PROPERTY VALUATION

Subject Code: BRE315
Level: 3
Contact Hours: Lect:21 Sem/Tut:21
Student Effort Hours: 120

Assessment Method: Coursework 50% Examination 50%
Credit Value: 3
Pre-requisites: Nil
Co-requisites: Nil
Exclusions: Nil
Subject Leader/Lecturer/Dept.: K.F. Man (BRE)

Subject Aim:
This subject is intended to:
1. Understand the nature of the market and property values.
2. Examine the theories of current valuation methods.

Learning Outcomes:
Students will demonstrate their ability to:

1. Identify and analyse the various frameworks, including physical, economic and legal, that affect property value.

2. Make comparisons between the choices of the various valuation approaches and methods in the valuation of different types of property for different types of value estimate.

3. Draw on current valuation methods to solve valuation problems.

4. Use of valuation in the management and decision making process in real estate development, investment and management.

Brief Syllabus Content:
Value and valuation; concepts; economic principles; valuation tables; role of valuer.
Real property market data sources: information; market trends and cycles.
Valuation process; valuation report writing.
Methods of valuation; comparative, investment, residual, cash flow; cost and profits methods.
Valuation of freehold and leasehold interests; capital and rental values; theories of yield; deferred and varying incomes; extension and renewal of leases.

Teaching activities: Lecture (LT)/Tutorial (TU)/Seminar (SM)/Drawing (DW)/Laboratory or Practical (LB)/Studio (ST)/Workshop (WS)/Project (PJ)/Field Study (FS)/Guided Study (GS)/Visit (VS)
### Learning and Teaching Approach (tasks and activities designed to achieve learning outcomes):

Lectures will be used to provide students with a good understanding of the basic valuation concepts and theories, and will be supplemented with self-learning packages. Wherever possible, case studies will be used to illustrate how principles can be applied into practice. 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. Students are also required to prepare a ‘real life’ valuation report. Outside speakers may be invited to give talks on current valuation practice in Hong Kong as well as other countries.

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

Students will be assessed through both coursework and examination.

Coursework will consist of valuation report and problem solving assignments in the form of quiz. Both examination and coursework assess learning outcome 1 to 4.

### Reading List:

#### Recommended:

- Li Ling-hin, (1999) *Property Valuation in Hong Kong: Theories and Legal Application*, PACE

#### Supplementary:

- Davidson, A.W., (1989) *Parry’s Valuation and Investment Tables*, Estate Gazette