



SYLLABUS FOR NIESV PROFESSIONAL EXAMINATIONS

FOUNDATION in Estate Management

(Estate Assistant Scheme) for Holders of SSCE certificate or its equivalent

FEM 101

Real Estate Agency and Investment

Definition and Forms of agency,

Duties and Responsibilities of agents,

Termination of agency contracts

Definition and concept of marketing, Forms of marketing,

Modern Trends in Real Estate Marketing,

Professional Ethics in Real Estate Marketing

Investment

Concept and meaning of investment

Types of investment

Investment returns and concept of yields

Property investment-nature and characteristics

Property market-distinguishing features

Property market analysis

Financing of property investment

FEM 102

Mathematics

Menstruation of Plane Geometry-Triangles, Quadrilateral, Circles, Trapezium, Rhombus etc

Theory of Quadratic Equation- Linear Equation, Simultaneous Equation

Basic Trigonometry- Measurement of Angles, Measurement of Length/Distance

Basis Geometry- Menstruation of Cubes & Cuboids' construction of line

Menstruation of Cylinder- Menstruation of prisms & pyramids construction of angles
Longitude & Latitude, Menstruation of Spheres, Menstruation of Longitude, Menstruation of
Latitude

Presentation of Data & Measure of Central Tendency

Series and Equalities-Arithmetic Progression, Geometric Progression, Fraction, Ratio &
Proportions

Indices and Logarithms-Index Notations, Laws of Indices, Logarithms

Measure of variation & probability, Set Theory, Ideas of set, Operation/combination of sets,
Interpretation of set and Venn Diagram

RECOMMENDED TEXTS

Channon, J.B Smith A.M (2001) New General Mathematics for west Africa SS1 –SS3 Longman

Arigbabu A.A et al (2012) New Concept Mathematics for Senior Secondary School, LearnAfrica

Burnday J.B () Further Mathematics

FEM 103

Communication skills

Explain the concept of language and characteristics of language, Language skills- speaking,
and listening, writing, readings.

Functions of language and uses of English Language in Nigeria

Process of Communication and purposes of Communication

Relationship between communication and language

Types of correspondence e.g. letter, memo, circular, report e.t.c.

Parts of a letter, Features of formal and informal letter, Note taking/making techniques.

Methods of note-taking/making, Use of dictionary and the library

Type of information sources in the library

FEM 104

INTRODUCTION TO SURVEYING

Basic principles and objectives of Land surveying and Surveying instruments

Surveying Instruments

Surveying Methods-Chain survey, Line Ranging and offset Measurement.

Traversing with chain and compass and levelling Methods, Table survey

Use of Contour maps and map reading

Sources of errors in Linear Measurement and corrections

Computation of areas and volumes,

Land information and Geographic information system

FEM 105

Economics

Definition and basic concepts

Theory of Demand and Supply, Price & consumer behaviour

Demand and Supply Elasticity of supply and demand and Concept of Equilibrium

PRICE & PRICE FUNCTION IN ECONOMICS -Relations hip between demand, supply & price. Theory of consumer Behaviour-Concept of Rationality, Meaning & Types of Utility Utility maximization, Law of diminishing marginal Utility, Monopoly and competition.

THEORY OF PRODUCTION - Meanings & types of production. Factors of production, Concept of Average, total and Marginal product, Law of proportion

Law of Returns to scale, Specialization and division of labour, Concept of cost, Theory of Rent and Types of Rent. BUSINESS ORGANIZATIONS- Definition & types of Business organization, Private and Public Enterprise, Similarities and difference between private and public Enterprises, Private and public limited companies.

POPULATION THEORY AND LABOUR MARKET- Definition and population types, Malthusian theory of population, Factors Affecting population distribution, Rural - Urban population migration, Meaning, Causes, Effects

MARKET STRUCTURE-Concept of market, Types of market structure, Perfect, monopolistic and other market competitions

MONEY & INFLATION-Definition and basic concepts, Characteristics & function of Money, Inflation, deflation, Price Index

PUBLIC FINANCE-Meaning and basic concepts, Objectives of public finance, Sources of Government Revenue, Definition of Tax and types, Incidence and effect of Tax, Government Budget, National Debt

ECONOMIC SYSTEMS-Types of Economic systems, Capitalism, Socialism, Communism, Welfarism, Mixed Economic System, Traditional Economic systems

