



**REFERRED/DEFERRED ASSESSMENT - SESSION 2010/11
SUMMER 2011**

COURSE CODE	LAND 1023
COURSE TITLE	Studio 1 Real Estate
COURSE COORDINATOR	Mark Daley

To Students

If you have failed a course or part of a course and have been allowed by the Progression and Award Board to be reassessed in one or several of the courses, this will be indicated in your result letter. On the back of the result letter, the words '*Failed -retake permitted before the next academic year*' will appear next to the relevant assessment items or course(s).

In that case, you are required to submit coursework and/or to take an examination again as appropriate in August 2011.

Examination timetable

The detailed examination timetable will be posted on the University website **towards the end of July**. Deferred/referred examinations should be timetabled between 15th and 26th August 2011. The link can be followed from here:

<http://www.gre.ac.uk/students/exams>

Deadline for submitting coursework

Coursework must be delivered by hand no later than **Monday 15th August 2010** to the School of Architecture & Construction.

If you send your coursework by post, it must be sent by first class recorded delivery (keep a copy of both the postal receipt and the coursework) **no later than Monday 15th August 2010** to:

Referred/Deferred Coursework
School of Architecture & Construction
Mansion Site
Bexley Road
London SE9 2PQ
UK

Coursework submission

All coursework must be submitted by the deadline and method as above and must be accompanied by the appropriate electronic header sheet.

Deadline for submitting portfolios

Portfolios of design or visual work can be submitted either:

- (i) in person **on Monday 15th August 2010 between 10:00am and 4:00pm**, to the Mezzanine Studio, **or**
- (ii) by first class recorded delivery (keep a receipt), **on or before Monday 16th August 2010**, to:

Referred/Deferred Portfolios
School of Architecture & Construction
Mansion Site
Bexley Road
London SE9 2PQ
UK

Submission of portfolios

Portfolios of design or visual work must be submitted by the deadline and method as detailed above.

Make sure your portfolio is labelled, inside and outside with your name, year and contact details.

You must print **2 copies of the electronic header sheet**. Please attach one copy securely to the outside of your portfolio. The 2nd copy will be scanned into the Banner receipting system for proof of submission.

Postal Submissions

All postal submissions, Coursework and Portfolios, will be receipted with the date of postage as the date of submission.

It is the responsibility of the student to ensure that the work is submitted on time by the above method.

Queries

Any queries should be emailed to

acqueries07@gre.ac.uk

with

- Your full name
- Your student ID number
- Your Programme of Study e.g. BA Architecture
- The title and code of the course(s) with which you have a query
- The nature of the query

<p>Please note that this email address will only be monitored until Friday 23rd September 2011, after this date enquiries should be sent direct to the Course Coordinator.</p>
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Staff email addresses and contact numbers can be looked up here:

http://www.gre.ac.uk/staff_intranet/directory

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Please find below details of the coursework to be submitted and/or examination advice as appropriate.

Assessment item	Project II
Electronic header sheet number	184128
<p>Details of work to be undertaken: see below Project/Coursework Title:</p> <p>Question 1). You work as a surveyor in a major property consultancy firm and a potential client, a Mr. C has contacted you for advice because he has come into a modest inheritance and has money to spend on investment opportunities. He has already been to his Bank and a local Building Society but is unwilling to invest any cash on deposit because of the low interest rates being offered at the current time. He is also reluctant to invest in shares because he sees the market as unstable. His friend, Mr. S has been investing successfully in property for several years and has encouraged Mr. C to start his own investment portfolio. Mr. C has looked at both residential and commercial property investments, after making some enquires; he is now looking at two alternatives.</p> <p>1. The purchase of a flat in a modern block, built in 2008. This is an impressive looking property with residential apartments of different sizes and amenities, although all flats are centrally heated. Some flats have river views and some car parking spaces. Unfortunately, for the sellers, the recession has meant that prices have dropped and many are unable to move, and buyers are having difficulty raising mortgage finance. Mr. C sees this as an opportunity to “cash in” on cheap deals and obtain some rental income once he has let the property. The flats are offered with 99 year leases from 1998 at a fixed ground rent of £1,500 per annum. From the few sales that have taken place, one bedroom flats are selling for £130,000 with a river view and one car space and two bedroom flats for £155,000 with the same amenities. A local letting agent indicates that gross rents for one bedroom flats are £6,000 per annum and for two bedroom flats, £9,000 per annum..</p> <p>As an alternative, he is also looking at a freehold warehouse investment. This has just been let at £30,000 per annum and is available for purchase at an asking price of £290,000, subject to the proposed lease. The lease is for a term of 10 years with a rent review at year 5.. On the face of it, the warehouse gives a far better return, but which investment would advise Mr. C to purchase based on the risks involved ?</p> <p>Write a report of approximately 800 words to Mr. C briefly outlining the advantages and disadvantages each investment in the current economic climate. (50 marks).</p>	

Question (2).

Mr. C has, despite his inheritance looked at taking out a loan to finance his purchase and is surprised to see that the best mortgage deal he can get is at 5.5%, despite base rates being only 0.5 %. He would provide a 20% deposit and other property to offer

as collateral. The bank tell him that all lending is more risky these days and they have to reflect this in higher rates

Explain to Mr. C in approximately 500 words the various economic issues have led to such a high borrowing rate when compared to the base rate. (50 marks).

Suggested Reading

Articles

1. Article by Aida Edemariam, Guardian Newspaper, The incredible shrinking pound. Via Guardian URL date 1st April 2009.
2. Robert Peston, Via BBC website business section read extracts on the credit crunch

Books

Armatys, J., Askham, P. and Green, M. (2009) Principles of Valuation, EG Books.

Blackledge, M. (2009) Introducing Property Valuation, Routledge.

Millington, A.F. (2003) An Introduction to Property Valuation, 5th Edition, Estates Gazette.

Millington, A. F. (2003) Professional Issues for Property People, Estates Gazette.

David Isaac (2003) Property Finance, 2nd Edition Palgrave

