](http://www.safira-mmt.de)