



COLLEGE OF SCIENCE AND TECHNOLOGY

SCHOOL OF ARCHITECTURE AND BUILT ENVIRONMENT (SABE)

DEPARTMENT OF ESTATE MANAGEMENT AND VALUATION (EMV)

INTERNSHIP REPORT DONE IN REAL VALUE CORPORATION

LTD FROM 14th FEBRUARY TO 1ST APRIL 2023

DONE BY:

NAMES: Divine UMUTONI

REG NO: 220009577

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DECLARATION

I, **Divine UMUTONI**, hereby declare that this report for the fulfillment industrial attachment done in company of **REAL VALUE CORPORATION LTD** especially in Real Estate and Valuation Division is my original work. It has never been presented at any University or Institution of higher learning for similar award.

Signature:

Divine UMUTONI

Date:

The industrial attachment report was done and it has been submitted for examination with the approval of the supervisor **Dr. IYANDEMYE Samuel**.

Date:/...../.....

Stamp and Signature:

DEDICATION

In my industrial attachment report, we dedicate to among those who are involved in the realization of it.

I really dedicate to:

- ❖ Almighty God
- ❖ My parent
- ❖ My brothers and sisters
- ❖ My supervisors on field
- ❖ All staff with whom I worked together in **REAL VALUE CORPORATION**ltd.

AKNOWLEDGEMENT

- ❖ I really appreciate the Almighty God, he who takes care of me in my daily life and who gave me the right chances of beginning studies till today. After the completion of this industrial attachment report, I would like to extend my sincere gratitude to EMV department that has difficult work to guide me in right way. Throughout what follows I would like to thank those who helped morally and materially to the achievement of this industrial training.

I would like to again extend my sincere thanks to University of Rwanda NYARUGENGE campus especially my school of Architecture and Build Environment staff that had the ideas of giving me an opportunity of doing an industrial training. My thanks especially go to **REAL VALUE CORPORATION LTD** that allowed me to do my internship clearly and in better condition.

I really appreciate my Boss **Dr. IYANDEMYE Samuel**, owner of the company for his valuable guidance, collaboration and encouragement, which helped me to come to the successful completion of this industrial training program.

God bless you.

ABSTRACT

This industrial attachment was achieved at REAL VALUE CORPORATION LTD from **14th February to 1st April 2023** done by **UMUTONI Divine**, student at the University of Rwanda, College of Science and Technology, in the School of Architecture and Built Environment, the department of Estate Management and Valuation. CST, third year students do theoretically their courses, from School of Architecture and Built Environment.

In learning such, theories they are doing several class exercises. But this is not enough as they have to be familiar with the technical and practical skills. So, CST organized an industrial training in order to acquire practical's skills which took six weeks, for this academic 2022-2023, which would help them for their life in the future and provide additional practical skills.

I did this industrial attachment in REAL VALUE CORPORATION Ltd. In this company I was very close with my trainer in the case of Valuation report, I went to the field to carry out a physical inspection and prepare a valuation report of the property in order to establish an opinion of the Open Market Value and Forced Sale value for mortgage purposes.

LIST OF ABBREVIATION

UR	University of Rwanda
CST	College of Science and Technology
EMV	Estate Management and Valuation
SABE	School of Architecture and Built Environment
IRPV	Institute of Real Property Valuers in Rwanda
AFRES	Africa Real Estate Society
IVS	International Valuation Standard

CHAPTER I: GENERAL INTRODUCTION

1.1 BACKGROUND OF INDUSTRIAL ATTACHMENT

At every time knowledge and skills gained always needs to be widespread and dramatized. Students always confirm their knowledge obtained from school whenever they put them into positive practice. It is from this experience that University of Rwanda preserves internship periods for almost all its schools, school of Architecture included, to let students put in practice theories learnt in class and allowing them to have enough experience and being competent to the labor market in all fields. Especially in Real Estate industry without practical knowledge and skills it is not easy to perform well the valuation report.

It has been a long time for students to face internship whereby they get more practice on what they covered theoretically. The huge importance of this internship is to familiarize any student with all working environments.

This is my own report that was prepared to present six weeks' internship carried out at Real value corporation Ltd. from **14th February to 1st April 2023**

As many scholars viewed this point; internship is a perfect system of on the job training for students and employees in their future and professional careers (internship.com). This is the useful module for them because they finally reach the area of working environment with a limited number of complications and difficulties.

