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UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
SEMESTER I
SESSION 2012/2013**

COURSE NAME : INTERNATIONAL REAL ESTATE
COURSE CODE : BPF4263 / BPF42603
PROGRAMME : 4BPD/3BPD
EXAMINATION DATE : DECEMBER 2012 / JANUARY 2013
DURATION : 2 HOURS 30 MINUTES
INSTRUCTION : ANSWER ALL QUESTIONS

THIS QUESTION PAPER CONSISTS OF TWO (2) PAGES

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Q1 Real estate characteristics are unique compare to other medium of investments. It requires significant amount of capital and knowledge.

(a) Explain **FOUR (4)** real estate characteristics. (10 marks)

(b) In accordance to international trade changes, international real estate investment also becoming a new phenomenon for the last 30 years.

Discuss **THREE (3)** reasons for the increasing of international real estate. (15 marks)

Q2 "Public source of equity, primarily real estate investment trust (REITs), are particularly important for a dynamic real estate investment activity due to the potential for securing financial claims and raising capital at relatively low cost" – Connor and Liang (2000).

Discuss **FIVE (5)** rules of thumb in order to select a REIT company for investment purpose based on the above statement (25 marks)

Q3 Balang Plantations Berhad plans to expand its plantations into Papua New Guinea. An investment like this requires several institutional considerations.

(a) Describe **FIVE (5)** types of institutional should be considered by Balang Plantations Berhad before it is able to invest in the country. (10 marks)

(b) In a situation of cultural differences, propose **THREE (3)** strategies for Balang Plantations Berhad to mitigate the risk involve with the differences. (15 marks)

Q4 One of the reasons for a company expands its real estate investment into global scale is due to the economic condition and transparency of information from the selected country. The investment can be in a form of office, retail, logistics or residential.

(a) Discuss **TWO (2)** economic indicators commonly use by investor for investing in real estate internationally. (10 marks)

(b) Using relevant example, demonstrate how scale of development influence international real estate investors. (15 marks)

-END OF QUESTION-