
UNIVERSITI SAINS MALAYSIA

Second Semester Examination
Academic Session 2012/2013

June 2013

RMK 336– Valuation
[Penilaian]

Duration: 3 hours
[Masa: 3 jam]

Please check that this examination paper consists of TEN pages of printed material before you begin the examination.

Sila pastikan bahawa kertas peperiksaan ini mengandungi SEPULUH muka surat yang tercetak sebelum anda memulakan peperiksaan ini.

Students are allowed to answer all questions either in English OR in Bahasa Malaysia only.

Pelajar dibenarkan menjawab semua soalan dalam Bahasa Inggeris ATAU Bahasa Malaysia sahaja.

Answer **FOUR** questions only. Answer **ONE** questions from **SECTION A**, **ONE** questions from **SECTION B** and **TWO** questions from **SECTION C**.

*Jawab **EMPAT** soalan sahaja. Jawab **SATU** soalan dari **BAHAGIAN A**, **SATU** soalan dari **BAHAGIAN B** dan **DUA** soalan dari **BAHAGIAN C**.*

In the event of any discrepancies, the English version shall be used.

Sekiranya terdapat sebarang percanggahan pada soalan peperiksaan, versi Bahasa Inggeris hendaklah digunakan.

SECTION A: Answer **ONE** question only.
BAHAGIAN A: Jawab **SATU** soalan sahaja.

1. (a) Describe the following terms with appropriate examples:
Beri penerangan dan contoh yang sesuai mengenai ungkapan berikut:

- (i) Target Rate
Kadar Sasaran
- (ii) Gross Development Value
Nilai Pembangunan Kasar
- (iii) Net Rental Value
Nilai Sewaan Bersih
- (iv) Obsolescence
Keusangan

(10 marks/markah)

- (b) The residual method of valuation is open to possible inaccuracy, as a small variation in any variable can lead to large variation in the end result. State all these variables and also how this values are determined.

Penilaian kaedah baki mungkin menjadi kurang tepat, sebab perbezaan yang kecil dalam mana-mana pembolehubah boleh menjurus kepada perbezaan yang besar dalam hasilnya. Nyatakan semua pemboleh-ubah ini dan juga cara penentuan nilainya.

(15 marks/markah)

2. A developer BIG DEV., has a choice of three types of housing project. These projects are mutually exclusive. The company can afford to carry out only one project. The net cash flows and investment costs are as in the table below. The discount rate is currently at 11%.

Project	Year 0	Year 1	Year 2	Year 3	Year 4
LA-Park	-380	140	150	140	150
HAM-Park	-540	180	160	180	190
GEM-Park	-610	230	220	220	210

Calculate:-

- (i) The Net Present Values,
- (ii) The Internal Rates of Return and
- (iii) Recommend a project based on the decision making criteria for discounted cash flow technique.

Syarikat pemaju BIG DEV., mempunyai tiga pilihan projek perumahan. Projek ini adalah saling berasingan. Syarikat ini hanya mampu melaksanakan satu projek sahaja. Aliran tunai bersih dan kos pelaburan adalah seperti rajah di bawah. Kadar diskaun masa kini ialah 11%.

<i>Projek</i>	<i>Tahun 0</i>	<i>Tahun 1</i>	<i>Tahun 2</i>	<i>Tahun 3</i>	<i>Tahun 4</i>
<i>LA-Park</i>	<i>-380</i>	<i>140</i>	<i>150</i>	<i>140</i>	<i>150</i>
<i>HAM-Park</i>	<i>-540</i>	<i>180</i>	<i>160</i>	<i>180</i>	<i>190</i>
<i>GEM-Park</i>	<i>-610</i>	<i>230</i>	<i>220</i>	<i>220</i>	<i>210</i>

Buat pengiraan:-

- (i) Nilai Bersih Kini*
- (ii) Kadar Pulangan Dalaman*
- (iii) Sarankan satu projek berdasarkan kriteria membuat keputusan untuk teknik aliran tunai terdiskaun.*

(25 marks/markah)

SECTION B: Answer **ONE** question only.
BAHAGIAN B: Jawab **SATU** soalan sahaja.

3. (a) There are **three (3)** methods in valuing commercial properties. Describe these three methods.

*Terdapat **tiga (3)** kaedah untuk menilai harta tanah komersial. Terangkan ketiga-tiga kaedah-kaedah tersebut.*

(15 marks/markah)

- (b) PKC Sdn. Bhd. has RM700,000 in cash. PKC Sdn. Bhd. wants to buy a shop house. Details of the purchase are as follows:

- Building cost = RM700,000
- Interest on loan = 10%
- Payback period = 15 year
- Building rental income = RM87,000/year
- Building value after 15 years = RM600,000

If loan made:

- RM700,000 (100%) = payback of RM90,266/year.
- RM560,000 (80%) = payback of RM72,213/year.