There is a good reason of choosing to do my internship at REAL VALUE CORPORATION Ltd. which has the relationship with acquiring more field work and experiences in which all my learning is delivered.

Otherwise, internship is the strait away to development because people coming out of this kind of training are morally and intellectually fit in their career. As Estate manager has to know how to deal with the Real Estate practice in Rwanda and this has its grassroots at the time of internship period.

1.2 OBJECTIVES OF THE INTERNSHIP

1.2.1 General objectives

The general objective of the internship is to enable the intern to practice the theoretical knowledge learnt in class and removing any fear of the field work by having an overview on working experiences in the area of studies.

With respect to knowledge obtained, some of my internship objectives are summarized below:

- ❖ To abide by a professional code of conduct and ethics.
- ❖ To know how to perform to the best of my abilities those tasks related to the established objectives of the internship experience.
- ❖ To know how to follow rules, regulations and normal work requirements of the organization.
- ❖ Training provides the opportunity of improving professional knowledge.
- ❖ Training develops skills about the application of theory to practical work situations.
- ❖ Training develops skills and techniques directly applicable to careers.

1.2.2 SPECIFIC OBJECTIVES

The specific objectives of internship are described as follow:

1. To understand the activities done by the REAL VALUE CORPORATION LTD especially in Real Estate and Valuation division.
2. To benefit more knowledge about original and structured information about REAL VALUE CORPORATION Ltd. I had:
 - ❖ To know the responsibilities of different division of the company;
 - ❖ To identify the problems faced by Real Estate and Valuation division
 - ❖ To provide recommendations related to the problems faced during the period of training and even those which are already there before exploration.
3. To develop the student understanding of social work as an integrated process encompassing a range of approaches in meeting human needs.
 - ❖ To increase sense of responsibility in a student.
 - ❖ Differentiating the methods used in valuation
 - ❖ To provide an opportunity for the student to test the knowledge, values and skills, acquired throughout his/her academic studies in order to integrate theory with the practice.

1.3. METHODOLOGY

During the course of practical training, the trainee methodologies used are:

- Documentation analysis
- Participative observation
- Interviews from trainer

1.3.1. DOCUMENTATION ANALYSIS

This method has been used by the trainee in order to read different books, reports, internet resources for getting an overview of REAL VALUE CORPORATION Ltd. The method was more important when compiling this report.

1.3.2. PARTICIPATIVE OBSERVATION

The observation method was helpful during the internship since the intern had to observe what was being done in the REAL VALUE CORPORATION Ltd. offices, how services were delivered by employees. It is participative method because the trainee sometimes observes directly what are on the field since the internship had started.

1.3.3. INTERVIEW

The trainee interviewed trainer in order to get information related to the internship objectives.

1.4. STRUCTURE OF THE REPORT

This report is presented in five chapters:

- ❖ Chapter one is the general introduction of the internship(Background)
- ❖ Chapter two is concerning the general description of REAL VALUE CORPORATION Ltd.
- ❖ Chapter three describes the different activities done by the trainee during the internship (theoretical and practical work done).
- ❖ Chapter four is challenges faced during industrial attachment.
- ❖ Chapter five is conclusion and recommendation.

CHAPTER II. GENERAL DESCRIPTION OF MULTI DESIGN GROUP Ltd.

REAL VALUE CORPORATION LTD is a professional company in Real estate industry working in Rwanda. Its clients include the local government, financial institutions, and mainly individuals. The REAL VALUE CORPORATION LTD is located at NYARUGENGE District in Kigali City, NYARUGENGE-MUHIMA KN 1 Rd.

VISION

- ❖ To be the leader in real estate businesses, focusing on customer need satisfaction.

MISSION

- ❖ To deliver quality and better services
- ❖ To create value and making the difference

OBJECTIVES

- ❖ To satisfy customer through better services
- ❖ To increase Experience and Professionalism
- ❖ To participate in economic growth through job creation
- ❖ To create value, increase company capital and ensure sustainability

VALUES

Our values serve as a guide for our actions and describe how we behave in the industry.

- ❖ Integrity, Excellence
- ❖ Professionalism, Creativity
- ❖ Flexibility, Collaboration
- ❖ Accountability, Passion
- ❖ Diversity, Quality

The following are services rendered by REAL VALUE CORPORATION Ltd.

