APPLIED PROPERTY VALUATION

Subject Aim:

This subject is intended to:

1. Apply complex valuation problems.
2. Evaluate practical valuation problems taking into account of the effects of legislation.
3. Analyse valuation standards of selected overseas countries.

Learning Outcomes:

Students will demonstrate their ability to:

1. Explore the effects of land administrative measures and land tenure on property value.
2. Apply current legislative measures which affect property value and valuation approaches in resumption, modification and taxation cases.
3. Apply the techniques of valuation to appraise, analyze and solve complex valuation problems in both private and public sectors.
4. Explore the sources of internation valuation standards and their importance.
5. Possess a knowledge of contemporary issues.

Brief Syllabus Content:

Land administrative measures and land tenure in Hong Kong.

Legislation affecting development; Building Ordinance and Building (Planning) Regulations; Town Planning Ordinance; Hong Kong Airport (Control of Obstruction) Ordinance: Density Zones.

Valuation of development land.

Valuation for lease modification; common government lease conditions; procedures and valuation approaches.

Valuation for surrender and regrant of leases: exchange; procedures and valuation approaches.

Valuation for resumption purposes: relevant legislation; principles of compensation; basis of valuation.

Landlord and Tenant (Consolidation) Ordinance: relevant legislation; principles of compensation; basis of valuation.

Valuation for taxation purposes: Stamp Duty; Estate Duty, property tax and rating.

Valuation of specialised properties.

Asset Valuation: purposes; guidance notes issued by professional bodies; relevant regulations and legislation; valuation approaches; contents of report.

Valuation practices of selected overseas countries and international valuation standards.
Learning and Teaching Approach *(tasks and activities designed to achieve learning outcomes):*

This subject is aimed at developing the students’ ability to appraise and solve complex, including statutory valuation problems. Lectures will be used to highlight the various valuation approaches and the current statutory provisions affecting development and value of property. Case studies will be employed as illustrations, wherever possible. Tutorials will be used by the lecturer and students to discuss valuation problems and assignments while seminars provide suitable forums for presentation by the students. Senior professionals will be invited from practice to give talks on specific valuation topics and share their experience with the students.

Assessment strategy *(assessment of student performance resulting from learning tasks):*

Students will be assessed through both coursework and examination.

Coursework will consist of 1 term paper and 2 problem solving assignments in the form of quiz.

Both examination and coursework assess learning outcome 1 to 4.

Reading List:

**Recommended:**

- HKIS, (1999) *Hong Kong Guidance Notes on the Valuation of Assets*

**Supplementary:**


Hong Kong SAR Government:
- Building Ordinance (Cap 123)
- Land (Miscellaneous Provisions) Ordinance (Cap 28)
- Land Resumption Ordinance (Cap 124)
- Government Leases Ordinance (Cap 40)
- Government Rights (Re-entry and Vesting Remedies) Ordinance (Cap 126)
- Estate Duty Ordinance (Cap 111)
- Hong Kong Airport (Control of Obstruction) Ordinance (Cap 301)
- Landlord and Tenant (Consolidation) Ordinance (Cap 7)
- Lands Tribunal Ordinance (Cap 17)
- Mass Transit Railway (Land Resumption and Related Provisions) Ordinance (Cap 276)
- Rating Ordinance (Cap 116)
- Stamp Duty Ordinance (Cap 117)
- Roads (Works, Use and Compensation) Ordinance (Cap 370)
- Railways Ordinance (Cap 519)
- Land (Compulsory Sale For Redevelopment) Ordinance (Cap 545)