

Valuation of Real Estate

- 1 What should be a monthly income (rent), if Mr. X has purchased shop at Rs. 7,77,000 and required rate of return is 12%? (Ignore all other out going)
- A Rs. 92,400
B **Rs. 7,700**
C Rs. 9,240
D Rs. 77,000
- 2 Replacement Cost New of two years old building is Rs. 4,35,790. What will be a Market Value of the property, if value of land is Rs. 1,25,000 and rate of depreciation is constant at 5% for each year. (use straight line method and ignore residual value / salvage value / scrap value)
- A Rs. 5,60,790
B Rs. 5,04,711
C **Rs. 5,17,211**
D Rs. 5,45,619
- 3 A flat is sold at Rs. 2,00,000. It has a yearly rental income of Rs.15,000. What is the rate of return?
- A 12%
B 7.5%
C 10%
D 75%
- 4 How much income should be generated from the property per year, if Market Value is Rs.13,57,000 and rate of return is required at 12%?
- A Rs. 1,20,000
B Rs. 12,000
C Rs. 1,70,000
D **Rs. 1,62,900**
- 5 What will be a rounded Market Value of land having area of 10 Hectares, if rate of land is Rs. 150 per square foot?
- A **Rs. 16,14,00,000**
B Rs. 15,00,00,000
C Rs. 14,14,00,000
D Rs. 15,14,00,000
- 6 A fee simple estate is one that [Fee simple (a permanent and absolute tenure) is the purest form of ownership, unencumbered by other interest or estates, subject only the governmental restriction.]
- A is a leasehold
B is for a determine period of time
C is the common form of partnership
D **is the most complete form of the property ownership**
- 7 If buyer is going to buy unit in Co-operative Housing Society than buyer buys
- A **Share in Co-operative Housing Society**
B Air & water rights as well as the unit
C The land under the Co-operative Housing Society as well as unit
D Sole ownership of the unit
- 8 Ownership is severalty is the name of
- A Joint ownership
B **Sole Ownership**
C Owners by the cooperation
D Tenancy in common

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- 9** If the buyer wants to purchase of property for residential purchase (self occupation) than the valuer has to carry out the value of
- A** Market Value
B Value in Use
C Assessed Value
D Investment Value
- 10** A social factor that effect the value is
- A** Parking
B Corner influence
C Building Code
D School & Garden
- 11** Which of the following example of functional obsolescence?
- A** Lacking of a lift in high rise apartment
B Lacking of a third bed room
C Unfinished kitchen
D Semi-finished bathroom
- 12** When sale comparisons of large parcel of land is not available than for valuation of large parcel of land is done by
- A** Residual Value Method
B Hypothetical Plotting Scheme
C Development Method
D JV Development Method
- 13** When sale comparisons of land in highly developed area is not available than for valuation of land is done by
- A** Residual Value Method
B Hypothetical Plotting Scheme
C Sale Comparisons Method
D JV Development Method
- 14** Which of the following factor is not typically inspected during a site inspection
- A** Structural
B Plans
C Energy Efficiency
D Property at vicinity
- 15** A power line easement is an example of an
- A** Easement in gross
B Easement by prescription
C Appurtenant easement
D Easement by necessity
- 16** Which of the following is not an encumbrance on a property?
- A** A deed restriction on the use of a property as a day care facility
B Mortgage
C Rent Control Act
D A deed restriction to mortgage the property
- 17** What is the interest paid (rounded) over the period of a Rs. 562980 mortgage at 6% with monthly payments of Rs. 10,883?
- A** Rs. 90,000
B Rs. 1,10,000
C Rs. 1,45,000

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D Rs. 1,52,000

18 The capitalization rate is that

A Amount of money that an investor will have to put into a property to gain a certain rate of return

B Figure that represents the relationship between income & value

C Same as the rate of return & value

D Cost of reproduction or replacement used in figuring the cost approach in valuation

19 All valuation reports should contain all the following except

A Property rights

B A range of sale price for the property based on the valuation

C The assumption on which the valuation is based on

D The intended use and user

20 Social factors that enhance residential property value are

A Prestige, recreational area & low property tax

B Prestige, recreational area & infrastructure

C Low property tax and low interest rate

D Prestige, low property tax and low interest rate

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