

ONE MARK CASE STUDIES

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ONE MARK CASE STUDIES

1. A property was acquired in 01.04.1972. The property was sold on 31.03.2017. On which date, the FMV is to be ascertained

- a) 01.04.1981
- b) 01.04.2001
- c) 01.04.1972
- d) 31.03.2017

Ans : a

2. A property was acquired on 01.04.1972. The property was sold on 01.04.2017. On which date, the FMV is to be ascertained?

- a) 01.04.1981
- b) 01.04.2001
- c) 01.04.1972
- d) 01.04.2017

Ans : b

3. According to the recent amendment in capital gains computations, what is the base year for which cost inflation index is 100?

- a) 2001 - 02
- b) 1981 - 82
- c) 2016 - 17
- d) 2002 - 03

Ans : a

4. According to the recent amendment in capital gains, what is the cost inflation index for 2001 - 02?

- a) 100
- b) 110
- c) 120
- d) 130

Ans : a

5. Cost is a

- a) Fact
- b) Policy
- c) Opinion
- d) None of the above

Ans : a

6. Price is

- a) Fact
- b) Policy
- c) Opinion
- d) None of the above

Ans : b

7. Value is

- a) Fact
- b) Policy
- c) Opinion
- d) None of the above

Ans : c

8. 99 years lease with renewal clause is called as

- a) Long lease
- b) Short lease
- c) Perpetual lease
- d) None of the above

Ans : c

9. When valuation is required for a lease property, the main requirements are

- a) Location of the property
- b) Lessor & lessee details
- c) Encumbrance details
- d) Terms & conditions stipulated
in the lease deed

Ans : d

10. The types of lease are

- a) Building lease
- b) Occupational lease
- c) Life lease
- d) All the above

Ans : d

11. Annuity is defined as

- a) Capitalisation
- b) Sinking fund
- c) Deferment
- d) Net annual payment

Ans : d

12. A person seeks an income of Rs. 1,000 per annum from an investment. He wishes this is to be an 8% return on his investment. What is the amount he has to invest?

- a) Rs. 1,000/-
- b) Rs. 80/-
- c) Rs. 12,500/-
- d) Rs. 10,000/-

Ans : c

13. If 'A' leases property to 'B' for Rs. 2,000/- and 'B' in turn subleases to 'C' for a rent of Rs. 3,000/- monthly. Rs. 2,000/- is head rent and Rs. 3,000/- is improved rent.

What is the difference value of profit rent?

- a) Rs. 2,000/-
- b) Rs. 1,000/-
- c) Rs. 3,000/-
- d) Rs. 5,000/-

Ans : b

14. A flat is normally valued by the method namely,

- a) Market approach
- b) Cost approach
- c) Income approach
- d) Composite rate method

Ans : d

15. If any property is to be valued for mortgage purpose to bank as collateral security, the important factor to be considered is

- a) Loan amount
- b) Value of the property
- c) Location of the property
- d) Marketability & enforceability

Ans : d

16. Sinking fund can be defined as an

- a) Rate of capitalisation
- b) Rate of reversion
- c) Net annual payment
- d) Annual recurring fund

Ans : d

17. While calculating depreciation value by constant percentage method, which is not considered?

- a) Age
- b) Depreciation percentage
- c) Salvage value
- d) Replacement value

Ans : c

18. Which are same?

- a) Straight line method and linear method
- b) Linear method and constant percentage method
- c) Linear method and sinking fund method
- d) Sinking fund and straight line method

Ans : b

19. Which type of property enjoys absolute ownership?

- a) Leasehold
- b) Freehold
- c) Licensed holder
- d) Easement holder

Ans : b

20. All the land locked lands enjoy only 25% of the value?

- a) Yes, only 25%
- b) They enjoy less than 25%
- c) They enjoy no value
- d) That depends upon 'Demand'

Ans : d

21. For which property, profit method of valuation is not appropriate?

- a) Petrol bunk
- b) Hotel
- c) Lodge
- d) Residential building

Ans : d

22. For which property, composite rate method is most suitable?

- a) Petrol bunk
- b) Hotel
- c) Restaurant
- d) Flat

Ans : d

23. $A = P (1 - r/100)^n$ this formula is to find the

- a) Depreciated value by constant percentage method
- b) Depreciated value by straight line method
- c) Depreciated value by sinking fund method
- d) Replacement value by straight line method

