

Course Outline 2013 PROPERTY 372: APPLIED VALUATION PROJECT (15 POINTS)

Semester 2 (1135)

Course Prescription

The completion of a range of practical valuation reports in conjunction with industry mentors.

Programme and Course Advice

Prerequisite: PROPERTY Part II, Co-requisite: PROPERTY 311

Restriction: PROPERTY 371

This course is highly recommended for those students who intend to become a registered property valuer after the completion of a Bachelor of Property degree.

Goals of the Course

Part A. Practical Valuation Reports

Students will be nominated in pairs to a professional mentor to help complete this paper. You need to nominate or be assigned to a mentor who is a registered valuer under the Valuers Act 1948. If you are unable to nominate a mentor, please consult with your lecturer.

The mentor is responsible for providing you with the opportunity to undertake significant real-life tasks involving the completion of **three (3)** written valuation reports. In addition a further valuation exercise is to be completed individually which will be marked as part of the residential assignment.

The reports should be submitted to the Assignment Centre, level 0, OGGB no later than the deadline indicated in the course outline. Anything submitted after the deadline will be considered late and points will be deducted in accordance with Departmental policy.

Your mentor will be responsible for evaluating your work on the basis of the guidelines in this course outline. Your lecturer within the Department of Property will review your written reports to determine a grade. Your mentor is to assist you in covering aspects such as:

1. quality of field work;
2. report writing ability;
3. quantitative and qualitative skills and accuracy; and
4. general professionalism (punctuality, appearance, etc.)

Part B. Tutorials

Students are required to attend a number of tutorials with their lecturer focused on enhancing valuation principles and theory. The dates will be advised.

Requirements

Students must complete **three (3)** valuation reports with their mentors, and are able to work in pairs. The total amount of work should require about 12 days of work assuming 6 hours of work per day. Before commencement students must supply a Scope of Works to your lecturer for each valuation assessment in line with the International Valuation Standards (IVS) 101. In addition a fourth valuation assignment is to be completed utilising the Sydney Cityscope database, to be advised by the lecturer.

The following two (2) Valuation Reports are compulsory:

1. Residential House (*minimum of two valuation methods*)
2. Office or Industrial Property (*including a minimum ten year Discounted Cash flow analysis*)

The remaining **one (1)** Valuation Report may be chosen from the following list:

1. Residential house of superior quality (above \$2.0 million)
2. Small subdivision (up to 30 lots) before development
3. Unit entitlement for a block of residential, commercial or industrial properties
4. Going concern such as a motel, rest home or private hospital
5. Mixed use property such as a home with income-producing use
6. Block of rental flats
7. A developed subdivision
8. Compensation Valuation under the Public Works Act 1981
9. Ground rental valuation for residential, commercial or industrial land
10. Proposed property from plans and specifications and a subsequent Progress payment valuation on the preceding
11. Any other type of valuation as agreed between the supervisor and mentor

All valuation reports must contain the following;

- A. a minimum of two accepted valuation methods to determine the appropriate property value
- B. all workings and field notes as appendices to each report
- C. your own measured floors areas in accordance with PINZ/PCNZ Guidelines.

In addition, the residential report must contain a 1500 word essay outlining the ramifications of the leaky house syndrome on the house that is being valued. This is to be completed individually.

A further valuation assignment is to be completed individually, and will be provided by the lecturer on 16 August 2013. This assignment is to be completed individually.

The reports should be in full accordance with International Valuation Standards, and the relevant New Zealand Institute of Valuers and the Property Institute of New Zealand Standards. Valuation Reports will be graded on content, accuracy, methodology/analysis and overall presentation.

The valuation reports submitted must be the original work of the student. Mentors must not allow students to copy any completed reports. Students should look for general guidance and basic property information from the mentor and then complete each valuation report independently.

You should submit copies of your valuation reports to the Assignment Centre, level 0, OGGB in one parcel on the due date prescribed in the course outline.

Learning Outcomes

By the end of this course it is expected that the student will be able to:

1. prepare valuation reports and develop report writing skills on a range of properties;
2. improve the practical understanding of property markets through the analysis of sales and leasing evidence;
3. describe the physical/geographical aspects of property and accurately measure a range of buildings;
4. apply valuation theory and techniques to practical assignments utilising past and present case law; understand Professional Practice Standards and NZIV/Property Institute of New Zealand Code of Ethics.

