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UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
SEMESTER I
SESSION 2013/2014**

COURSE NAME : INTERNATIONAL REAL ESTATE
COURSE CODE : BPF 42603
PROGRAMME : 4 BPD
EXAMINATION DATE : DECEMBER 2013/JANUARY 2014
DURATION : 2 HOURS 30 MINUTES
INSTRUCTION : ANSWER ALL QUESTIONS

THIS QUESTION PAPER CONSISTS OF **THREE (3)** PAGES

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Q1 An international real estate is considered as a new phenomenon in real estate industry. An international real estate is originally come from the idea of international trade of commodities and services. An international real estate study includes property consumption and investment goods.

(a) Describe **TWO (2)** justification why the users compete for physical location and space in international real estate

(10 marks)

(b) An international real estate market activity is determined by several property sub-markets. Differentiate **THREE (3)** sub-markets in an international real estate market activity.

(15 marks)

Q2 Investment and development are considered risky because the investor or developer is unsure about the actual return derived from the investment. The decision for investment is considered risk-free when the consequences are known with certainty.

(a) Differentiate **FIVE (5)** types of risk in investment in an international real estate market.

(10 marks)

(b) In investment, risk is related to return. By investing in international property, discuss how risk responds with income flow from the investment.

(15 marks)

Q3 Global Padu Plantations Berhad plans to expand their business in Papua New Guinea. Generally, international property investment requires several considerations prior operating the business.

(a) Discuss **THREE (3)** reasons for increasing of international real estate activity.

(10 marks)

(b) Analyze **FIVE (5)** elements of institutional that should be considered by Global Padu Plantations Berhad prior deciding to invest in Papua New Guinea.

(15 marks)

Q4 Real estate is usually an expensive asset due to its high unit value. In the past 30 years, have witnessed the most significant growth in the real estate industry and not excluded an international real estate industry.

By using appropriate case study area as an example, illustrate international real estate market. The illustration includes economic condition, political situation, governance and real estate and investment condition.

(25 marks)

- END OF QUESTION -