Ans : a

24. In an apartment, common area percentage is

- a) Common area / sum of plinth area of all flats
- b) Common area / sum of super plinth area of an flats
- c) Common area / FSI
- d) None of the above

Ans : a

25. Mere offer for sale cannot be construed as

- a) Guideline value
- b) Market value
- c) Distressed value
- d) Auction value

Ans : b

26. The meaning of cost of construction with reference to income tax valuation is

- a) The value of the property purchased
- b) The market value of land and depreciated value of building
- c) The amount spent by the assessee in the construction of his new building
- d) The replacement value of the building

Ans : c

27. In book value method, of the asset in the year of acquisition is taken as the basis

- a) Historic cost
- b) Intrinsic cost
- c) Replacement cost
- d) Reinstatement cost

Ans : a

28. Temple, church, museum, school, factories can be normally valued by

- a) Profit method
- b) Composite rate method
- c) Land & building method
- d) Comparable sale instance method

Ans : c

29. Land and building method is also known as

- a) Depreciated cost method
- b) Detailed estimate method
- c) Book value method
- d) Composite rate method

Ans : a

30. If the land is situated in central business district area of town, it fetches

- a) Low rental value
- b) High rental value
- c) Normal rental value
- d) None of the above

Ans : b

31. The three important criteria for selection of best land in a town are

- a) Availability of power, water and electricity
- b) Width, depth and size of the plot
- c) Soil condition, topography and width of the road
- d) Location, location and location

Ans : d

32. The unit rate of large sized lands (say 30,000 sq.m.) is comparatively
when compared to a small size plot of 500 sq.m.

- a) More
- b) Less
- c) Same
- d) None of the above

Ans : b

33. A virgin plot is said to be normally more by a percentage when compared to a
plot with a building

- a) 10 to 15%
- b) 15 to 20%
- c) 20 to 25%
- d) 25 to 30%

Ans : a

34. Ideal proportion of width to depth of a plot could be

- a) 1 : 1.5 or 1 : 2
- b) 1 : 3
- c) 1 : 4
- d) 1 : 5

Ans : a

35. Front foot value is the norm used

- a) In valuing the land
- b) In valuing the building
- c) In valuing the machinery
- d) In valuing any property

Ans : a

36. A corner plot is normally enjoys a higher rate by percentage when compared to the rate of single frontage plot

- a) 10 to 15%
- b) 15 to 20%
- c) 20 to 25%
- d) 25 to 30%

Ans : a

37. The plot not having any legal access is known as

- a) Recess land
- b) Tandem plot
- c) Land locked land
- d) None of the above

Ans : c

38. The open unobstructed view in front of the building is known as

- a) Vista
- b) Elevation
- c) Clear view
- d) Excellent

Ans : a

39. Fee simple is called as

- a) Freeholder land
- b) Leasehold land
- c) Tenanted property
- d) None of the above

Ans : a

40. Tenure means condition of holding land. It is a

- a) Greek word
- b) English word
- c) German word
- d) Trench word

Ans : a

41. Value of a leasehold land gets divided into interests

- a) 4
- b) 3
- c) 2
- d) 5

Ans : c

42. Land may have been used as burial ground or some crime or murder story is linked with such land. This effect is called as

- a) Stigma effect
- b) Vaastu effect
- c) Fang shui effect
- d) Nuisance effect

Ans : a

43. Belting theory method and Hypothetical plotting scheme (method) of valuing land are corollaries of

- a) Cost approach
- b) Market approach
- c) Income approach
- d) Composite rate method

Ans : b

44. Belting method cannot be applied for

- a) Agricultural lands
- b) Moffusil lands
- c) Urban lands
- d) Corporation lands

Ans : a

45. Actual cost in terms of money as actually spent by the owner in erecting a building on the plot is known as

- a) Historic cost
- b) Original cost
- c) Intrinsic cost
- d) None of the above

Ans : a

46. In reinstatement method, depreciation

- a) Is to be allowed
- b) Is not to be allowed
- c) Can be / cannot be allowed
- d) Not applicable

Ans : b

47. To pay compensation for shifting any religious building during land acquisition, this method is used

- a) Reinstatement method
- b) Replacement method
- c) Depreciation method
- d) Book value method

Ans : a

48. Loss in service value due to usage of an asset and passage of time - this is called as

- a) Appreciation
- b) Depreciation
- c) Escalation
- d) Depletion

Ans : b

49. A building along sea shore may deteriorate faster than the building away from the sea shore - this is called as

- a) Physical depreciation
- b) Economic onsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : a

