



II SEMESTER M.TECH. CONSTRUCTION ENGINEERING AND MANAGEMENT

DEPARTMENT OF CIVIL ENGINEERING

END SEMESTER EXAMINATION APRIL/MAY 2024

SUBJECT: VALUATION AND REAL ESTATE MANAGEMENT [CIE 5407]
(-05-2024)

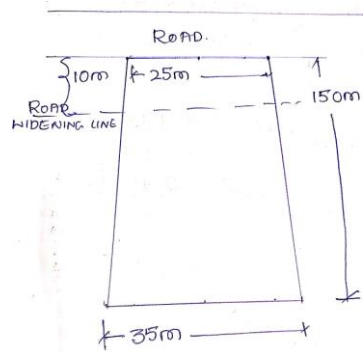
Time: 3 Hours

MAX. MARKS: 50

- Note: 1. Answer all questions.
2. Any missing data may be suitably assumed.

Q. NO	QUESTION	MARKS	CO	BL
1A.	a) Compare cost and price. b) Compare Prime Cost and Supplementary Cost.	3	1	V
1B.	Compare head rent improved rent, profit rent and nominal rent.	2	2	V
1C	One building, 8 years old, got damaged due to flood. The present new replacement cost of a similar building is ₹2500/ft ² . The extent of the building is 2000 sft. The life of the building is 60 years. Salvage Value is ₹5,00,000.00. Calculate the net present value (Depreciated value) of the building. Use straight line depreciation method, constant percentage method and sinking fund method. Assume the rate of compound interest is 7%.	5	1	III
2A.	Summarize the important bindings on the promoter of a real estate project referring section 13 to 17 of RERA.	3	3	V
2B	Compare Leasehold property and free hold properties with respect to any SIX factors.	2	4	IV
2C.	Data of a package bag producing factory situated at Inna is detailed below. There are two units in the factory. The area of one unit is 4800 m ² . And of another is 5000 m ² (GF only. There is no first floor for both the units of factory portion). The administration building is 750 m ² in GF and 750 m ² in FF. Both the administration building, and factory building were constructed in 2009. Monthly rent for administration building is ₹ 270 / m ² and ₹ 150/ m ² for industrial/factory building. Consider Deduction as 15% of GMR and Annual Tax is ₹ 5,65,000.00. Unexpired lease is 42 years & Capitalization of yield is 6.5%. Estimate the value of the property by Rent Capitalization Method.	5	3	IV
3A.	Explain Market approach method and income approach method of Valuation.	5	3	IV
3B.	Assess the Value of a Cinema Theatre, Consider the following details: I class -100 tickets @ ₹ 250; II Class 250 tickets @ ₹150. III class 300 tickets @ ₹100; Number of shows in a day are 4; Average occupancy is 65%; Entertainment Tax is 40% of daily collection; Distributors Share is 50% of the daily collection after tax;	5	3	V



	Stall rent is ₹ 20,000 per month. Assume Expenses as follows. Working Expenses @ 25%; Repairs and Depreciation @ 5 %; Owners Profit @ 20% ; Capitalising profit @ 12%.																							
4A.	<p>Q. Calculate the value of property by using Land and Building method. Consider the following details. Land: Total extent = 38 cents Building Details:</p> <table><tr><th>Floor</th><th>Year of construction</th><th>Area in ft²</th><th>Rate in ₹ / ft²</th></tr><tr><td>Basement Floor</td><td rowspan="5">2004</td><td>3500</td><td>1600</td></tr><tr><td>Ground Floor</td><td>3800</td><td>2100</td></tr><tr><td>First Floor</td><td>4400</td><td>2150</td></tr><tr><td>Second Floor</td><td>8500</td><td>2300</td></tr><tr><td>Third Floor</td><td>8500</td><td>2400</td></tr></table> <p>Guideline rate (considering ₹10,00,000/- per cents). The undivided share of land for the above building area as per client's input is 70%. Prevailing market rate (considering ₹ 20,00,000/- per cents) Undivided share of land for above building area as per client's input is 70%; Amenities (Interior works & False ceiling) ₹ 1,20,00,000/- ; Services (Open well, 2 No's Generator, Panel room, transformer, 2No.s Lift) ₹ 72,00,000/- Depreciation of building can be considered by straight line depreciation method. Consider life of structure as 90 years and salvage value as 10 % of initial cost.</p>	Floor	Year of construction	Area in ft ²	Rate in ₹ / ft ²	Basement Floor	2004	3500	1600	Ground Floor	3800	2100	First Floor	4400	2150	Second Floor	8500	2300	Third Floor	8500	2400	5	3	IV
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4B.	<p>A plot of land is situated along the road of a city. The rate of similar lands in that locality is ₹10000/m². The plot has a trapezoidal shape with frontage and rear width parallel to the road. The frontage of the plot is 25m, rear width is 35m and the depth is 150 m. Estimate the value of the property using belting method giving due consideration to the recessed portion. The local authority stipulates that at least 10 m front depth of the property shall be utilized for proposed road widening purposes. Adopt three belts.</p> 	5	3	IV																				
5A.	Explain any five different methods of creating or acquiring an easement.	5	5	IV																				
5B.	Explain any five factors affecting value of agricultural land.	5	3	IV																				