- ❖ Property Valuation/ Expertise
- ❖ Real Estate Consultation
- ❖ Real Estate Management
- ❖ Project Feasibility
- ❖ Real estate Agency
- ❖ Land Survey
- ❖ Engineering & Architectural works

CHAPTER III. ACTIVITIES DONE DURING THE INTERNSHIP

3.1 THEORICAL WORK DONE

3.1.1 Documentation about property valuation

During my industrial training, I tried to read different books related to property valuation, reports and internet resources helped me to get an overview of real estate in valuation process. To read these documents helped me to know various methods and specific terms we used in property valuation, this document concerned different method used in valuation report, such as Investment approach, Capitalization of income approach, Asset approach, Comparable approach and cost approach. I was shown some copies of valuation reports and what contents were supposed to be included such as purpose of the valuation, the tenure system, zoning and planning regulations, the outgoing of the property to be valued. The methodology that we usually used is market comparison known as comparable property had been sold. I did many valuation reports and I also aided others workmates mainly in descriptions of the property especially my Trainer.

3.1.2 Introduction of valuation and definition of different terms

- ❖ **Real Estate Valuation** is a service provided by licensed or certified appraiser, who gives an opinion of value based on the highest and best use of the real property. The highest and best use is that use which produces the highest value for the land, as if vacant. This use is based on four parts such as physically possible, appropriate, legal and economically feasible.
- ❖ **Valuation** is defined as the art or science of estimating the value for a specific purpose for a particular interest in property at a particular moment in time taking into account all the features of the property and also considering all the underlying economic factors of the market, including the range of alternative investments.

3.1.3 Theories concept of value

- ❖ **Cost:** It is the expenditure to produce a commodity having a value. In our construction industry cost means the original cost of the construction including the cost of materials and labors. Hence the cost is a **Fact**.
- ❖ **Price:** It is the cost of a commodity plus additional reward to the producer for his labors and capital. In our construction industry the original cost of construction with certain percentage of profit. The profit or additional reward may be varied from builder to builder and business to business because the price is a **Policy**.
- ❖ **Value:** valuation is an opinion or an estimate which will be determined by many factors like the purpose, supply, demand depreciation obsolescence etc. Valuation is a function of place, date and purpose.

3.1.4 Types of value

Market value: is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. (**IVS1-Market Value Basis of Valuation, Seventh Edition**).

Insurable value: is the value of real property covered by an insurance policy. Generally, it does not include the site value.

Value in use: is the value to one particular user, which may be above or below the market value of a property.

Fair value: the estimated price for the transfer of an asset or liability between identified knowledgeable and willing parties that reflects the respective interests of those parties.

Investment value: the value of an asset to the owner or a specific investor/prospective buyer.

3.1.5 Property valuation techniques

A) COMPARABLE APPROACH

This is also referred to as the “Direct Capital Comparison Method” By this method, the valuer equates the value of the property under appraisal to the value of a known comparable property whereby the latter’s value is taken to be the best price that can be obtained by the property being valued, with due allowance made for value affecting differences between the subject property and the comparable property such as condition, location, level and amount of services provided, accessibility, plot size, planning and zoning regulations, date of transaction, parties to the transaction, motive of sale and tenure and the unexpected term.

B) INVESTMENT APPROACH

This is based upon a percentage yield. An investor will be expecting rates of return that will differ according to the type and quality of investment. Given a known or estimated stream of net rental income, the end value is thus driven by the yield that is expected. The choice of yields is made by comparison with such other investments as bear the nearest relationship in such matters as the physical characteristics, use and degree of risk and life of the investment.

C) ASSET APPROACH

Asset valuation is used when a company is asset-intensive. Retail businesses and manufacturing companies fall into this category. This process takes into account the following figures, the sum of which determines the market value:

- ❖ Fair market value of fixed assets and equipment (FMV/FA)-This is the price you would pay on the open market to purchase the assets or equipment.
- ❖ Leasehold improvements (LI)-These are the changes to the physical property that would be considered part of the property if you were to sell it or not renewal lease.
- ❖ Owner benefit (OB)-This is the seller's flexible cash forgone year; you can get this from the adjusted income statement.
- ❖ Inventory (I)-Wholesale value of inventory, including raw materials, work-in-progress, and finished goods or products.

D) INCOME APPROACH

This method places no value on fixed assets such as equipment, and takes into account a greater number

of intangibles. This valuation method is best used for non-asset intensive businesses like service companies. In his book "The Complete Guide to Buying a Business" (Amacom, 1994), Richard Snowden cites a dozen areas that should be considered when using Capitalization of Income Valuation. He recommends giving each factor a rating of 0-5, with 5 being the most positive score.