50. A factory building in chenmical zone would wear out faster than the factory in engineering zone - this is called as

- a) Physical depreciation
- b) Economic onsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : a

51. The buildings which are located in areas which are frequently subjected to earth quake, cyclone, tsunami, flooding observe sudden damage - this is called as

- a) Physical depreciation
- b) Economic onsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : a

52. Due to structural design defects, serious damage is caused to the building - this is called as

- a) Physical depreciation
- b) Economic obsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : a

53. The assets are under utilised. Optimum economic benefit of the land & building is not achieved - this is called as

- a) Physical depreciation
- b) Economic obsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : b

54. An asset is put into inferior usage of residence instead of commercial use - this is called as

- a) Physical depreciation
- b) Economic obsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : b

55. The policy of government to protect slums and not to permit removal of unauthorised hutments is an example of

- a) Physical depreciation
- b) Economic onsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : b

56. Dilapidation of building or heavy structural cost for the building is

- a) Physical depreciation
- b) Economic onsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : b

57. Rental value of a premises in a particular locality falls severely due to bad neighbourhood - this is called as

- a) Physical depreciation
- b) Economic onsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : b

58. The assets are outdated and their planning and designing are contrary to the present day requirements - this is called as

- a) Physical depreciation
- b) Economic onsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : c

59. An old palace is a glaring example for

- a) Physical depreciation
- b) Economic onsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : c

60. A single screen theatre is obsolete - this is called as

- a) Physical depreciation
- b) Economic onsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : c

61. A computer may suffer from hardly within 2 or 3 years if more advanced computers are there in the market

- a) Physical depreciation
- b) Economic onsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : c

62. A new machine may become obsolete, if product manufactured by said machine do not have any demand whatsoever in the market - this obsolescence is called as

- a) Physical depreciation
- b) Economic onsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : c

63. Load bearing structures are replaced by framed structure. Timber structures are replaced by steel framed structure. Wooden windows are replaced by aluminium windows. These are due to the modern technologies - this obsolescence is called as

- a) Physical depreciation
- b) Economic onsolescence
- c) Functional obsolescence
- d) Technological obsolescence

Ans : d

64. In this method of estimating depreciation, the valuer decides lumpsum depreciation for the asset by physical inspection. This is called

- a) Direct appraisal method
- b) Written down value
- c) Straight line method
- d) Constant percentage method

Ans : a

65. The method generally adopted by chartered accountants for preparation of balance sheet of a company. This is called as

- a) Direct appraisal method
- b) Written down value
- c) Straight line method
- d) Constant percentage method

Ans : b

66. What would be the written down value of a machine purchased at the cost of Rs. 30,000/- after 3 years of service life at 5% rate of depreciation?

- a) Rs. 26,720/-
- b) Rs. 25,720/-
- c) Rs. 27,720/-
- d) Rs. 28,720/-

Ans : b

67. In this method, final depreciated value of the asset, after several years of its useful life, is not shown at zero but it is shown at token Re. 1 till it is sold or transferred.

- a) Direct appraisal method
- b) Written down value
- c) Straight line method
- d) Constant percentage method

Ans : b

68. In this method, equal percentage of depreciation is allowed on its original capital cost for each year of life. Depreciation amount for each year is exactly same till full cost is written off.

- a) Direct appraisal method
- b) Written down value
- c) Straight line method
- d) Constant percentage method

Ans : c

69. A machine was purchased 2 years back at cost of Rs. 4,00,000/-. Total life is 20 years. Salvage value = 10%. What is the depreciated present value after 2 years

- a) Rs. 3,74,000/-
- b) Rs. 3,54,000/-
- c) Rs. 3,64,000/-
- d) Rs. 3,44,000/-

Ans : c

70. Workout N.P.V. of a building having 20 years of age and 60 years of total life. Its replacement cost as on today is Rs. 4,30,000/-. Salvage value 10%. Adopt SLM

- a) Rs. 3,11,000/-
- b) Rs. 4,11,000/-
- c) Rs. 3,01,000/-
- d) Rs. 4,01,000/-

Ans : c

71. It gives higher depreciation in initial years of the asset when actual wear and tear is minimum. It gives exactly same depreciation amount for each year, even for a later period of asset when actual deterioration is very high. This method is

- a) Direct appraisal method
- b) Written down value
- c) Straight line method
- d) Constant percentage method

Ans : c

72. In this method, rate of depreciation is first assumed. The formula straight away gives the N.P.V. This method is called

- a) Direct appraisal method
- b) Written down value
- c) Straight line method
- d) Constant percentage method

Ans : d

73. What is the N.P.V. by constant percentage method (linear method). Replacement cost is Rs. 3,50,000/-. Life : 75 years. Age : 15 years.