Content Outline

<u>Week 1</u>	26 July 2013 - Course Overview and Introduction.
<u>Week 2</u>	2 August 2013 – Workshop regarding PropertyGuru Online sales database and The Property Institutes Online Learning tools.
<u>Week 3</u>	9 August 2013 –Overview of Residential valuation sample report. Overview of residential report requirements. Discussion regarding inspection techniques for both subject and comparables with an overview on residential online information sources.
<u>Week 4</u>	16 August 2013 – Completed <i>Agreement of Student, Supervisor and Mentor Form</i> to be returned to Department of Property Office. Discuss Assignment 4 utilising the Sydney Cityscope database.
<u>Weeks 3 - 12</u>	9 August 2013 to 24 October 2013 – Complete three (3) valuation reports with mentor. At any time during the semester, you may arrange a meeting with the lecturer to discuss the reports. This could include; discussing specific valuation reports and general guidance & assistance.
<u>Week 5</u>	23 August 2013 – Run through in detail reporting formats and applicable standards.
<u>Weeks 6-12</u>	30 August 2013 to 24 October 2013 – Lecturer will be available at normal class times to review draft reports and answer questions
<u>Week 12</u>	24 October 2013 - Submit your final valuation report to the Assignment Centre, level 0, OGGB by 4 pm. You should submit one bound hard copy of your valuation reports in one parcel. Please remember to keep an additional hard copy for your own personal records.

Learning and Teaching

The class will meet as set out in the schedule above (weeks underlined). In addition to attending tutorials, students should be prepared to spend about 8-10 hours per week on activities related to this course.

The Class time and allocated room are as follows:

- Friday 8.00 am to 10.00 am in Lecture Room ClockT25

The class size is small.

Students enrolling in this course will work part time with a mentor from the valuation industry which will provide the opportunity to complete a range of “real life” valuation reports as an alternative to doing a research paper.

In addition students will complete a number of practical course work assignments focused on preparing them for entering the valuation profession.

This paper is designed specifically for those students who are seriously considering valuation as a career, and has been highly recommended by the Valuation Registration Board if you wish to become a property valuer.

Grading will be based on your submitted written material.

Teaching Staff

Lecturer:

Richard Lawson, Registered Valuer, BPROP, ANZIV, SPINZ
Office: Room 533, Level 5, OGGB, 12 Grafton Road, Auckland
Email: richard@gctvaluers.co.nz

Office Hours: appointments by email to lecturer only.

Learning Resources

There is no required textbook for this course all resources (if any) provided by the university will be via CECIL.

Recommended Reading:

Australia and New Zealand Valuation and property Standards October (Sixth Edition), API, ACT Australia.

International Valuation Standards 2011, International Valuation Standards Council, London.

Whipple R.T.M (1995 or 2007) Property Valuation & Analysis, The law Book Company Ltd, Sydney.

Lusht, Kenneth.M. (1997) Real Estate Valuation – Principles & Applications, Irwin, Chicago.

Guide for the Measurement of Rentable Areas (2006). Publisher: Property Council of New Zealand and the Property Institute of New Zealand. Authors: same. No ISBN/ISSN given.

Jefferies, R.L. (1991). Urban Valuation in New Zealand Volume One (second edition) Wellington: New Zealand Institute of Valuers.

Jefferies, R.L. (1990). Urban Valuation in New Zealand Volume Two. Wellington: New Zealand Institute of Valuers.

Land Valuation Cases 1965 – 1992, (1993), New Zealand Institute of Valuers.

Assessment

Three (3) valuation reports and a valuation exercise	100%
Learning outcomes addressed	1 - 4

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AGREEMENT OF STUDENT, LECTURER AND MENTOR

The following agreement is to be completed and returned to the Department of Property Office, Level 5 by Friday 16 August 2013:

The student agrees to adhere to the schedule agreed with the supervisor and mentor involving approximately 12 days (60 hours) of work. The student agrees to undertake the approved valuations under the supervision of the mentor and to perform the duties required in a professional manner.

Student's Name:	Phone No.:
Student's Email Address	
Address:	
Student's Signature:	Date:
Lecturer's Name: Richard Lawson	
Phone No.: 09 373 4990	Fax No.: 09 303 3937
Lecturer's Email Address: richard@gctvaluers.co.nz	
Lecturer's Signature:	Date:
<p>The mentor agrees to provide an appropriate project or projects for the student to work on and to provide free access to data and facilities as needed. <i>The mentor agrees to supervise the student's work and to confirm with the supervisor, if required, that the work undertaken is the original work of the student. Mentors must not allow the student to copy any completed reports. Students should look for general guidance and basic property information from the mentor and then complete each valuation report independently.</i> The mentor also agrees to inform the Department of Property promptly should there be any reason that the mentor cannot continue in that capacity. The mentor agrees to allow the student to submit written reports to the relevant academic supervisor with the understanding that such reports will be strictly confidential and will subsequently be destroyed by confidential means.</p>	
Mentor's Name:	Position:
Firm:	
Address:	
Phone No:	Email Address:
Mentor's Signature:	Date:

Note: The Privacy Act 1993 seeks to protect the privacy of natural persons. It requires the University to collect, hold handle use and disclose personal information in accordance with the twelve information privacy principles in the Act. The personal details that you provide here will be kept at the Department of Property Office. We undertake to use this information only in connection with the Applied Valuation Project in which you are currently a participant for Semester Two 2013, Thank you.