

L. D. COLLEGE OF ENGINEERING, AHMEDABAD (GTU)

8th Semester Civil Engineering - PDDC 2013 Batch

Subject Code & Name : X80601 - Professional Practice & Valuation

Assignment - 7 (Valuation)

Date : 13-02-2017

Theory & Example :

1. Define valuation. Explain in brief purpose of valuation. Discuss various factors affecting valuation.
2. How would you determine value of the property using rental method of valuation? Enumerate its advantages and limitations.
3. Enlist and explain various types of value.
4. Differentiate (i) Cost, price and value (ii) Market value and book value
5. Discuss the methods to determine depreciation.
6. Calculate amount of annual sinking fund at 5% interest for a building constructed at cost of Rs. 10,00,000. Assume the future life of building to be 30 years and scrap value of the building to be 15% of cost of construction.
7. Calculate the depreciation and book value after 30th year of life by straight line method, constant % method and sinking fund method. The cost of newly constructed building was Rs. 15, 80,000/- including 4,25,000/- cost of land. The life of building is 75 years. Rate of interest is 8%. The scrap value of building is 10% of its construction cost.
8. Work out the valuation of a 20 years old building located in Ahmedabad having plinth area 300 m² and total life as 50 years. Plinth area rate including services such as water supply drainage and electricity are to be assumed as Rs 3600/m². Depreciation rate is 2%
9. Workout the rent per annum of a property from following details:
 - Cost of Land : Rs. 7,00,000/-.
 - Cost of Construction : Rs. 25,50,000/-.
 - Required return on land : 8%.
 - Required return on building : 9%.
 - Estimated life of building : 75 years.
 - Rate of interest on sinking fund : 8%.
 - Annual repairs : Rs. 25,000/-
 - All other outgoings : 30% of gross rent. Take scrap value of building as 10%
10. An old building is purchased by a person at the cost of Rs 600000. Calculate the amount of annual sinking fund if the rate of compound interest for sinking fund is 4%. Life of building is 30 years .Scrap value is 10% of cost of purchase.

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