- a) Rs. 3,86,300/-
- b) Rs. 4,86,300/-
- c) Rs. 1,86,300/-
- d) Rs. 2,86,300/-

Ans : d

74. In this method, rate of depreciation is adopted as prescribed in Income tax Act - This is called as

- a) Statutory depreciation method
- b) Linear method
- c) Straight line method
- d) Sinking fund method

Ans : a

75. There are types of life of the building.

- a) 4
- b) 3
- c) 2
- d) 5

Ans : a

76. It is the actual service life of a building. It is also called as planned life or income yielding life. This life is called

- a) Economic life
- b) Physical life
- c) Life due to obsolescence
- d) Life due to legal constrains

Ans : a

77. It is the actual survival life of the building before collapse. It may be more or less than the planned life. This life is called

- a) Economic life
- b) Physical life
- c) Life due to obsolescence
- d) Life due to legal constrains

Ans : b

78. It is life of the building by which it becomes obsolete due to changes in life style in the society. The life is called

- a) Economic life
- b) Physical life
- c) Life due to obsolescence
- d) Life due to legal constrains

Ans : c

79. Residential building is an industrial zone, factory building is a residential zone are examples of

- a) Economic life
- b) Physical life
- c) Life due to obsolescence
- d) Life due to legal constraints

Ans : c

80. A building erected on leasehold land which has only 30 years lease period. Income from building would cease after 30 years. This type of life is called as

- a) Economic life
- b) Physical life
- c) Life due to obsolescence
- d) Life due to legal constraints

Ans : d

81. This approach mainly consists of estimating value of land and building separately and adding values to arrive at total cost of property.

- a) Cost approach
- b) Market approach
- c) Income approach
- d) None of the above

Ans : a

82. Vyagramukhi plot has front width along the road and width in the rear side.

- a) Wider, narrow
- b) Equal, equal
- c) Narrow, wider
- d) None of the above

Ans : a

83. As per belting theory, rate of land under 3rd belt is adopted as% of the front belt land rate.

- a) 50%
- b) 67%
- c) 33%
- d) 40%

Ans : a

84. Return frontage plots are commonly known as

- a) Corner plot
- b) Tandom plot
- c) Recess plot
- d) None of the above

Ans : a

85. A gaumukhi shaped plot has front width along the road and Width on the rear side

- a) Narrow, wider
- b) Wider, narrow
- c) Equal, equal
- d) None of the above

Ans : a

86. In this type of mortgage, mortgager does not give possession of the property to the bank, but he gives personal undertaking that he will repay loan. This is

- a) Simple mortgage
- b) Mortgage by conditional sale
- c) Usufructuary mortgage
- d) English mortgage

Ans : a

87. In this mortgage, the mortgage deed provides for conditional sale of the property by the mortgager to the mortgagee

- a) Simple mortgage
- b) Mortgage by conditional sale
- c) Usufructuary mortgage
- d) English mortgage

Ans : b

88. The mortgager delivers possession of the property to the mortgagee. The mortgagee receives rent and profits from the property and retains the possession till the full mortgage money is paid. This mortgage is called as

- a) Simple mortgage
- b) Mortgage by conditional sale
- c) Usufructuary mortgage
- d) English mortgage

Ans : c

89. The mortgager binds himself to repay mortgage money on a certain date and he also transfers the mortgaged property absolutely to the mortgagee, but subject to a proviso that mortgagee will transfer the property to the mortgager upon full repayment of the mortgage money. This mortgage is called as

- a) Simple mortgage
- b) Mortgage by conditional sale
- c) Usufructuary mortgage
- d) English mortgage

Ans : d

90. Where a person delivers to the creditor documents of title of immovable property with intent to create a security thereon, the transaction is called

- a) Mortgage by deposit of title deeds or Equitable mortgage
- b) Mortgage by conditional sale
- c) Simple mortgage
- d) English mortgage

Ans : a

91. Land, land with building, flat, office, shop, etc. which are proposed to be purchased from the finance obtained from the bank are called as

