# UTHM
## Universiti Tun Hussein Onn Malaysia

# UNIVERSITI TUN HUSSEIN ONN MALAYSIA

## FINAL EXAMINATION
## SEMESTER I
## SESSION 2016/2017

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| COURSE NAME | : | PROPERTY MARKET ANALYSIS |
| COURSE CODE | : | BPE 34103 |
| PROGRAMME CODE | : | BPD |
| EXAMINATION DATE | : | DECEMBER 2016 / JANUARY 2017 |
| DURATION | : | 3 HOURS |
| INSTRUCTION | : | ANSWERS **ALL** QUESTIONS |

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

**Q1**  (a)  "In the state of Johor, the supply of landed residential in 2014 stood at 286,809 units and terraced houses continued to be the majority at 82% of the total. In the near future, the number of houses is expected to increase by 40,579 units, approximately 14% of the existing stock"

(Property Market Report, 2015)

Discuss **THREE (3)** factors affecting property supply.

(9 marks)

(b)  Maju Gemilang Sdn. Bhd. is a property development company based in Shah Alam. The company plans to invest in commercial property development particularly office building in Batu Pahat. You were appointed as a consultant for conducting demand analysis for Maju Gemilang Sdn. Bhd.

Outline essential information need to be considered in the decision process.

(16 marks)

**Q2**  Price is best defined as the quantity of payment or compensation given by one party to another in return for goods and services. Price can be addressed in several forms such as fee, rate, premium and etc. In business, price plays an important role in determining profitability, market signal, marketing mix and product strategy.

(a)  Differentiate between "Cost Plus & Mark Up Pricing Method" and "Break Even Pricing Method".

(10 marks)

(b)  The demand for housing is inelastic in respect to price and income, while the demand for housing (in term of space) appears to be elastic over most of its price range.

Discuss relationship between income, preferences and choice of residence.

(10 marks)

(c)  In practice, there are no location has a monopoly of advantages and a complete absence of disadvantages.

List **FIVE (5)** determinant factors need to be considered by manufacturer in selecting site for manufacturing.

(5 marks)

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**Q3** (a) Members of the Millennial generation, those in the 18-34 age range, have been slow to enter housing market. They are sidelined by high unemployment, student loan debts, and tight credit. Nowadays, as most of the work of selling real estate happens online, this has created the need for real estate agents to create innovative strategies to attract those Millennials.

Explain **FIVE (5)** best apps for real estate agents/negotiators available in Malaysia to easily attract those Millennial.

(10 marks)

(b) Buying a house builds equity, putting Millennial on the fast track to building wealth. However, to some Millennial, renting by contrast, is essentially throwing money to the wind. The decision of whether to buy or rent a property depends on several factors.

Outline **FIVE (5)** factors to help those Millennial in weighing their decision to buy or to rent a house.

(15 marks)

**Q4** (a) Residential house purchase choices are influenced by consumer behaviour. The study of consumer behaviour is an unusually diverse discipline, and it has been defined in a variety of ways in marketing literatures.

(i) Define consumer behaviour in the context of real estate marketing.

(5 marks)

(ii) Explain **FIVE (5)** factors influencing house buyers' purchase decisions.

(5 marks)

(b) Post-Purchase Cognitive Dissonance is the phrase we give to the state of unease which exists in the customer's mind after buying a product or service. With a decision as big as buying a house, it is no surprise that regrets are common.

Advise **FIVE (5)** ways to avoid house buyer's regret after purchasing a house.

(15 marks)

– END OF QUESTIONS –

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