

**SHIVAJI UNIVERSITY,  
KOLHAPUR**

**DEPARTMENT OF LIFELONG LEARNING  
AND EXTENSION**

**SYLLABUS COURSE OF VALUATION OF  
IMMOVABLE PROPERTY**

**CONDUCTED AT DECCAN INSTITUTE OF TECHNOLOGY,**

**KOLHAPUR.**

## Examination and Teaching Schedule

### For the Total Course Duration of Six months (July to December)

	Teaching	Assessment	Marks	passing
Lectures	60 hrs.	Theory Papers (Two Papers of 50 marks each)	100	40
Studio & Visits	15 hrs.	Internal Assessment	50	25
		External Assessment	50	25
<b>Total</b>	<b>75 hrs.</b>		<b>200</b>	<b>90</b>

#### The Objective:

The objective of the course is to familiarize the students with fundamental concepts, Approaches & methods of Valuation of Immovable Property. It also aims to provide the knowledge of the subject as regards the standards and procedure of evaluation with the help of designed studio problems and exercises to illustrate the practical application useful for rendering valuation professional services.

- All graduate engineers I Architects, empanelled with banks, will be eligible to register for the Course.
- All candidates are to apply in the prescribed application form along with the fees.
- There shall be compulsory classes to be attended by the registered candidates on Saturdays or Sunday for the duration July – December and for total 75 hours.
- There shall be an examination as indicated above and after completing the teaching schedule.
- Candidates having minimum 50% attendance shall be allowed to appear in the examination.

- The following is the syllabus and list of the subjects to be studied by the candidates.

## **PART – I (paper -1)**

### **1. INTRODUCTION**

Principles of valuation, Nature of value, Essential characteristics of value. Value as Art/Science. Cost, Price & Value.

### **2. SUBJECT MATTER**

Nature of Immovable property fully developed, fully tenanted, fully occupied Underdeveloped, given on leave / license, partly occupied & partly tenanted, self-occupied.

Types of ownership, Encumbrances, Servitude, Possession, Tennures.

Transferability of property, build ability of the property.

### **3. TECHNO LEGAL ASPECTS**

Various legislative provisions, Land laws, Transfer of Property, Personal Laws, Planning laws, Condominium laws, Tax laws, Revenue Laws. Right Title & Interest in property. (Housing Act. Apartment Act, MRTP Act, MLR Code, RERA, SARFAESI, RFCTLARR Legislations, Conciliation & Arbitration Act.)

### **4. INVESTMENTS**

Property as an investment, Comparison with other type of investments, Concept of development of properties, Yield from investments, Supply & demand, market trend, Gilt edged securities.

### **5. PURPOSE OF VALUATION**

Valuation for taxes- income tax, Property taxes, Capital gain tax, Wealth tax, valuation for transfers, Valuation for Courts, Valuation for acquisitions, Valuation for rateable value, valuation for Banks/FIS.

Valuation for non-residential properties, NPS valuation.

### **6. VARIOUS FORMS OF VALUE**

Assessed value, Book value, Salvage value, Scrap value, Replacement value, Earing value, Market, fair Market & open market values, Potential value, Distress value, Monopoly value, speculative value, Sentimental value, Accommodation value, Reserve value, Ready recknor value(ASR).

## **PART – II (paper -2)**

### **1. APPROACHES & TECHNOQUES**

Market, Cost, Yield & Development Approaches. Factors affecting the value of property and use of proper technique.

### **2. LAND & BUILDING METHOD**

Situation, size, shape & other factors affecting land value, land locked land, recessed land, belting method for land valuation, Valuation of structures, Factors affecting value of structure, Cost of construction, Depreciation and its methods of computation, Cost Index, Concept of sinking fund, Obsolescence, future life of structure, Valuation of plant & M/C foundations. Use of DSR and ASR.

### **3. RENTAL METHOD**

Income approach, Yield from the property, gross income, Outgoings ( Municipal & other taxes, Sinking funds, Insurance, Management & Repairs.) Net income, Income capitalization, nature & use of valuation tables, Rate of Interest, Yield purchase, deferred value of land.

### **4. DIRECT COMPARISON**

Sale data, sale plan, Points for comparison, Ready Recknor, Weightages, Comparable sale instances.

### **5. RESIDUAL TECHNIQUE**

Hypothetical layout, Hypothetical building scheme, study of DCR and provision of all legislations affecting the value.

### **6. PROFIT BASE METHOD**

Valuation of commercial buildings like Theatres, Hotel, Mangal Karyalay, Petrol pump etc.

Gross collection of the Business, Ascertaining the net Income, Income capitalization, land reversion.

### **7. ROLE OF VALUER AND VALUATION PROFESSION**

Statutory provisions regarding registration, professional fees, Institution of valuers India, Valuation Profession & Ethics standards and Procedure of IBA, SARFAESI, Condominiums. Study of property deeds, documents.

## **8. REPORT WRITING**

Inspection of property, Data collection, Data analysis, Choice of method, Report writing, Report Formats. Contents of Report, Instructions of clients, Date of valuation and conclusion.