- a) Primary security
- b) Collateral security
- c) Current assets
- d) Stocks

Ans : a

92. Additional securities pledged to the bank in addition to the primary security are called as

- a) Primary security
- b) Collateral security
- c) Current assets
- d) Stocks

Ans : b

93. Bank gives loan to a borrower. He completes the building. Bank requires a report which is called as

- a) Cost report
- b) Market value report
- c) Forced sale value report
- d) Auction value report

Ans : a

94. The minimum realisable value of property under public auction is called as

- a) Reserve price
- b) Market value
- c) Forced sale value
- d) Auction value

Ans : a

95. It is an estimate of the price of the property would fetch in open market on 'as is where is basis' in a short possible time is called as

- a) Reserve price
- b) Market value
- c) Forced sale value
- d) Auction value

Ans : c

96. The net money likely to be realised by owner by sale of his property is commonly called as

- a) Realisable value
- b) Market value
- c) Forced sale value
- d) Auction value

Ans : a

97. The estimated amount that one would expect to achieve at properly promoted, conducted and attended auction sale held at site is called as

- a) Realisable value
- b) Market value
- c) Forced sale value
- d) Auction value

Ans : d

98. It is an estimate of minimum price likely to be offered by the bidders in the public auction

- a) Reserve price (upset price)
- b) Market value
- c) Forced sale value
- d) Auction value

Ans : a

99. Collapse of American Economy in 2008 - 2009 was due to

- a) Lehman Brothers scam
- b) Joseph Edwin scam
- c) Charles Brothers scam
- d) Winston (p) Ltd scam

Ans : a

100. A valuer is required to consider what will be the position of the property if it is sold within 12 months of his valuation. This case in English court is called as

- a) Corisand case
- b) Edwin Joseph case
- c) John Milton case
- d) Kennady brothers case

Ans : a

101. There is a range of the prices of the property. Only competent valuer can fix the market value of the property. This case is

- a) Hays Will Trust case
- b) Corisand case
- c) John Milton case
- d) Kennady brothers case

Ans : a

102. Authorised officer under this Act has more powers than a court receiver. He can take not only symbolic possession of the property but can also take physical possession. What is the Act?

- a) SARFAESI Act
- b) LARAR Act
- c) Transfer of Property Act
- d) DRT Act

Ans : a

103. possession is taken by the bank when the borrower is in possession and occupation of the property or when the property is occupation of third party like tenant, lessee. This is called as

- a) Symbolic possession
- b) Physical possession
- c) Actual possession
- d) Legal possession

Ans : a

104. possession of the property is taken by the bank when borrower surrenders the possession pursuant to the notice or such possession is taken after due process of law. It is called as

- a) Symbolic possession
- b) Physical possession
- c) Actual possession
- d) Legal possession

Ans : b

105. A temple property is a

- a) Non-marketable property
- b) Marketable property
- c) Primary security
- d) Collateral property

Ans : a

106. Reverse mortgage scheme (RMS) was introduced in 2007 for the benefit of

- a) Senior citizen over 60 years
- b) Young engineers
- c) New entrepreneurs
- d) Honest business people

Ans : a

107. It is a process by means of which dissolution of an organisation is brought about, the assets disposed of and in realisation payment towards debts made. Such process is called as

- a) Auction
- b) Liquidation
- c) Sale
- d) None of the above

Ans : b

108. The value of a property derived from the transactions in which sellers are unwilling sellers and marketing time is not sufficient - is called as

- a) Realisable value
- b) Liquidation value
- c) Sale value
- d) Market value

Ans : b

109. In order to equalise the assets value according to the predetermined exact shares, there has to be what is known as money exchanged between the concerned parties

- a) Royalty money
- b) Compensation money
- c) Owelty money
- d) Extra money

Ans : c

110. A right granted by a land owner to an owner of another property for non-exclusive use of a portion of the land of a specific purpose or enjoyment of certain rights – this is called as

- a) Leasehold right
- b) Easement right
- c) Freehold right
- d) None of the above

Ans : b

111. In easement right, the land over which the right is imposed is termed as servient tenement and the owner has a

- a) Servient ownership
- b) Dominant ownership
- c) Legal ownership
- d) None of the above

Ans : a

112. When a co-operative society admits its members only people who are vegetarians such type of easement is called as

- a) Legal easement
- b) Self imposed easement
- c) Conditional easement
- d) None of the above

