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**UNIVERSITI TUN HUSSEIN ONN MALAYSIA**

**FINAL EXAMINATION  
SEMESTER II  
SESSION 2017/2018**

COURSE NAME : VALUATION FOR LAND ACQUISITION  
COURSE CODE : BPE 23003  
PROGRAMME : BPD  
EXAMINATION DATE : JUNE / JULY 2018  
DURATION : 3 HOURS  
INSTRUCTION : ANSWER ALL QUESTIONS

**TERBUKA**

THIS QUESTION PAPER CONSISTS OF FIVE (5) PAGES

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- Q1** Land Acquisition Act, 1960 gives the Government the prerogative to acquire private lands and utilize them for public purpose.

Explain the following terminologies in land acquisition:

- (a) Form A (under Section 4) and Form D (under Section 8)
- (b) Scheduled Lands and Acquired Land
- (c) Betterment and Injurious Affection
- (d) Undertaking of Public Utility
- (e) The Limitation of Award

(25 marks)

- Q2** There are many precedents for Land Acquisition Court Cases in Malaysia in regards to compensation issues.

Discuss the following court cases decisions in detail explaining the arising issues of compensation in land acquisition case.

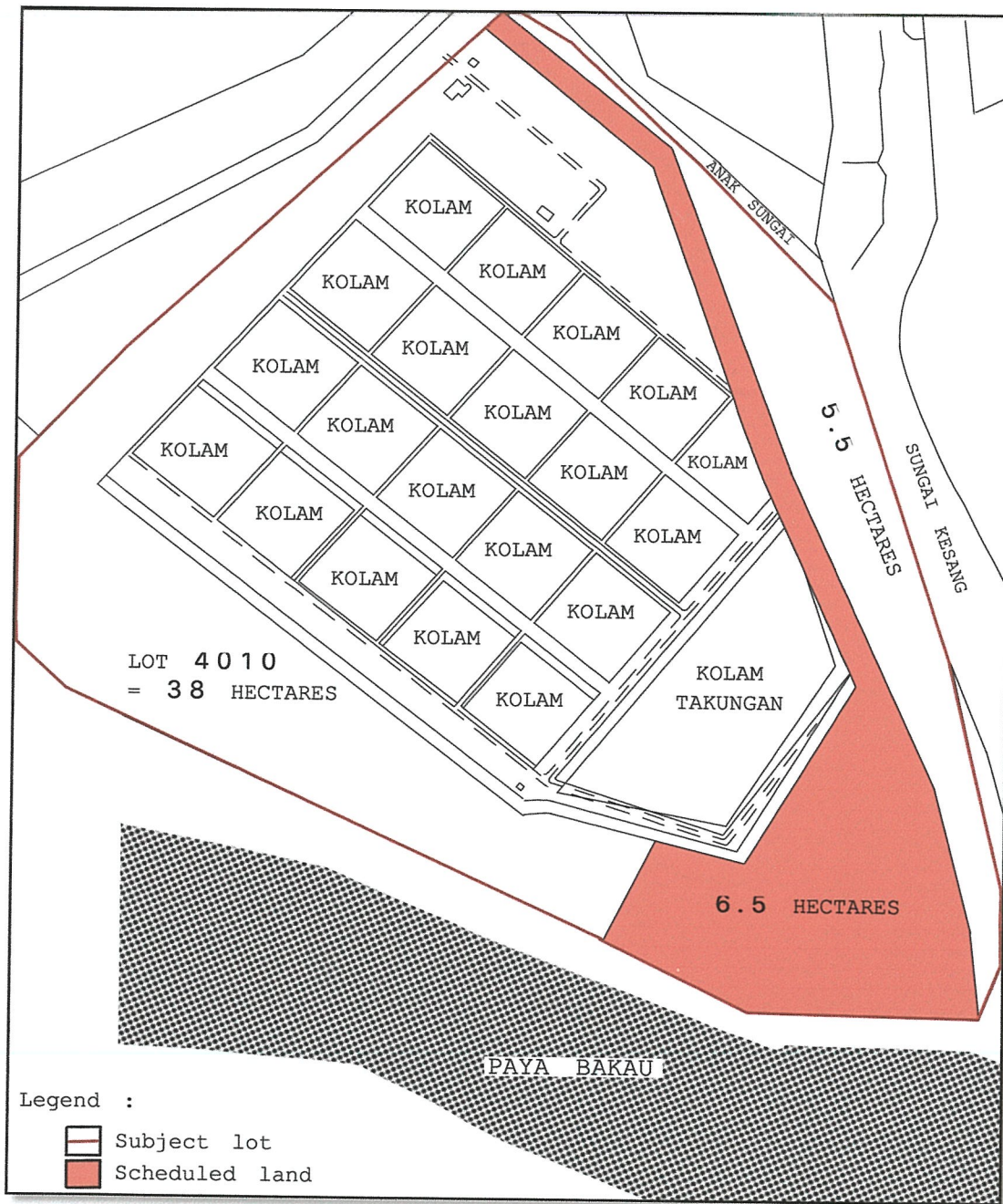
- (a) Nanyang Manufacturing V The Collector of Land Revenue Johor Bahru (1954).
- (b) Stamford Holdings Sdn. Bhd. V Kerajaan Negeri Johor & Ors. (1998).
- (c) Lembaga Amanah Sekolah Semangat Malaysia V Collector of Land Revenue, Dindings (1976).
- (d) Ng Tiou Hong V Collector of Land Revenue Gombak (1984).
- (e) CIMB Trustee Bhd. V Pentadbir Tanah Daerah Seberang Prai Utara, Pulau Pinang (2012).