The average of these factors will be the "capitalization rate" which is multiplied by the buyer's discretionary cash to determine the market value of the business. The factors are:

- ❖ Owner's reason for selling
- ❖ Length of time the company has been in business
- ❖ Length of time current owner has owned the business
- ❖ Degree of risk
- ❖ Profitability
- ❖ Location
- ❖ Growth history
- ❖ Competition
- ❖ Entry barriers
- ❖ Future potential for the industry
- ❖ Customer base
- ❖ Technology

Again, add up the total ratings, and divide by 12 to come up with an average value to use as the capitalization rate. You next have to come up with figure for "buyer's discretionary cash" which is 75% of owner benefit (seller's discretionary cash for one year as stated on the income statement). You multiply the two figures to determine the market value.

E) MARKET APPROACH

This approach finds the value of a business by using an "industry average" sales figure as a multiplier. This industry average number is based on what comparable businesses have sold for recently. As a result, an industry-specific formula is devised, usually based on a multiple of gross sales. This is where some people have trouble with these formulas, because they often don't focus on bottom line profits or cash flow. Plus, they don't take into account how different two businesses in the same industry can be.

F) COST APPROACH

The basic assumption is that cost of vacant land summed with the cost of erecting a building will yield the values of the developed property. This method is used to value properties that there is little general demand and which are rarely sold in the market, e.g. public hospitals, schools, libraries, churches etc. Noteworthy to mention is that cost and value are hardly the same. In valuing old buildings allowance should be made for depreciation and obsolescence of the building.

3.1.6 Property valuation process

If you are serious in making profit from your properties profit, one of the important steps that you should do understands is the property valuation process. In order to get a good value on your property for sale or other purposes, a valuation visit will help you a lot.

The property valuation process is going to be something that will estimates the property's value. It might not the exact value but it will be used as the final value that will be offered to the buyer. Remember that in order to get a good sale, you should get a good deal.

In fact, to achieve a realistic figure for a property's value, the process needs to include cross reference of similar properties in the local area and as the property market involves the changing price per month, the accurate figure is harder to be acquired. However, the importance of property valuation process is always there. The following steps are used in property valuation process.

- ❖ **Identify property under valuation** (identify tenure/size/physical characteristic/market etc) the first step is the identification of property, what the valuer will look into the property in order to determine its value.
- ❖ **Identify factors influencing the value**

The property value will be determined by a number of factors. These factors include size, location, and condition, date of transaction and details on anything else that has been handled on the property over time. But keep in mind that the most important factor is location (accessibility), size, time, function, current market price, and how well the particular property with similar features is being sold in general around the country.

❖ **Data collection &Data analysis**

Before proceed with the valuations, Valuer will inspect and analyze a large number of sales in the local context to gain better understanding of the property and the current market. This information is then used to value the representative property.

A valuation will also include looking at the overall condition of the property taking into account specific issues such as maintenance. After that the process involves is looking at similar properties in the local area and determines what price is appropriate and acceptable for it (subject property).

❖ **Quantification of values (calculation and valuation techniques)**

The most direct technique during quantification land value is to compare the property which is being valued with the land sold within the local area, which have similar features. This method is called comparison.

When comparing the subject property being valued with the compared properties, the value may take a number of factors into consideration. This consideration includes:

- Location

- Date of transaction
- The outlook (Excellent/Normal/Lack)
- Size of land
- Development and amenities
- Function (usability)

❖ **Opinion of value**

When all of these factors have been considered the price of the property can be estimated and the owner can proceed to the next deal. Keep in mind that it is important to be realistic. Not only the valuer but the owners also need to have a better understanding of how property prices are valued and estimated.

In fact, property valuation process is the hardest part of real estate agent jobs. This is because property valuation process requires good knowledge of local property prices and market conditions. But this is not there as on why you can't understand the property valuation process because if you have basic knowledge in this, it would be better for you in dealing with your properties.

3.1.7 Basis of valuation techniques

1. OPEN MARKET VALUE

The **Open Market Value** means the best price at which the sale of an interest in a property might reasonably be expected to have been completed unconditionally for cash consideration on the date of assessment, assuming;

- a) A willing seller;
- b) That, prior to the date of assessment, there had been a reasonable period for proper marketing of the property for the agreement of the price and the terms and for the completion of the sale;
- c) That the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of assessment;
- d) That no account is taken of any additional bid by a purchaser with a special interest.