Ans : b

113. When the benefit of an easement is not exercised over a long period of time, the easement

- a) May be considered extinguished
- b) Is automatically renewed
- c) Pending decision
- d) None of the above

Ans : a

114. Any servient easement to a property makes it automatically less attractive and hence tends to diminish its

- a) Value
- b) Right
- c) Cost
- d) None of the above

Ans : a

115. According to this concept, the ownership of a particular property or a flat is held for a specified period of time during a year. This is called as

- a) Time share
- b) Short lease
- c) Temporary accommodation
- d) Service apartment

Ans : a

116. The most commonly used method for valuing mineral lands is

- a) Cost approach
- b) Market approach
- c) Income approach
- d) Composite method

Ans : c

117. The purpose of imposing stamp duty when a transaction on an immovable property takes place is

- a) To legalise the transaction
- b) To augment the revenue of State government
- c) The government must know any transaction between any parties
- d) To augment the revenue of Central government

Ans : b

118. When a land is under sale, the value of land (for the purpose of stamp duty) is fixed by the Registrar's office based on the

- a) Market rate
- b) Guideline rate
- c) Recent sale instances
- d) As per intrinsic value

Ans : b

119. Money, cash in bank, gold, silver, jewellery and personal belongings are called as

- a) Personal property
- b) Real property
- c) Unreal property
- d) None of the above

Ans : a

120. Land, land with building are called as

- a) Personal property
- b) Real property
- c) Unreal property
- d) None of the above

Ans : b

121. Rented properties, hotels, cinemas, malls are termed as

- a) Income fetching marketable properties
- b) Non-income fetching marketable properties
- c) Non-income fetching - non-marketable properties
- d) None of the above

Ans : a

122. Owner occupied bungalows, offices, factories are termed as

- a) Income fetching marketable properties
- b) Non-income fetching marketable properties
- c) Non-income fetching - non-marketable properties
- d) None of the above

Ans : b

123. Temple, church, school, college, public buildings, museum, fire station, government buildings are termed as

- a) Income fetching marketable properties
- b) Non-income fetching marketable properties
- c) Non-income fetching - non-marketable properties
- d) None of the above

Ans : c

124. This approach is generally useful to value income fetching marketable properties

- a) Income approach
- b) Market approach
- c) Cost approach
- d) Composite rate method

Ans : a

125. This approach is generally recommended for the non-income fetching marketable properties

- a) Income approach
- b) Market approach
- c) Cost approach
- d) Composite rate method

Ans : b

126. This approach is generally adopted for non-income fetching - non-marketable property

- a) Income approach
- b) Market approach
- c) Cost approach
- d) Composite rate method

Ans : c

127. normally includes profit of seller over and above cost of labour and cost of materials that has been incurred by the seller in creation of the said asset

- a) Cost
- b) Price
- c) Value
- d) None of the above

Ans : b

128. "Value is an estimate of the price as it ought to be" - who said this?

- a) Justice Hadley
- b) Viscount Simon
- c) Lee Coca
- d) Prof. Jean Canonne

Ans : a

129. value is an estimated amount of the interest or legal right of a person in a property, to derive existing and future benefit by putting land and building to best possible legal and potential use.

- a) Market value
- b) Legal value
- c) Sale value
- d) Cost value

Ans : a

130. Sometimes property owners expect some likely changes in government and expect the value of their property to rise in the near future. Such value is called as

- a) Hope value
- b) Special value
- c) Potential value
- d) Desired value

Ans : a

131. When a property is to be sold as quickly as possible with minimum time for market exposure, it is termed as

- a) Forced liquidation value
- b) Realisable value
- c) Fair market value
- d) Open market value

Ans : a

132. A property is situated in a highly developed area. Due to heavy demand and less supply, this property can be sold at a fancy price. This is called

- a) Monopoly value
- b) Hope value
- c) Mortgage value
- d) Intrinsic value

Ans : a

133. It is an imaginary value of the property worked out for special purposes of taxation like wealth tax. This value is called as

- a) Notional value (Hypothetical value)
- b) Potential value
- c) Market value
- d) Cost value

Ans : a

134. It is a value of the property to the speculator who invests in the property with sole motive of selling at profit after short period of time. It is called as

- a) Speculative value
- b) Special value
- c) Potential value
- d) Notional value

Ans : a

135. Valuation is not an exact science. Mathematical certainty is not demanded, not indeed is it possible. Who said this?

