



<u>PROGRAM</u>	: BACHELOR DEGREE URBAN AND REGIONAL PLANNING
<u>SUBJECT</u>	: BUILDING ECONOMICS, PROPERTY VALUATION AND MANAGEMENT
<u>CODE</u>	: BEPTRA3
<u>DATE</u>	: MAIN EXAMINATION (JUNE) 2019
<u>DURATION</u>	: SESSION 2: 11:30 - 14:30
<u>WEIGHT</u>	: 50:50
<u>TOTAL MARKS</u>	: 60
<u>EXAMINERS</u>	: DR S AKINBOGUN & PROF T GUMBO
<u>MODERATOR</u>	: MRS CHIOMA OKORO
<u>NUMBER OF PAGES</u>	: 3 (THREE) PAGES

INSTRUCTIONS TO CANDIDATES

- READ THE QUESTIONS CAREFULLY
 - **SECTION A IS COMPULSORY** [15 MARKS] AND ONLY **THREE** QUESTIONS IN SECTION B [45 MARKS]
 - YOU MUST SHOW COMPETENCY IN THEORY AND CONCEPT AWARENESS.
 - BE VERY LOGICAL IN YOUR RESPONSES
 - USE RELEVANT EXAMPLES TO DEMONSTRATE UNDERSTANDING AND APPLICATION OF KNOWLEDGE
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Section A is Compulsory

1. Determine the value of an industrial property, located at Auckland Park Industrial Estate, with a Gross Internal Area (GIA) of 545m². A comparable property with 3850cm² gross internal area in similar location, condition, design, lease terms was sold in an arms' length transaction for R15,270,555 and let for R400,550pa few months later. The annual outgoing for repairs, management and property tax is estimated at 10% of the income. **(15 marks)**

Section B. Answer Three Questions in this Section

2. You have been commissioned as a building economist to advise on how to achieve Value for Money in a building contract to be awarded soon by Johannesburg municipality. In a logical manner, discuss how this could be achieved during the conception of the project, procurement stage, construction and the post occupancy stage, respectively.
(15 marks)
3. (a). Discuss the three major objectives guiding sustainable design decision **(6 marks)**
(b) What are the factors affecting construction budget? **(3 marks)**
(c) What would you advise for an effective budget management in a building contract? **(6 marks)**
4. (a) Discuss the elements of a building Procurement strategy. **(5 marks)**
(b) Discuss four tendering process, their advantages and limitations in contractors' selection. **(5 marks)**
(c) Explain the most suitable procurement strategy you would adopt to select a contractor for a specialised construction project with very limited professional expertise in Johannesburg. **(5 marks)**
5. (a) Discuss three strategies of maintenance that could be employed to maintain a building and advise on the best method with valid argument. **(7 marks)**
(b) Discuss the principles of effective maintenance strategy. **(4 marks)**
(c) Explain the conditions that will lead to the adoption of comparison method for a valuation exercise. **(4 marks)**
6. (a) Discuss the rationale behind the study of Building Economics. **(8 marks)**

(b) How would you guard against letting a residential property to a recalcitrant tenant? **(7 marks)**