

Liverpool John Moores University

Title: VALUATION THEORY & APPLICATIONS 1
Status: Definitive
Code: **4520BEKL** (119123)
Version Start Date: 01-08-2013

Owning School/Faculty: Built Environment
Teaching School/Faculty: Imperia Institute of Technology

Team	Leader
Sarah Buxbaum	

Academic Level: FHEQ4 **Credit Value:** 24.00 **Total Delivered Hours:** 87.00
Total Learning Hours: 240 **Private Study:** 153

Delivery Options

Course typically offered: Non Standard Year Long

Component	Contact Hours
Lecture	56.000
Tutorial	28.000

Grading Basis: 40 %

Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Report	AS1		50.0	
Exam	AS2		50.0	3.00

Aims

To examine the structure of the UK property market, the role of property as an investment, and the circumstances in which valuations are required.

To develop an understanding of the principal valuation theories and methodologies used in professional practice.

To build competency in the practical application of valuation theory and techniques.

Learning Outcomes

After completing the module the student should be able to:

- 1 Identify the key characteristics and dynamics of the property market.
- 2 Examine and evaluate the role of the professional in the valuation of residential and commercial property.
- 3 Be conversant with, and understand the significance of, professional valuation standards and regulations.
- 4 Examine the role of property as an investment medium.
- 5 Recognise, distinguish and apply the principal valuation methodologies and critically appraise their relevance in the context of property valuation.
- 6 Demonstrate competence in the application of traditional investment methodology to the valuation of property.
- 7 Examine, evaluate and analyse property market data and utilise the results to formulate and present reasoned valuations.

Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

Valuation Report	1	2	3	
Examination	4	5	6	7

Outline Syllabus

1. *Introduction to Property & Valuation*
 - *The Property Market*
 - *Property as an Investment*
 - *The Concept of Value and Valuation*
2. *Valuation and the Property Profession*
 - *The role of the property professional*
 - *The RICS Red Book 6th Edition and Valuation Standard and Guidance Notes*
 - *The RICS Code of Measuring Practice and the Zoning concept*
3. *Valuation Methodology*
 - *The Comparative Method*
 - *The Investment Method*
 - *The Profits Method*
 - *The Residual Method*
 - *The Contractor's Method*
4. *Valuation Mathematics*
 - *The Construction and Application of the Valuation Tables (incl Amount of £1, Present Value, Years Purchase, Sinking Fund)*
5. *Investment Valuation*
 - *Valuation of Freehold and Leasehold Interests*
 - *Lease Structures and Property Outgoings*
 - *The valuation and analysis of Premiums and other Capital sums*

- Rental Analysis and Adjustment

Learning Activities

Lectures, Seminars.

References

Course Material	Book
Author	Baum, A., Nunnington, N. & Mackmin, D
Publishing Year	2006
Title	'The Income Approach to Property Valuation'
Subtitle	
Edition	5TH
Publisher	EG Books
ISBN	0728204649

Course Material	Book
Author	Blackledge,M
Publishing Year	2009
Title	'Introducing Property Valuation'
Subtitle	
Edition	1ST
Publisher	Routledge
ISBN	9780415434775

Course Material	Book
Author	Davidson, A.W
Publishing Year	2002
Title	'Parry's Valuation & Investment Tables'
Subtitle	
Edition	12TH
Publisher	EG Books
ISBN	0728203685

Course Material	Book
Author	Richmond,D
Publishing Year	1994
Title	'Introduction to Valuation'
Subtitle	
Edition	3RD
Publisher	Palgrave Macmillan
ISBN	0333693337

Course Material	Book
Author	Scarrett,D

Publishing Year	2008
Title	'Property Valuation: The Five Methods'
Subtitle	
Edition	2ND
Publisher	Routledge
ISBN	9780415423267

Notes

The module provides a wide-ranging introduction to the valuation of property and the property market. It introduces the concept of property as an investment medium and highlights its unique characteristics in this context. Students develop an understanding of core valuation theory and methodologies, including the use and derivation of valuation tables and mathematics, and build competency by means of their practical application.