

CONFIDENTIAL



UTHM

Universiti Tun Hussein Onn Malaysia

UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
SEMESTER II
SESSION 2015/2016**

COURSE NAME : RISK MANAGEMENT
COURSE CODE : BPF 32403
PROGRAMME CODE : BPD
EXAMINATION DATE : JUNE/JULY 2016
DURATION : 3 HOURS
INSTRUCTION : ANSWER ALL QUESTIONS

THIS QUESTION PAPER CONSISTS OF **THREE (3)** PAGES

CONFIDENTIAL

Q1 (a) Explain fundamental understanding on risk management in property market decision making process.

(15 marks)

(b) Discuss benefits of an effective risk management system in property development companies.

(10 marks)

Q2 Property developers are expected to see more unsold residential units in 2016, as launches over the past two years are expected to come on stream, amid a slowdown in demand. ExaStrata Solutions chief real estate consultant, Adzman Shah Mohd Ariffin said the number of unsold units will continue to rise this year, as buying activity is expected to remain slow.

(The Edge Property, March 14, 2016)

Based on the above statement:

(a) Define risk and uncertainty.

(5 marks)

(b) Discuss the importance of Risk Response Planning strategy to overcome the above unsold residential property in the market.

(20 marks)

Q3 Risk control is a mechanism or process that minimizes the risk of the hazard becoming actual to protect people, property or the environment from the identified hazard.

(a) Propose the risk and mitigation strategies to manage a 5-storey office building in Jalan Pinang, Kuala Lumpur.

(15 marks)

(b) Discuss the importance of insurance as one of the approach to reduce risk in real estate.

(10 marks)

- Q4**
- (a) List **FOUR (4)** possible financing risk identified in banking sector. (5 marks)
 - (b) List **THREE (3)** risk retention techniques in managing the financing risk. (3 marks)
 - (c) Outline **SIX (6)** measures to be adopted by banking sector in managing the cost of financing risk to minimize the loss-retention capacity especially in the current GST application in Malaysia. (18 marks)

-END OF QUESTIONS-