Suggest the best way to purchase:

- (i) Cash payments
- (ii) 100% loan
- (iii) 80% loan

Use the Net Present Value method of calculation, with a discount of 12% Assume income from year 1.

PKC Sdn. Bhd. memiliki tunai RM700,000. PKC Sdn. Bhd. ingin membeli rumah kedai. Butir-butir belian seperti berikut:

- Harga Bangunan = RM700,000
- Faedah Pinjaman = 10%
- Tempoh bayaran balik = 15 tahun
- Pendapatan sewa bangunan = RM87,000 / tahun
- Nilai bangunan setelah 15 tahun = RM600,000

Jika buat pinjaman:

- RM700,000 (100%) = bayaran balik RM90,266 / tahun.
- RM560,000 (80%) = bayaran balik RM72,213 / tahun.

Cadangkan cara pembelian yang terbaik:

- (i) Bayaran tunai
- (ii) Pinjaman 100%
- (iii) Pinjaman 80%

Gunakan kiraan kaedah Nilai Kini Bersih, dengan kadar terdiskaun 12%. Andaikan pendapatan bermula dari tahun 1.

(10 marks/markah)

4. (a) PKC Sdn. Bhd. plans to develop its property. Four companies (A, B, C and D) have submitted proposals and promised a return to PKC Sdn. Bhd. within a certain period. You are required to use the Net Present Value method proposed and suggest to the Board of Directors of the best proposals.

Use a discount rate of 12%.

Proposed cash returns by company A, B, C, and D:

YEAR	A	B	C	D
1	100,000	300,000	1,000,000	1,000,000
2	200,000	500,000	500,000	1,000,000
3	200,000	1,000,000	500,000	-
4	200,000	1,500,000	500,000	-
5	300,000	-	-	-
6	3,400,000	-	-	-

PKC Sdn. Bhd. bercadang untuk membangunkan tanah miliknya. 4 buah syarikat (A, B, C dan D) telah mengemukakan cadangan serta menjanjikan pulangan kepada PKC Sdn. Bhd. dalam tempoh tertentu. Anda dikehendaki dengan menggunakan kaedah Nilai Kini Bersih mencadangkan kepada Lembaga Pengarah cadangan yang terbaik.

Gunakan kadar diskaun 12%.

Cadangan pulangan tunai oleh Syarikat A, B, C, dan D:

TAHUN	A	B	C	D
1	100,000	300,000	1,000,000	1,000,000
2	200,000	500,000	500,000	1,000,000
3	200,000	1,000,000	500,000	-
4	200,000	1,500,000	500,000	-
5	300,000	-	-	-
6	3,400,000	-	-	-

(10 marks/markah)

(b) PKC Sdn. Bhd. intends to buy a piece of land for project implementation. Details of investments are as follows:

- Purchase Price = RM7.5 million
- Income = RM2.04 million/year
- Expenses = RM960 thousand/year (income and expenses from year 1)
- Project Period = 25 years
- Land value after 25 years = RM7 million

Find the Internal Rate of Return by using a discount rate of 16% and 17%.

PKC Sdn. Bhd. bercadang membeli sebidang tanah untuk dilaksanakan projek. Butir-butir pelaburan adalah seperti berikut:

- Harga Belian = RM7.5 juta
- Pendapatan = RM2.04 juta/tahun
- Perbelanjaan = RM960 ribu/tahun (pendapatan dan perbelanjaan bermula dari tahun 1)
- Tempoh Projek = 25 tahun
- Nilai tanah setelah 25 tahun = RM7 juta

Cari Kadar Pulangan Dalaman dengan menggunakan kadar diskaun 16% dan 17%.

(15 marks/markah)

- 7 -

SECTION C: Answer **TWO** question only.
BAHAGIAN C: Jawab **DUA** soalan sahaja.

Jadual Formula :

$$\begin{aligned} \text{Amount of \$1} &= (1 + i)^n \\ \text{Present Value of \$1} &= \frac{1}{(1 + i)^n} \end{aligned}$$

$$\text{Amount of \$1 per annum} = \frac{(1 + i)^n - 1}{i}$$

$$\text{Annual Sinking Fund} = \frac{i}{(1 + i)^n - 1}$$

$$\text{Present value of \$1 per annum} = \frac{1 - PV}{i}$$

$$\text{Years Purchase in perpetuity} = \frac{1}{i}$$

$$\text{YP of a Reversion to a Perpetuity} = \frac{1}{(1 + i)^n} \times \frac{1}{i}$$

$$\text{YP formula adjusted for tax} = \frac{1}{i + SF \times \frac{1}{(1 - t)}}$$

5. (a) Define the meaning of 'Value'. By giving examples, elaborate 'Value' characteristics.