- a) Justice Viscount Simon
- b) Justice Hadley
- c) Prof. Jean Canonne
- d) Lee Coca

Ans : a

136. Temple property is not marketable, yet it has got value, we may call it as

- a) Notional value
- b) Market value
- c) True value
- d) Actual value

Ans : a

137. A property which can be physically touched and seen like cash, car, land, etc. are called as

- a) Intangible assets
- b) Tangible assets
- c) Fixed assets
- d) None of the above

Ans : b

138. The assets which cannot be seen or touched but its effect can be notionally seen and felt -
They are called as

- a) Intangible assets
- b) Tangible assets
- c) Fixed assets
- d) None of the above

Ans : a

139. What is the number of elements of value?

- a) 5
- b) 2
- c) 3
- d) 4

Ans : d

140. Economic and taxation policies of the government, money market situation, expected rental yields & returns on investment in real estate are the factors affecting the value

- a) Economic factors
- b) Physical (technical) factors
- c) Social factors
- d) Legal factors

Ans : a

141. Income fetching capacity of the property, cyclical boom & recession periods in real estate market, employment opportunities are the factors affecting the value.

- a) Economic factors
- b) Physical (technical) factors
- c) Social factors
- d) Legal factors

Ans : a

142. Swimming pool, garden, lift, security system, health club, good network of roads, water supply, drainage system, power supply are some of the Factors affecting the value.

- a) Economic factors
- b) Physical (technical) factors
- c) Social factors
- d) Legal factors

Ans : b

143. Proximity of shops, market, school, cinema, hospital, railway station, bus stand, temple, place of worship are some of the factors affecting the value.

- a) Economic factors
- b) Physical (technical) factors
- c) Social factors
- d) Legal factors

Ans : c

144. Ecological restriction, Easement Act, Covenants in a lease deed, Income tax Act are some of the factors affecting the value.

- a) Economic factors
- b) Physical (technical) factors
- c) Social factors
- d) Legal factors

Ans : d

145. Reservation under different Acts, Height restriction rules near the airport area, safety distance rules from High tension lines, railway tracks, highways, water courses are some of the factors affecting the value.

- a) Economic factors
- b) Physical (technical) factors
- c) Social factors
- d) Legal factors

Ans : d

146. A valuation report originates with the instruction given by the in response to which the task of writing a report is undertaken by a valuer.

- a) Lawyer
- b) Client
- c) Concerned department
- d) None of the above

Ans : b

147. The main requirement to write a valuation report

- a) Technical and communication skill
- b) Skill in the English knowledge
- c) To write a detailed report like a project report
- d) Good presentation

Ans : a

148. Valuation reports are to be prepared

- a) Aft the time of receiving the relevant documents
- b) After valuation is completed
- c) Before undertaking valuation
- d) During the inspection of the said property

Ans : b

149. Many a times, use of 'cut', 'copy' and 'paste' functions in computer make valuers lazy about report writing which may result in enquiry by

- a) Clients
- b) User
- c) Investigation agency like CBI, Policy, etc.
- d) Lawyer

Ans : c

150. News paper or media reports giving only information which may be without expressing any opinion or advice which is left to the reader to make out. This is

- a) Non-technical report
- b) Technical reports
- c) Legal reports
- d) Project reports

Ans : a

151. It is the exercise of technical expertise and therefore gives all the necessary information and data with their analysis and expresses definite conclusion or opinion. The user takes appropriate decision based on this report. This is

- a) Non-technical reports
- b) Technical report
- c) Legal reports
- d) Project reports

Ans : b

152. A written report casts high degree of on the valuer as it acts as a formal record and becomes a document/

- a) Accountability
- b) Duty
- c) Integrity
- d) Honesty

Ans : a

153. At the time of valuation, the valuer should have high degree of with the client and property to be valued.

- a) Attachment
- b) Detachment
- c) Intimacy
- d) None of the above

Ans : b

154. While estimating the market value for mortgage, a valuer should consider himself to be

- a) a lawyer
- b) a mortgage
- c) a mortgagor
- d) both mortgagor and mortgagee

Ans : d

155. The first column of any valuation report should be

- a) Name of the client
- b) Documents perused
- c) Location
- d) Purpose of valuation

Ans : d

156. It means reduce in numbers of exhaust. It is the word applied to the consumption of natural resources. Typical examples are natural gas, oil, coal, general

- a) Depreciation
- b) Depletion
- c) Exhaust
- d) None of the above

Ans : b

Thank

You

