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Universiti Tun Hussein Onn Malaysia

UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
SEMESTER II
SESSION 2013/2014**

COURSE NAME : VALUATION FOR LAND
ACQUISITION
COURSE CODE : BPE 23003
PROGRAMME : 2 BPD
EXAMINATION DATE : JUNE 2014
DURATION : 3 HOURS
INSTRUCTION : ANSWER ALL QUESTIONS

THIS QUESTION PAPER CONSISTS OF **FOUR (4)** PAGES

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Q1 The principles relating to the determination of compensation specified in the First Schedule of the Land Acquisition Act 1960 (As amended).

- (a) Discuss the meaning of Market Value in the context of the Land Acquisition. (4 marks)
- (b) Explain the factors that affect the Market Value. (4 marks)
- (c) Discuss matters need to be considered in determining the Market Value. (6 marks)
- (d) Discuss matters that should be ignored in determining the Market Value. (6 marks)

Q2 In order to provide adequate compensation claim, it involves consideration not only for the Market Value of the land taken, but also for the other claims. For this purpose, discuss the following.

- (a) Explain the meaning of Betterment in the context of compensation for Land Acquisition. (3 marks)
- (b) Explain the meaning of Other Losses in the context of compensation for the Land Acquisition. (3 marks)
- (c) Calculate the compensation for Betterment with appropriate example. (7 marks)
- (d) Calculate the compensation for Other Losses with appropriate example. (7 marks)

Q3 Severance and Injurious Affection are among the few factors that need to be considered in the determination of compensation for Land Acquisition.

- (a) Explain the meaning of Severance in the context of compensation for the Land Acquisition. (3 marks)
- (b) Explain the meaning of Injurious Affection in the context of compensation for the land Acquisition. (3 marks)

- (c) Calculate the compensation for Severance with appropriate example. (7 marks)
- (d) Calculate the compensation for Injurious Affection with appropriate example. (7 marks)

Q4 A parcel of land with an area of 30 acres has been involved with the process of Land Acquisition for construction of road for 10 acres, as shown in Figure Q4 below. The impact of this acquisition has resulted in this lot was separated into two parts. Part A, an area of 15 acres and Part B an area of 5 acres.

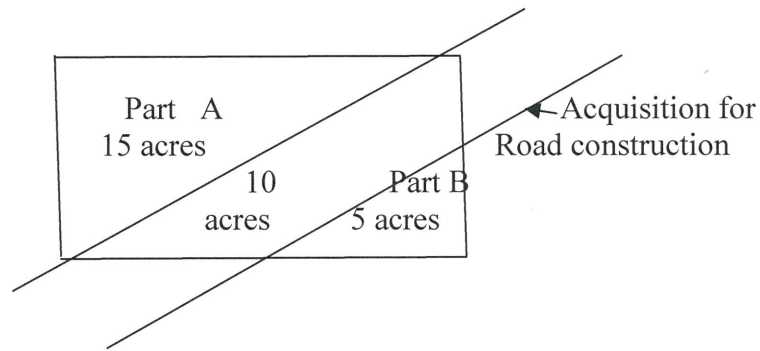


Figure Q4: Land Acquisition for construction of road

From the evidence of sale and purchase of lands in the vicinity, the current Market Value of similar land is RM30, 000 per acre. It is expected that, after the occurrence of this acquisition, the remaining land close to the road to be built, has enjoyed a rise in value.

Through the 'Before and After' method, calculate the adequate compensation for the land. Your assessment on compensation should be based on justification as set out in the First Schedule of the Land Acquisition Act of 1960 (As amended).

(20 marks)

Q5 The government has decided to build an integrated secondary school in the District of Rengit, Batu Pahat, Johor. For this purpose, the Ministry of Education requires a suitable area for the school construction. Lot 321 with an area of 17 acres, and the registered owner is Ahmad bin Ali, has been identified as a suitable site for this land acquisition. The area affected by the acquisition of land for the school site is 10 acres. As a result of this acquisition, Ahmad bin Ali's land was separated into two parts, Part A was 3 acres and the Part B was 4 acres. Figure Q5 shows a sketch plan of this acquisition. The date for this acquisition has been gazetted under Section 4, on June 20, 2013 followed by the declaration under Section 8, on April 22, 2014.

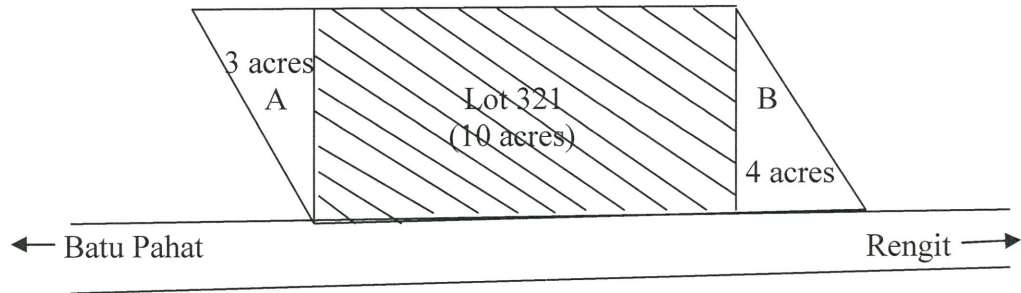


Figure Q5: Land Acquisition for Integrated School

Based on the Land Acquisition Act 1960 (As amended), you were asked to provide consultation and advice for Land Acquisition in the following:

- (a) As a public Valuer, give appropriate advice to the Land Administrator to ensure that the government can provide a fair and adequate compensation for the acquisition of this case. (5 marks)
- (b) As a Private Valuer, give the best advice to Ahmad bin Ali as your client to get the best and highest compensation for this Land Acquisition. (5 marks)
- (c) Advise En. Ahmad bin Ali on the necessary steps that should be taken to bring the dispute to the court if he is not satisfied with this acquisition case. (5 marks)
- (d) Describe your role as an expert witness in the court to defend the compensation value that you provide to the Land Administrator, assuming that, this case are brought to the court. (5 marks)

END OF QUESTION PAPER