(25 marks)

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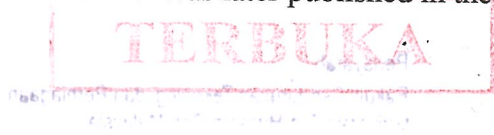
Q3 Lot 4010, Grant 42383, Mukim Sebatu, Daerah Jasin, Melaka was acquired for 'Tujuan Awam'. The Scheduled Land measuring 7.50 hectares as shown in Plan Q3.

Plan Q3: Lot 4010 Mukim Sebatu



The preliminary notice of acquisition under Section 4 of the Land Acquisition Act, 1960 (as amended) was published in the Malacca State Gazette on 15 December 2015 vide Gazette Notification Number 335.

The declaration of intended acquisition under Section 8 was later published in the Malacca State Gazette on 30 Mac 2017.



The entries appearing in the Register Document of Titles from the Malacca Land Registry are as follows:

Lot No. : 4010  
 Title No. : Grant 42383  
 Mukim : Sebatu  
 District : Jasin  
 State : Melaka  
 Category : Agriculture  
 Tenure : Freehold  
 Area : 38 Hectares  
 Registered Proprietor : Hang Tuah

The subject lot 4010 is a piece of agriculture land used as fresh water prawn and fish farming.

The recent sales within the vicinity is tabulated in **Table Q3**.

**Table Q3: Comparisons**

No.	No. Lot	Area	Consideration	Date of sale	Category	Tenure	Descriptions
1	4001	20.15 hectare	RM2,000,000	20 October 2017	Agriculture	Freehold.	Vacant land.
2	4020	25.00 hectare	RM3,000,000	14 April 2015	Agriculture	Leasehold expired on 2076	Rubber trees 20 years old. Fair maintenance
3	3807	18.5 hectare	RM1,950,000	30 November 2017	Agriculture	Freehold	Oil Palm 10 years old. Good maintenance.
4	4278	3.5 hectare	RM600,000	10 February 2017	Agriculture	Freehold	Rubber trees 20 years old. Fair maintenance
5	4806	2.95 hectare	RM450,000	15 December 2016	Agriculture	Freehold	Vacant Land.
6	4016	20.3 hectare	RM2,450,000	15 June 2016	Agriculture	Freehold	Oil Palm 3 years old. Good maintenance.

Prepare a brief Valuation Report including its compensation claim for Lot 4010, Mukim Sebatu, Daerah Jasin, Melaka. You may make appropriate assumptions to justify your claims.  
 (25 marks)

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**Q4** PTB 22336, Mukim & District of Johor Bahru, State of Johor is a piece of land currently being used as a western food restaurant located at Jalan Stulang. Kg. Melayu Majidee, Johor Bahru.

The subject lot PTB 22336 was gazetted by the State Government for compulsory land acquisition under **Section 4** of the Land Acquisition Act 1960 (amended) on 5<sup>th</sup> July 2016 and it was again gazetted under **Section 8** of the same Act on 20<sup>th</sup> April 2017. The land acquisition is for the purpose of upgrading and widening of Jalan Stulang.

The land area is 0.40 hectare held under a 99 years lease expiring on December 2089. The express condition as stated in the title is that the land is for commercial use. The registered owner of the land is Reunion Sdn. Bhd.

The owner of the land has decided to appoint you as their valuer regarding their claims of compensation for the compulsory land acquisition.

After site inspection you have gathered the following information:

- Half of the lot will be affected by the acquisition exercise.
- The lot is fronting Jalan Stulang and flat in nature.
- The building found on the subject lot is the seafood restaurant with the main building area of 800 square meters. The terrace area is 1,000 square metres. The buildings were built in the year of 2010 at the cost of RM500,000. The building is of permanent construction with ceramic tiles and cement screed floor, aluminium and fibre acoustic ceiling and asbestos roofing.
- Recent transaction of similar lands along Jalan Stulang recorded prices ranging between RM2,400 per square metre to RM3,000 per square metre.
- The profits of the restaurant for the past three years are as follows:

<u>Year</u>	<u>Profit (RM)</u>
2017	550,000
2016	480,000
2015	440,000

The owner reckons that he has to move and relocate his business elsewhere. Due to the relocation he anticipates that he will lose six months profit during the waiting period for the construction of a new restaurant. He also expects a drop in profits by 30% for about 1<sup>1/2</sup> years after the relocation.

Based on the information available, prepare the compensation claim for the owner by using appropriate method of valuations. Suitable assumptions may be made to support your advice.

(25 marks)

- END OF QUESTIONS -