2. STANDARD LIMITING CONDITIONS

I. Construction details

We have neither carried out a structural survey nor tested services installations as this was beyond the scope of our instructions. Also we have not inspected woodwork or other

Parts of the property, which were covered, were unexposed or inaccessible. However, we have made reference to the general state of repair and remedial works for your consideration

II. Confidentiality

This valuation report is confidential to the client for the purpose to which it refers and cannot therefore be disclosed to third parties in any form without the value's written approval of such disclosure.

III. Third-Party Information

Where the information was given to us by the client's employees or by a third-party and we had sufficient reasons to believe such information to be true and reliable, we cannot accept any responsibility should it prove to be otherwise?

IV. Statutory Notice

We have not been informed of the existence of any statutory notice; we have thus assumed that the property is not affected by such notice(s) and that neither the property nor its user gives rise to contravention of any statutory requirements.

3.2 PRACTICAL WORK DONE

3.2.1 Property valuation by using comparable method

3.2.1.1 VALUATION REPORT FOR PROPERTY LOCATED AT KICUKIRO DISTRICT

During my industrial attachment, I went to NYABITARE VILLAGE, RUYENZI CELL, RUNDA SECTOR, and KAMONYI DISTRICT, SOUTHERN PROVINCE, to carry out a physical inspection and prepare a valuation report of the property in order to establish an opinion of the current market value. The property was valued for mortgage purpose. I went there to collect different data like taking the measurement of the house, location from the main road, the neighborhood, materials that construct the house, and other details like accommodation.

Nature of a mortgage

A mortgage is a transaction whereby one party, the mortgagor, grants the interest in his property to another party, the mortgagee as security for loan. The transaction is affected by means of a mortgage deed in which the mortgagor usually agrees to pay the loan principal plus interest at a given rate per cent over a given period of time; he may also enter into express covenants as to the repair and insurance of the property.

The mortgagor retains the right to recover (free) his property from the charge created by the mortgage deed on repayment of the amount due to the mortgagee. This is known as his equity of redemption". So long as

the mortgagor pays the principal and interest thereon regularly and observes the covenants of the mortgage deed the mortgage will usually be content to leave him in possession and control of the mortgaged property.

Method of Valuation used

In valuing land and building, we have adopted the direct investment method sometimes referred to as the

Direct Capital Comparison Method.

By this method, the Valuer equates the value of the property under appraisal to the value of a known comparable property whereby the latter's value is taken to be the best price that can be obtained by the property being valued, with due allowance made for value affecting differences between the subject property and the comparable property.

Location and Locality

The properties are located on plot No: 8889 NYABITARE VILLAGE, RUYENZI CELL, RUNDA SECTOR, and KAMONYI DISTRICT, SOUTHERN PROVINCE. The subject property is directly adjacent to the access marram road.

General description

The property is residential house with two annexes.

DETAILS CONSTRUCTION:

Main house details was

Building Component	Description
Roof Covering	With versatile iron sheet covering
Roof structure	Multi-pitched roof.
Ceiling	Gypsum ceiling.
Roof type	Gable and valler roof
Wall structure	Burnt bricks
Wall finishing	Plastered, rendered, decorated with limestone to some parts and painted both parts
Windows	Metallic windows with glasses.
External Door and	Hard Woodern doors(MUVURA best quality timber)
Internal Door	Libuyu doors
Floor	Ceramic tiles for verandah and laminate tiles in the building
Foundation	Stone with cement mortars

Annex 1 details

Building Component	Description
Roof Covering	With subfloor concrete
Roof structure	Subfloor concrete
Ceiling	Unlined ceiling.
Roof type	Flat
Wall structure	Cement block
Wall finishing	Plastered, rendered and painted both parts
Windows	No Window.
External Door and	Single metallic door
Internal Door	No Door
Floor	Ceramic tiles.
Foundation	Stone with cement mortars

Annex 2 details

Building Component	Description
Roof Covering	With versatile iron sheet covering
Roof structure	double-pitched roof.
Ceiling	Languet ceiling.
Roof type	Shaped roof
Wall structure	Cement block
Wall finishing	Plastered, rendered and painted both parts
Windows	Metallic windows with glasses.
External Door and	Metallic doors
Internal Door	No Doors
Floor	Ceramic tiles.
Foundation	Stone with cement mortars

Accommodation Details:

Main house building

- 3 bed room,
- 1 living room,
- 1 dining room,
- 1 kitchen,
- 3 bath room,
- 1 Dressing room,
- 1 Office,
- 1 Store room.

