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Universiti Tun Hussein Onn Malaysia

**UNIVERSITI TUN HUSSEIN ONN MALAYSIA**

**FINAL EXAMINATION  
SEMESTER II  
SESSION 2018/2019**

COURSE NAME : PROFESSIONAL PRACTICES  
COURSE CODE : BPE 35502  
PROGRAMME CODE : BPD  
EXAMINATION DATE : JUNE / JULY 2019  
DURATION : 2 HOURS  
INSTRUCTION : ANSWER ALL QUESTIONS

THIS QUESTION PAPER CONSISTS OF FOUR (4) PAGES

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- Q1** (a) With reference to the Valuers, Appraisers, Estate Agent and Property Management Act (1981 amended), define real estate valuation, property management and real estate agency.  
(9 Marks)
- (b) With reference to the development of oil and gas and high-speed railways in the country, describe whether the real estate profession should incorporate and establish oil and gas and high-speed railways consultancy as a new real estate expertise. Give reasons.  
(5 marks)
- (c) Similarly, describe whether the real estate assessment or rating at local authorities should be established as a new separate expertise under the Board of Valuers, Appraisers, Estate Agent and Property Management. Give comments.  
(6 marks)
- Q2** A professional real estate person is subject to etiquette in conducting their professional undertakings according to the Code of Conduct under the Board of Valuers, Appraisers, Estate Agent and Property Managers.
- (a) Explain with examples the importance of etiquette in conducting real estate businesses.  
(10 marks)
- (b) Describe briefly **FIVE (5)** permissible actions as mentioned under the Manual of Valuation Standards (MVS) for every valuers, property managers and estate agents.  
(10 marks)
- Q3** Lumut City Centre Corporation owns a 10 hectare of freehold potential land with planning approval for 5 blocks of 15 storey residential cum office building adjacent to Lumut Naval base in Perak. The land has been valued at RM105 million in 2016. The company had claimed that they have spent a total of RM15 million recently to clear the site for development. Unfortunately, due to the change of government recently in Perak, the initiative was abandoned. At present, the company is negotiating with another conglomerate to undertake a JV. As a professional property consultant, you are to offer suggestions and explanation to both companies in dealing with the followings. Please refer to the Valuers, Appraisers, Estate Agents and Property Managers Act (1981 amended).
- (a) Discuss the meaning of JV. Explain whether land revaluation is necessary prior to JV.  
(6 marks)

- (b) Describe whether RM15 million is justifiable for the site clearing. Explain whether this figure could be considered to be paid to the owner of the land. (7 marks)
- (c) Give reasons whether specification of the approval plan needs to be altered. (6 marks)
- Q4** Mr A is a registered property manager, valuer and estate agent with the Board of Valuers, Appraisers, Property Managers and Estate Agents Malaysia. With his expertise, Mr A would like to open up a real estate business himself. As a senior real estate professional in the industry, he is seeking your advice in relations to the followings:
- (a) Explain the meaning of soliciting in real estate business. Give examples and reasons for avoiding such activities. (5 marks)
- (b) Explain how professionalism in real estate could be influenced by logo and wording of naming the proposed firm. (5 marks)
- (c) Advise Mr. A in proposing to run estate agency instead of property consultancy works, due to the economic slowdown and political instability. (5 marks)
- (d) Advise Mr. A for proposing the discounting fees to his client, since he is a new operator in the real estate industry, (5 marks)

**TERBUKA**

**Q5** Mrs B is a newly registered estate agent who would like to run her real estate agency business throughout the whole country. She is energetic and ambitious young woman. She would like to team up with her overseas partners to run the real estate business together. However, she is just confusing about certain matters. She is seeking your advise on the followings.

- (a) Differentiate between land brokerage and estate agency.
- (b) Explain the meaning of bogus estate agent to her and reasons for avoiding misconduct in her estate agency practices.
- (c) Describe **FIVE (5)** example of misconducts in the practice of estate agency.
- (d) Beside conducting estate agency works, she is supposed to educate her client too. Briefly explain.

(20 marks)