

Module Outline

Module Code : RE2704
Module Title : Introduction to Real Estate Valuation
Semester : Semester 2, Academic Year 2022/2023
Faculty : A/Prof Yu Shi Ming & Ms Kwang Heng Lee (Adjunct Senior Lecturer)
Department : Real Estate
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Overview

The module introduces students to theories that underpin real property valuation to develop an appreciation of fundamental concepts and principles of valuation. It includes a critical review of value theory, valuation theory and concepts of market value. Building from the fundamentals, various methods of real estate valuation are introduced. Topics include: nature and scope of valuation; concepts of value, particularly open market value and fair market value; foundations of valuation; role and functions of the valuer; characteristics of property and the property market; market study and valuation; the valuation process; professional standards and valuation report; and, the methods of valuation.

Learning Outcomes

Through this module, students will be able to acquire an:

- Understanding fundamentals of real estate & valuation
- Understanding fundamentals of concept of value
- Understanding market value and different bases of valuation
- Understanding the what, why and how of valuation
- Understanding the basic methods of valuation
- Understanding
 - a. the principles and rationale of the various methods of valuations
 - b. applications
 - c. methodology
- Understanding of professional valuation practice

Module Prerequisite(s)

Nil

Module Preclusion(s)

Nil

General Guide & Reading

- Appraisal Institute, The Appraisal of Real Estate, Appraisal Institute, 13th ed.
- Baum A and N Crosby (1988) Property Investment Appraisal, Routledge, London.
- Boykin and Ring, The Valuation of Real Estate, Prentice Hall, 4th ed.
- Bryan D. MacGregor, Rainer Schulz, Richard Green ed, (2019) Routledge Companion to RE Investment; Crosby, N., N. Hutchison, K. Lusht & SM Yu, Valuations and their importance for RE investments (Chapter 8)

- Gelbtuch, H.C. and Park, E. (2011) Real Estate Valuation in Global Markets; Yu SM and FJ Cheng, Singapore (Chapter)
- Geltner, D. and Miler, N.G. (2001), Commercial Real Estate Analysis and Investments, South-Western Publishing (ISBN: 0-324-13676-5)
- Seek, NH, TF Sing and SM Yu (2016), Singapore’s Real Estate: 50 years of transformation, WSP.
- Shilling, J. Real Estate, South-Western, 13 ed.
- Various Valuation Standards and Guidelines, RICS, SISV
- Others including reports, newspaper articles etc. Those that are uploaded in LumiNUS will be compulsory reading while students are encouraged to keep in touch with real estate news both locally and globally

Tentative Schedule & Outline

Lesson/ Week	Date	Topic	Activity (preparation / cases & assignments / follow-up readings & resources)
1	Jan 9 - 13	Introduction: What is Real Estate and Valuation? (YSM)	
2	Jan 16 - 20	Theory and Concepts of Value in Real Estate (YSM)	Issue of Group Project Brief
3	Jan 23 - 27 *CNY Holiday 22-24 Jan (Mon/Tue)	No Lecture	No Tutorial
4	Jan 30 - Feb 3	Bases of Valuation and Definition of Market Value, and Role of Valuers and Valuation in RE Markets (YSM)	Tutorial 1 (YSM)
5	Feb 6 - 10	Principles, Process and Scope and Significance of Valuation (YSM)	Tutorial 1 (YSM)
6	Feb 13 - 17	Methods of Valuation and their evolution (YSM)	Tutorial 2 (YSM)
RECESS WEEK 18 FEBRUARY – 26 FEBRUARY 2023			
7	Feb 27 - Mar 3	Introduction to Approaches/Methods of Valuation & Direct Comparison Method (KHL)	Tutorial 2 (YSM)
8	Mar 6 - 10	Residual Method (KHL)	Tutorial 3 (KHL)
9	Mar 13 - 17	Cost Method & Income Method (KHL)	Tutorial 3 (KHL)
10	Mar 20 - 24	Income and Profits Methods (KHL)	Tutorial 4 (KHL)
11	Mar 27 - 31	Applications and case studies (KHL)	Tutorial 4 (KHL); Group project submission (31/3/2023)
12	Apr 3 - 7 *Good Friday 7 Apr (Fri)	Professional practice (KHL)	
13	Apr 10 - 14		Group Project Presentation
READING WEEK 15 – 23 APRIL 2023			
MAIN EXAMINATION 24 APRIL – 6 MAY 2023			

Assessment

Assessment Components	Weightage (%)
Group Project	40
Participation in Tutorial	10
Open Book Examination	50
Total	100

Academic Honesty & Plagiarism

Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources.

Plagiarism is “the practice of taking someone else’s work or ideas and passing them off as one’ own” (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule - You have the obligation to make clear to the assessor which is your own work, and which is the work of others. Otherwise, your assessor is entitled to assume that everything being presented for assessment is being presented as entirely your own work. This is a minimum standard. In case of any doubt, you should consult your instructor.

Additional guidance is available at:

- <http://www.nus.edu.sg/registrar/administrative-policies-procedures/acceptance-record#NUSCodeofStudentConduct>
- <http://nus.edu.sg/osa/resources/code-of-student-conduct>

About me

Yu Shi Ming has been with the Department of Real Estate, National University of Singapore, for more than 40 years. He obtained his Dip Urban Valuation (Honours) under the Colombo Plan Scholarship from the University of Auckland, the MSc (Urban Land Appraisal) (Distinction) and PhD from the University of Reading. He was the Head of the Department from 2007-2013 and 2018-2019; Vice-Dean of the School of Design and Environment from 2000-2007. He served on the HDB Board (2009-2015), Council for Estate Agencies (2010-2016), Valuation Review Board (2000-2010) and West Coast Town Council (1990-present). He was awarded the Public Service Star (2017), Public Service Medal (2002) and the MND medallion (2015 and 2016). He was the President of the Singapore Institute of Surveyors and Valuers (SISV) (1996-7) and is a Fellow of the SISV and Royal Institution of Chartered Surveyors (RICS). His publications cover various areas in real estate: housing, valuation, development and management and a co-author of “Singapore real estate: 50 years of transformation”.

Heng Lee KWANG is the Director of Valuation and heads PREMAS Valuers & Property Consultants Pte Ltd (PREMAS Valuers) which is a wholly owned subsidiary of the Cushman & Wakefield group. She is currently also a senior adjunct lecturer in the National University of Singapore, and 2nd Vice President of Valuation & General Practice Division and the Chairperson of the Valuation Committee in the national professional body, Singapore Institute of Surveyors and Valuers (SISV).

She has worked as a trainee in the New Zealand Valuation Department while pursuing her degree in the University of Auckland, New Zealand. In Singapore, she started work in the public sector (Inland Revenue

Authority of Singapore) before furthering her career as a valuer in the private sector. In her private sector's experience, Heng Lee has built-up the valuation services for her company and has also taken care of the leasing unit to market retail spaces for the landlords. Heng Lee has managed a team of Valuers and also personally carried out valuation and advisory work for residential properties, commercial properties, industrial properties and specialized properties such as the international cruise centre, Singapore Flyer, museums, international schools, driving center and, petrol stations. In addition, she has also acted in the capacity of an expert witness for legal cases pertaining to valuation matters.