Annex 1 building

- 1 bath room.

Annex 2 building

- 1 bed room,
- 1 store room,
- 1 Kitchen.

Built up Area

The built gross area is approximately **184.94square meters** for whole buildings.

GENERAL STATE OF REPAIR/CONSTRUCTION

The main establishments are of up-to-date architectural designs built in durable and modern materials and in a habitable state. In general, the property is still in a good state of repair and maintenance.

Taking into account of the general condition of the building and external site works, type, location, details of construction, method of valuation used and other factors that affect property value, we are of the opinion that the Open Market Value of property on plot No: 8889 NYABITARE VILLAGE, RUYENZI CELL, RUNDA SECTOR, and KAMONYI DISTRICT, SOUTHERN PROVINCE. Open Market Value: Rwf. **75,602,000 (Rwanda Francs: Seventy-Five million, Six Hundred Two Thousand only).**

VALUATION ANALYSIS FOR PROPERTY LOCATED ON PLOT 8889.

Building	Gross Built up area(m2)	RC/m2	Replacement cost	Dep.Rate (%)	Dep Amount	Drc
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Main house	134.5	300,000	40,349,700	0.02	806,994	39,542,706
Verandah	32.4	270,000	8,748,000	0.02	174,960	8,573,040
Annex 1	3.36	200,000	672,000	0.02	13,440	658,560
Annex 2	14.68	180,000	2,642,400	0.02	52,848	2,589,552
External works						
Paved area	47	25,000	1,175,000	0.02	23,500	1,151,500
Retaining wall	58.5	75,000	4,387,500	0.02	87,750	4,299,750
Fence	85	70,000	5,950,000	0.02	119,000	5,831,000
Garden	1	700,000	700,000	0.02	14,000	686,000
Underground water tank	2	1,000,000	2,000,000	0.02	40,000	1,960,000
Main gate	1	1500000	1,500,000	0.02	30,000	1,470,000
Total Buildings Value						66,762,108
Land Value	442	20000				8,840,000
Open Market Value						75,602,000

3.2.1.2 VALUATION REPORT OF AGRICULTURE LAND LOCATED IN NGOMA SECTOR, RULINDO DISTRICT.

I inspected property located on plot No: Plot No: 1399, GASEKE VILLAGE, MUNYARWANDA CELL, NGOMA SECTOR, RULINDO DISTRICT, NORTHERN PROVINCE and I carried out a physical inspection and prepare a valuation report of the said property (Agriculture land) in order to establish an opinion of the Open Market Value and Forced Sale Value. The aim of the said appraisal is to determine the Open Market Value for Public auction purpose. I can't disclose the full report because it's confidential to the client and can't be disclosed without the value's consent.

Agriculture Land

Agriculture Land is defined as the land area that is either arable, under permanent crops, or under permanent pasture

Market Value

The **Market Value of agriculture land** is the highest price in terms of money which the agriculture land under appraisal should or could fetch in a competitive and open market under conditions requisite for a fair sale.

Forced Sale Value

Although the basis of valuation for Mortgage is the Market Value, it is very rare that the collateral of defaulting mortgagor will be sold under perfect Market Conditions, hence realizing a Market Value.

It will usually be sold within a time limit where of a sale will be required to take place within a time limit at the best price obtainable under the circumstances. It is this value, which is referred to as a Forced Sale Value.

A **Forced Sale Value** therefore is the same as an Open Market Value except that in the former the vendor would be forced to sell without the benefit of a reasonable period of time in which to negotiate the sale.

Method of Valuation Used

One Method of valuation has been used in this appraisal namely Residual method for valuing the agriculture land and Cost method for valuing properties thereon. There as on was that the existing market values data base available is not enough to help us use Comparative

The Residual method

This is the method of assessing land which tends to lead to assessments which favor real estate developments. In accordance with IVS, the Residual Method Approach has been used to determine the Value of agriculture land which is also the same as the Insurable Value of the said land.

When the residual method is used, the value of an agriculture land is determined by reference to its location and patent ability in real estate appraisal.

