



# AI1147 Real Estate Valuation

## 7.5 credits

### Fastighetsvärdering

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This is a translation of the Swedish, legally binding, course syllabus.

If the course is discontinued, students may request to be examined during the following two academic years

### Establishment

The course syllabus is valid from spring term 2020.

### Grading scale

A, B, C, D, E, FX, F

### Education cycle

First cycle

### Main field of study

Technology

### Language of instruction

The language of instruction is specified in the course offering information in the course catalogue.

### Intended learning outcomes

After the completion of the course, students should be able to:

1. Explain the theory on which property valuation rests and analyze how changes in various parameters will affect the value of the property
2. Describe and discuss common concepts in property valuation.
3. Describe the property valuation process and critically review the quality of valuation reports and discuss ethics and responsibility in property valuation
4. Describe the different valuation methods used in practice from a theoretical and a practical perspective and discuss what problems may arise in the application of the different methods with a particular focus on social and economic sustainability
5. Describe, in principle, which steps can be taken to produce valuation report for different types of properties
6. Overall describe how market analysis and market information is produced and used in a valuation context
7. Independently apply the above knowledge in practice and, in teamwork, prepare a valuation report for a property and present and defend the conclusions of the projects written and/or orally

## Course contents

Value theory. Different types of value with focus on market value. Comparable sales approach, income approach and cost approach to valuation. Mass appraisal models. Market analysis for commercial properties, residential properties and condominiums, including valuation of green buildings. Ethics of real estate valuation. Technical inspection of appraised properties.

## Specific prerequisites

Students enrolled in the Bachelor's programmes in Real Estate and Finance and Property Development and Agency at KTH should have completed Applied Mathematics and Statistics for Economists (AI1178), Economics of the Built Environment (AI1128) and Investment analysis (AI1108) or similar courses.

## Examination

- PRO2 - Project, 1.5 credits, grading scale: P, F
- PRO3 - Project, 1.5 credits, grading scale: P, F
- TEN1 - Examination, 4.5 credits, grading scale: A, B, C, D, E, FX, F

Based on recommendation from KTH's coordinator for disabilities, the examiner will decide how to adapt an examination for students with documented disability.

The examiner may apply another examination format when re-examining individual students.

The project work consists of two projects and is performed in project groups assigned by the head teacher. The projects shall be made in groups, but the students are examined on an individual basis. Students shall complete the project work within the time limit given by the head teacher in order to pass PRO1. Students who fail the project may be examined again during the following re-exam period.

Based on recommendation from KTH's coordinator for disabilities, the examiner will decide how to adapt an examination for students with documented disability.

The examiner may apply another examination format when re-examining individual students.

## Other requirements for final grade

To pass the course you are required to pass both courseworks and pass the final exam with minimum grade E.

## Ethical approach

- All members of a group are responsible for the group's work.
- In any assessment, every student shall honestly disclose any help received and sources used.
- In an oral assessment, every student shall be able to present and answer questions about the entire assignment and solution.