



# AI2142 Real Estate Valuation in an International Context 7.5 credits

## Real Estate Valuation in an International Context

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

Course syllabus for AI2142 valid from Spring 2013

## Grading scale

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

## Education cycle

Second cycle

## Main field of study

Built Environment

## Specific prerequisites

At least 7,5 credits in Investment Analysis (AI1108) or equivalent.

## Language of instruction

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

## Intended learning outcomes

The aim of the course is to provide students with the advanced theoretical and practical knowledge of the valuation process by enabling them to:

- Explain various concepts of value.
- Critically analyze the conditions under which various methods can be applied.
- Compare and contrast valuation processes in different countries.
- Write up and present a professional report which satisfies Swedish Valuation Guidelines and International Valuation Standards.

The course should also enable students to work as part of a team of people with different backgrounds with respect to culture and academic training.

## Course contents

Overview of valuation theory and methods; Market analysis for valuation purposes; Lease analysis; Comparable sales method of valuation; Income methods of valuation; Valuation standards; Valuation in the UK, US, Sweden and Germany; Behavior aspects in valuation; Valuation of special purpose buildings; Investment and profitability aspects of green buildings; Valuation transparency.

## Disposition

The course design includes core lectures on basic theory, followed by mid-term examination. The underlying goal of the mid-term examination is to increase understanding of theory and prepare students for the project work. The second part is a number of guest lectures delivered by leading research staff as well as professionals working in business. In addition to the lectures students will carry out valuation of a particular income-producing property in Stockholm. The course will end with the final examination that has an aim to assess the level of advanced theoretical knowledge and practical skills that students have obtained during the course.

## Course literature

The Appraisal of Real Estate. Appraisals Institute, current edition.

## Equipment

The project sessions take place in the computer labs.

## Examination

- KON1 - Mid-Term Examination, 2.0 credits, grading scale: P, F
- TEN1 - Examination, 2.5 credits, grading scale: A, B, C, D, E, FX, F
- ÖVN1 - Assignment, 3.0 credits, grading scale: P, 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.

- KON1 - Mid-term examination: 2,0 credits, grade scale: P/F
- TEN1 - Examination: 2,5 credits, grade scale: A, B, C, D, E, FX, F
- ÖVN1 - Assignment: 3,0 credits, grade scale: P/F

The first written examination will take place in the middle of the course and is meant to prepare students for the project. The valuation project that follows by the mid-term examination must be approved to pass the course.

The final written examination is focused on assessment of student's knowledge received from the guest lectures given by professionals working in business and leading researchers in real estate.

## Other requirements for final grade

Passing the mid-term exam and the project is enough to pass the course with grade E. The final exam will only serve to raise the final grade beyond grade E.

TEN1, 4,5 hp, A-F

ÖVN1, 3 hp, P/F

## 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.