

SCHOOL OF PLANNING AND ARCHITECTURE, VIJAYAWADA

SEMESTER END EXAMINATIONS (REGULAR) APRIL – MAY - 2017

B.PLANNING - III YEAR VI SEMESTER

ELECTIVE I: REAL ESTATE PLANNING & MANAGEMENT (10210625)

Maximum Marks – 50

Time – 2.00 Hours

- a) Answer any Two questions out of 1 to 4 questions.
b) Question No.5 is compulsory and answer any four out of six sub-questions.
c) Scientific calculator is allowed.

- Q1. a) Define Depreciation. Explain the various types of depreciation methods with illustrations. (10M)
b) Mr. 'T' had purchased a residential property of Rs.20 lakhs on 31st August 2004. (5M)
He constructed first floor in March 2010 for 10 lakhs. The residential property was sold on for Rs.55 lakhs on 1st May 2015. Determine the capital gain tax.
Cost inflation index: 2004-05: 480
2009-10: 632
2015-16: 1081

- Q2. Describe the various economic principles with illustrations. (15M)

- Q3. a) Calculate the annual stabilized Net operating income, rate of capitalization for the given data: (10M)
- Plot Area: 15,000 Sq.m
Units in Apartments -250
Average Apartment unit size – 80 Sq.m
Monthly rent per Sq.m –Rs.100/-
Monthly operating expenses per unit – Rs.600/-
Monthly property taxes per unit – Rs.250/-
Vacancy Rate:6.5%
- For every 100 Sq.m of builtup area, monthly parking fees per parking space : Rs.800/-
Annual Maintenance capital expenditure per unit –Rs.450/-
Annual Revenue inflation:1.5%
Annual Expense inflation: 1.5%
Property value: 150 crores

- b) Calculate the subject property price using the given data: (5M)

	Subject property	Sale price 1	Sale price 2
Sale price	?	Rs.2,20,50,000	Rs.2,52,20,000
No. of units	45	40	45
Units size (Average)	300 Sq.ft	290 Sq.feet	310 Sq.feet
Quality	Average	Average	Average
Furnishings & Equipment	Rs.2,10,000	Rs.1,95,000	Rs.2,25,000
Estimated Land value	Rs.25,25,000	Rs.1,47,55,000	Rs.1,71,45,000

P.T.O

- Q4. a) What are the advantages and disadvantages of sinking fund? The real estate developers will need 40 Lakhs in 10 years to develop a mega scale project. What monthly payments to a sinking fund earning 10% interest, compounded monthly will meet that obligation? (8M)
- b) A modern building located on a plot costing Rs.70, 000/-. The construction cost of building is Rs.3,00,000/- and the estimated life is 66 years (sinking fund Interest rate 3%). The investor desires to have a 9% return on the construction cost and 7% on the land cost. Assuming Annual repair, to be at 0.5% of the cost of construction of other outgoings at 30% of gross rent. Calculate the annual rent for the building. Scrap value -10% of construction cost. (7M)

Q5. Write short notes on any FOUR of the following:

(4x5=
20M)

- Present and future value of Annuity
- Capitalization rate
- Net Operating Income
- Salvage Value
- Factors affecting valuation of Building
- Method of allocation of economic resources

