



UTHM

Universiti Tun Hussein Onn Malaysia

UNIVERSITI TUN HUSSEIN ONN MALAYSIA

FINAL EXAMINATION SEMESTER II SESSION 2022/2023

- COURSE NAME : PROPERTY MARKET ANALYSIS
- COURSE CODE : BPE 34103
- PROGRAMME CODE : BPD
- EXAMINATION DATE : JULY / AUGUST 2023
- DURATION : 3 HOURS
- INSTRUCTION : 1. ANSWER **ALL** QUESTIONS.
2. THIS FINAL EXAMINATION IS CONDUCTED **CLOSED BOOK**.
3. STUDENTS ARE **PROHIBITED** TO CONSULT THEIR OWN MATERIAL OR ANY EXTERNAL RESOURCES DURING THE EXAMINATION CONDUCTED VIA CLOSED BOOK.

THIS QUESTION PAPER CONSISTS OF **FOUR (4)** PAGES

CONFIDENTIAL

TERBUKA

Q1 Market analysis is one of the vital components to help real estate businesses with all the essential information and make wise business decisions. Effective market analysis can help in getting valuable insights into shifts in the economy, competitors, ongoing market trends, demographics, and the traits of customers' expenditures

(a) Discuss **FIVE (5)** importance of property market analysis to the property developer. (10 marks)

(b) Differentiate **THREE (3)** scenarios for undertaking effective property market analysis. (15 marks)

Q2 (a) A company's success or failure depends on the ability to identify and satisfy customers' needs. In today's real estate market, the need to understand behaviour and hold inventory accordingly is considered significantly important. Demand analysis brings many insights essential for the decision-making process for every real estate business. **Table Q2** below shows the demographic profile for District XYZ.

Table Q2: Demographic Profile for The District XYZ

Total population = 120,000
Eligible age (25 - 49) = 38%
Employment = 94%
Home ownership = 65%
Buying interest:
Non-first-time buyers = 9%
First-time buyers = 35%
Income categories:
Low income = 40%
Middle income = 35%
Upper income = 25%



Calculate:

- (i) Eligible population. (2 marks)
 - (ii) Eligible working population. (2 marks)
 - (iii) First-time buyer potential demand (2 marks)
 - (iv) Overall potential demand. (5 marks)
 - (v) Demand by income-based market segments. (4 marks)
- (b) Forecasting industrial real estate supply is an important task for many commercial real estate professionals. Supply and demand conditions also affect market rents and vacancy rates, which in turn determine property valuation, and ultimately impact the owner's rate of return.
- (i) Determine the challenge of undertaking property supply analysis in Malaysia by using any type of commercial property as an example. (5 marks)
 - (ii) Determine a solution for undertaking property supply analysis in Malaysia by using any type of commercial property as an example. (5 marks)

- Q3** (a) Pricing strategies determine the price that the companies set for their products. The price can be set to maximize the profit for each unit sold or from the market overall. It can also be used to defend an existing market from a new entrance, to increase market share within a market or to enter a new market. Pricing strategies can bring both competitive advantages and disadvantages to developers and often dictate the success or failure of a business, thus, it is crucial to choose the right strategy.

Determine **FOUR (4)** pricing strategies with examples in property products. (10 marks)

- (b) Over the years, it is noticeable that the average house price in Malaysia has continued to increase marginally due to urbanization. In spite of the house prices remaining unaffordable for most Malaysians, it is believed that the price will continue to grow more moderately in the years to come. As a property analyst;

Discuss with appropriate examples **THREE (3)** factors that need to be considered in determining an acceptable price range for your customers acceptable range.

(15 marks)

- Q4** (a) Locational qualities for residential properties depend on whether it is located in urban, rural, or suburban areas are highly related to the site or place where the housing system is located, whether in an urban area or rural area or even suburban areas. The main indicators for locational qualities are frequent as accessibility to the city centre, workplace, hospital, shopping complexes, and municipal services.

Discuss **FOUR (4)** reasons for the high-income group to seek residential locations in the outer urban areas.

(10 marks)

- (b) In the property market analysis, market research is defined as the process of gaining information about the market (customers and competitors) through the collection, analysis and reporting of data related to a particular market.

- (i) Explain **TWO (2)** importance of market research in relation to property business.

(5 marks)

- (ii) Differentiate **TWO (2)** scopes of market research.

(10 marks)

-END OF QUESTIONS-