Location of the Valued Land

The valued agriculture land is located in Plot No: **Plot No: 1399, GASEKE VILLAGE, MUNYARWANDA CELL, NGOMA SECTOR, RULINDO DISTRICT, NORTHERN PROVINCE.** This property is located near to the marram road. It is easy to access for electricity and water. This is an

area used for Agriculture area purposes. The agriculture land in this area commands high prices due to the high demand and the activities taking place in the neighborhood.

Valuation Analysis

Agriculture

VALUATION ANALYSIS FOR PROPERTY LOCATED ON PLOT 1399

Property description	Area in m2	Rate/Sqm	value in Rwf	Actual value
Land value		800		
total Area of land	938			
Total land Value			750400	750,400
Open Market Value				750,400
Forced Sale Value				525,000

CHAPTER V: CONCLUSION AND RECOMMENDATION

5.1 Conclusion

The industrial attachment proved itself to be a most effective tool to limit the mind of the reality of the work that remains in the field once the graduate. During industrial training I have gained many skills from working in the field, I have been able to tolerate the theoretical studies that I have got from UR-CST with practices, which I performed there in REAL VALUE CORPORATION Ltd. In addition, I have known a lot of things concerning real estate business advisory and property valuation especially in valuation process and valuation report. In fact, this training course was so wonderful to me and has enabled me to be familiar with working processes of valuation. So, this course is interesting to me.

5.2 Recommendation

I wish to suggest CST and SABE that if it's possible they may give the opportunity to the EMV students of final year to go to the one of the countries of East Africa Community like in Kenya in order to learn more about Real Estate Valuation and also to see how they do the expertise in valuation report of the real property and NIGERIA because it facilitate to work deep research project in real estate industry; CST should prepare the place of doing practical training corresponding to their departments and to prepare site visit out of country to help the students in practical skills

The department of EMV should improve their partnership with companies and the public institution to help students get the internship and should take an advanced step of having more close talk with companies.

The department should also think about working with the government all institutions to create awareness of estate management and valuation to public through media, to create partnership of Africa countries can be done real estate industry very high level to help students graduated to get professional internship for getting practices skills because of in our country they're not more professional in real estate here we will have partnership of country members in AFRES.

Internship is a great way to link theory learnt in class but not the only way so I recommend site visit as they may prove themselves to be helpful.

REAL VALUE CORPORATION Ltd. is advised to continue to help students during industrial attachment period and to locate they trainees in all division which are similar to what they covered in classroom and we should try to sensitize other companies or government institutions in the same field of Real Estate, if it is possible to do a bit of regulation and professionalism; and we continue to explain how is real estate and valuation can do as professional like try to explain the IRPV members how can do valuation practices and the process of Registered as professional Valuer according to IVS.

CHAPTER VI: REFERENCES AND APPENDIX

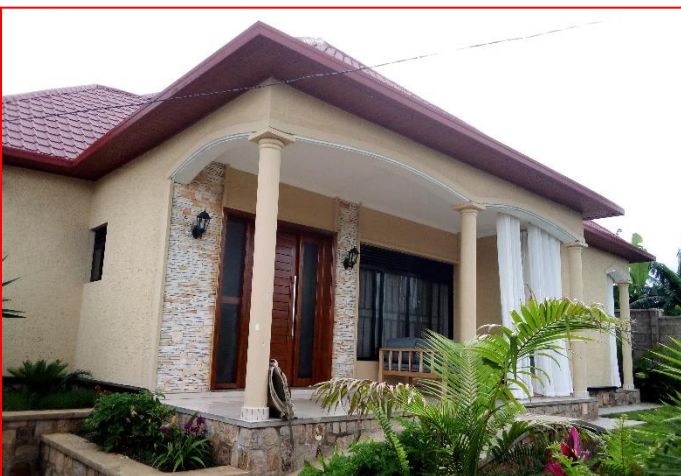
6.1. References

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2. Industrial attachment logbook.
3. B. Kanagasabapathy, - Practical Valuation Volume I, II, III.
4. C.H. Gopinath Rao, Valuation Practice of Immovable Properties.
5. L.Watts&Associates, A. (2011). *Real Estate appraisal report*. California 94502: 22211 Harbor BayParkway Alameda.
6. IVS1-Market Value Basis of Valuation, Seventh Edition.

6.2. APPENDIX

A) Photos of residential building valued located at RUNDA SECTOR, KAMONYI DISTRICT.

Views of building



B) Photos of agriculture land I valued located at NGOMA SECTOR, RULINDO DISTRICT.

