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UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
SEMESTER I
SESSION 2015/2016**

COURSE NAME : INTERNATIONAL REAL ESTATE
COURSE CODE : BPF 42603
PROGRAMME : 4 BPD
EXAMINATION DATE : DECEMBER 2015/JANUARY 2016
DURATION : 2 HOURS 30 MINUTES
INSTRUCTION : ANSWER ALL QUESTIONS

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

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- Q1** (a) Name **TWO (2)** users' market in real estate industry. (4 marks)
- (b) Explain how the users' market activities reflect the demand for real estate. (9 marks)
- (c) In the real estate market, physical assets are known as space consumption. Discuss **FOUR (4)** issues in managing physical assets. (12 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 between Systematic Risk and Unsystematic Risk of investment in international real estate market. (10 marks)
- (b) Discuss how risk affects income flow from international property investment. (15 marks)
- Q3** Maju Jaya Plantations Berhad plans to expand their business in Papua New Guinea. Generally, international property investment requires several considerations prior to business operation.
- (a) Analyse **FIVE (5)** institutional elements that should be considered by Maju Jaya Plantations Berhad prior deciding to invest in Papua New Guinea. (15 marks)
- (b) Propose **THREE (3)** strategies for Maju Jaya Plantations Berhad to mitigate the risk involve with the cultural differences. (10 marks)

- Q4** The real estate markets have become global, making real estate profession an international enterprise. At the same time, global commercial agents report huge differences between local and international real estate market. This urges real estate professionals to be equipped with local knowledge in integrating financial and economic-geographic skills.

Illustrate international real estate market using an appropriate case study as a comparison. The illustration should include economic condition, political situation, governance and real estate, and investment condition.

(25 marks)

- END OF QUESTION -