Definisikan maksud 'Nilai'. Dengan memberikan contoh-contoh, huraikan ciri-ciri 'Nilai'.

(10 marks/markah)

- (b) Mr. Kayaharta owned a freehold property at Kampong Fantasi. Assuming for the first 5 years the rental for similar properties in the area is RM24,000 per annum. The rental then increased to RM26,400 per annum in year 6 perpetually. If the discount rates for both periods are the same at 4 per cent, advise Mr. Kayaharta the value of his property?

En. Kayaharta memiliki hartanah pegangan bebas di Kampong Fantasi. Diandaikan untuk 5 tahun pertama, sewa bagi hartanah yang serupa di kawasan tersebut ialah RM24,000 setahun. Sewa kemudiannya meningkat kepada RM26,400 setahun pada tahun ke 6 hingga selama-lamanya. Jika kadar diskaun bagi kedua-dua tempoh tersebut adalah sama pada 4 peratus, nasihatkan Encik Kayaharta nilai harta tanahnya?

(15 marks/markah)

6. (a) Discuss **three (3)** benefits in property investment.

*Bincangkan **tiga (3)** kelebihan utama dalam pelaburan hartanah.*

(10 marks/markah)

- (b) For his child education, Mr Bapacontoh has to provide an amount of RM100,000 when his new born child; Anagenuis, reached 18 years old. Assuming the investment rate is 2.5% per annum, advise Mr Bapacontoh on how much should he invest, at the end of each year, so that at the end of 18 years RM100,000 can be accumulated.

Untuk pendidikan anaknya Encik Bapacontoh perlu menyediakan wang sejumlah RM100,000 apabila anaknya yang baru lahir, Anagenuis, mencapai umur 18 tahun. Dengan mengandaikan kadar pelaburan ialah 2.5% setahun, nasihatkan Encik Bapacontoh jumlah yang patut dilaburkan setiap akhir tahun supaya pada akhir tahun ke 18, RM100,000 dapat dikumpulkan.

(15 marks/markah)

7. (a) Please elaborate on what is actually defined as residential property?
Sila jelaskan tentang apakah yang sebenarnya dimaksudkan sebagai harta tanah kediaman?

(5 marks/markah)

- (b) Discuss **two (2)** valuation methods which are regularly have been used in order to determine the market value of a residential property.

*Bincangkan **dua (2)** kaedah penilaian yang lazimnya digunakan bagi menentukan nilai pasaran sesebuah harta tanah kediaman.*

(10 marks/markah)

- (c) Referring to the use of comparison method, please explain the purpose of value adjustment

Merujuk kepada penggunaan kaedah perbandingan, sila jelaskan tujuan penyelarasan nilai.

(5 marks/markah)

- (d) State the residential property characteristics that regularly have been considered to be adjusted.

Nyatakan ciri-ciri harta tanah kediaman yang sering dipertimbangkan untuk diselaraskan.

(5 marks/markah)

8. (a) Discuss the suitable valuation method to value a small agricultural property.

Bincangkan kaedah penilaian yang sesuai bagi menilai harta tanah pertanian jenis kebun kecil?

(10 marks/markah)

- (b) Using the income method, please determine the open market value for the following property:

Category: Agriculture Property

Crop: Pineapple

Area: 1½ acres

Type of Ownership: Free Hold

other information:

Number of cultivation seasons: 2 times per year

Average income per season: RM8,500.00 per acre

Ploughing cost: RM 800.00 per acre

Seeding and cultivation costs: RM 1000.00 per acre

Treatment, pesticide and harvesting costs: RM 1500.00 per acre

Cultivator wage: 20% from average income per season

Other costs: 5% from average income per season

Rate of return: 8%

Menggunakan kaedah pendapatan, sila tentukan nilai pasaran terbuka bagi harta tanah berikut:

Kategori: Harta Tanah Pertanian

Tanaman: Nenas

Luas: 1½ ekar

Jenis Hakmilik: Kekal

Lain-lain maklumat:

Bilangan musim penanaman: 2 kali setahun

Hasil purata semusim: RM8,500.00 per ekar

Kos membajak: RM 800.00 per ekar

Kos semaian & penanaman: RM 1000.00 per ekar

Kos penjagaan, meracun dan menuai: RM 1500.00 per ekar

Upah pengusaha: 20% daripada hasil purata semusim

Lain-lain kos: 5% daripada hasil purata semusim

Kadar Pulangan: 8%

(15 marks/markah)

