

Course Outline 2017
PROPERTY 311: ADVANCED VALUATION (15 POINTS)
Semester 2 (1175)

Course Prescription

This course covers the theory and practice of valuing special categories of urban property. The main topics covered in the course include the valuation of CBD land and office buildings, shopping centres, hotels and leasehold land. The course also covers statutory valuations (compulsory acquisitions), litigation, arbitration, and professional ethics and practice.

Programme and Course Advice

Prerequisite: 90 points from PROPERTY 211-281

Goals of the Course

This course provides principles and technique of valuation and its practice in a local and regional property market context. The course help students make sound and prudent decisions in regard to valuation under professional ethics and practice standards. It will develop student's skills for:

- applying advanced valuation theories and technique to value investment properties, especially commercial properties;
- strengthening critical understandings of the importance of property valuation in a corporate and business context; and
- developing critical thinking and analysis skills in regard to valuation of special properties.

Learning Outcomes

By the end of this course students will be expected to:

1. demonstrate the understanding of the key valuation principles in the field of urban commercial valuation and show an adaptive ability of evaluating key valuation technique, including discounted cash flow analysis, capitalisation of income and replacement cost approach;
2. display critical thinking in being able to identify key aspects in the valuation of multi-tenanted commercial buildings;
3. exhibit early professional skills in preparing a CBD commercial valuation report, subject to a thorough understanding of professional ethics and practice standards and the statutory and professional obligations of the valuation profession; and
4. display familiarity and understanding of a range of specialist valuation topics, including leasehold property, compensation rent reviews and arbitration and insurance.

Content Outline

| Week | Lecture Topic | Assessment * | |
|------|---|---------------------------|------------|
| | | Set | Due In |
| 1 | Introduction and Revision | | |
| 2 | CBD Valuations: Commercial Land | | |
| 3 | CBD Valuations: Office Property | | |
| 4 | CBD Valuations: Retail Property | | |
| 5 | Valuation of Multi-tenanted Property | Assignment | |
| 6 | Professional Ethics & Practice Standards | Fri, 1 st Sept | Test |
| | Mid-Semester Break | | |
| | Mid Semester Break | | |
| 7 | Specialist Valuation: Mortgage & Insurance | | |
| 8 | Specialist Valuation: Leasehold Property | | |
| 9 | Specialist Valuation: Rent Review/Arbitration | | |
| 10 | Specialist Valuation: Compensation | Fri 9am | Assignment |
| 11 | Specialist Valuation: Financial Reporting | | |
| 12 | Revision and Exam Preparation | | |
| | Exams | | |

Learning and Teaching

The class will meet for three hours each week, comprising of two sessions:

- Session 1, on Thursday from 10am – 11am
- Session 2, on Friday from 9am – 11am

Class time will be used for a combination of lectures, examples and workshops. In addition to attending classes, students should be prepared to spend about another six hours per week on activities related to this course. These activities include carrying out the required readings, keeping up with the business press regarding current issues of relevance to this course, preparation of assignments, the test and final exam.

A summary of lecture notes will also be available on Canvas. It is the responsibility of students to take all necessary lecture notes in addition to the information provided electronically. Visual aids will be used to reinforce lecture points. This course is recommended for students who intend to specialise in property valuation when they graduate.

Teaching Staff

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Learning Resources

Main Texts:

PROPERTY 311 Course Book

API and PINZ, 2009. *Australia and New Zealand Valuation and Property Standards*. Deakin: Australian Property Institute

IVSC, 2003. *International Valuation Standards*. London: International Valuation Standards Council

Recommended Readings:

PCNZ and PINZ, 2013. *Guide for the Measurement of Rentable Areas*. Wellington: Property Institute of New Zealand

Jefferies, R.L. 1991. *Urban Valuation in New Zealand (Vol. 1, 2nd Edition)*. Wellington: New Zealand Institute of Valuers.

Alternative Readings:

Shapiro, E., Mackmin, D. and Sams, G., 2013. *Modern Methods of Valuation*. London: Taylor & Francis.

Fisher, J.D. and Martin, R.S., 2008. *Income Property Valuation (3rd Edition)*. Chicago: Dearborn Financial Publishing Inc.

Wyatt, P., 2013. *Property Valuation (2nd Edition)*. Chichester: John Wiley & Sons.

Isaac, D. and O'Leary, J., 2013. *Property Valuation Techniques (3rd Edition)*. Basingstoke: Palgrave Macmillan.

Baum, A.E. and Crosby, N., 2014. *Property Investment Appraisal (4th Edition)*. London: John Wiley & Sons.

Whipple, R.T.M., 2006. *Property Valuation and Analysis*. NSW: Lawbook.

Financial Calculator:

All students will require a HP 10B II financial calculator or equivalent for this paper.

Assessment

| Type | Weighting | Learning Outcomes Addressed |
|--------------------------|-----------|-----------------------------|
| Test | 15% | 1, 2 |
| Assignment | 30% | 1, 2, 3 |
| Class Quizzes/ Workshops | 5% | 1 to 4 |
| Exam | 50% | 1 to 4 |

Inclusive Learning

Students are urged to discuss privately any impairment-related requirements face-to-face and/or in written form with the course convenor/lecturer and/or tutor.

Student Feedback

During the semester students may be asked to complete evaluations. This is a highly valued exercise and helps to shape each course from year to year.

Note: The details set out in this outline are subject to change. Any changes will be notified in lectures.

In the Event of an Unexpected Disruption

We undertake to maintain the continuity and standard of teaching and learning in all your courses throughout the year. If there are unexpected disruptions the University has contingency plans to ensure that access to your course continues and your assessment is fair, and not compromised. Some adjustments may need to be made in emergencies. In the event of a disruption, the University and your course coordinators will make every effort to provide you with up to date information via canvas and the university web site.