FINANCIAL INSTITUTIONS-Definition & basic, Traditional financial inst modern financial institutions, Central Bank, Commercial Banks, Development Banks, Merchant Banks, Mortgage Banks, Insurance companies, The Stock Exchange, The Money Market, The capital market

Economics

O.A Lawal(1985) Success in Economics, John Murray, London

D.O Eyiye(1980) Economics Made Easy Quality Publishers, Benin city

Richard G. Lipsey and Alec Chrystal (1995) An Introduction to Positive Economics, Oxford

Samuelson Paul and William Nordhaus (2004) Economics -An Introductory Analysis, McGraw-Hill

Hanson J.L. (1968) A Textbook of economics, MacDonald & Evans 1968

FEM 106

Introduction to Building Construction

Architectural graphics- drawing equipments, standard symbols used for plan drawing. Letting, scales, dimensions and sketching of building plans

Preliminary operations of building-Site clearance, setting-out, Site layout and site organization, Excavation

Building Materials-Types and properties and Factors influencing choice of building materials

Soil testing- Soil types, Soil test and choice of foundation.

Foundation types- Moisture-Damp proofing- function, course, membrane, materials and construction

Hardcore- material and functions

Blinding-specification and function

Termite treatment in foundation

Professional Qualifying Examination Part One

(PQE1)

PQE 101- Mathematics & Statistics

Mensuration of Plane Geometry

Theory of Quadratic Equation-Linear Equation and Simultaneous Equation

Basic Trigonometry, Basic Geometry. Cubes & Cuboids' construction of line etc

Longitude & Latitude, Statistics Presentation of Data & Measure Central Tendency etc

Series and Equalities - Arithmetic and Geometric Progression

Fraction, Ratio & Proportions- Indices and Logarithms

Measure of variation & probability

Set Theory

RECOMMENDED TEXTS

Maths

Channon, J.B Smith A.M (2001) New General Mathematics for west Africa SS1 –SS3 Longman

Arigbabu A.A et al (2012) New Concept Mathematics for Senior Secondary School, LearnAfrica

Burnday J.B () Further Mathematics

Statistics

Douglas Shafer and Zhiyi Zang Introductory Statistics

Frank O and Jones R (1993)Statistics Pitman Publishing London

Onwe O.J Statistical Methods for Business and Economic Decisions- A practical Approach, Lagos-Samalice

PQE 102- Legal Studies

Element and source of law

Nigerian customary law

Federal and state legislations and legislative powers

Subordinate Legislation (Bye laws)

The nature of judicial process

General principles of Equity and Rule of Law

LAW OF CONTRACT-Formation of contract, Contractual capacity, Mistakes and misrepresentation, Fraud in contract, Remedies for breach of contract, privities of contract.

LAW OF TORT, Definition and General principle. Liabilities in Tort, Trespass, Nuisance, Negligence,

Law of Agency

PQE 103- Introduction to Estate Management

Definition, Scope and philosophy of Estate management

Historical development of Estate Management

Estate management Education-contributory disciplines such as law, economic, finance etc.

Aspects of Estate management profession

Role of Estate management in Economic, socio-political, and Environmental development

Meaning and Concepts of land

Origins and theories of land ownership-motives for owning land, motives of owning land and

Interests in land-freehold, leasehold, assignment, sublease, easement, profit, rent, profit etc.

Types of properties-residential, commercial, agricultural etc

Returns from land-ground rents, rack rent, and profit rent etc.

Types of tenancy-monthly, quarterly, yearly etc

Traditional practice of land management

Estate formation, planning and Control, Private and public estate

Market survey and analyses

RECOMMENDED TEXTS

G.O Olayonwa Property Management-Principles and Practice

Chika Udechukwu Real Property Management

Michael Thorncroft Principles of Estate Management

PQE 104-Economics

DEFINITION AND BASIC CONCEPTS

Theory of Demand and Supply-elasticity and equilibrium,

Price system –theory of Consumer behavior-Concept of Rationality, Meaning & Types of Utility, Utility maximization, Law of diminishing marginal Utility

THEORY OF PRODUCTION – factors of production, Concept of Average, total and Marginal product, Law of proportion, Law of Returns to scale, Concept of cost, Specialization and division of labour

Market structure-Monopoly, perfect competition, oligopoly etc

BUSINESS ORGANIZATIONS- Definition & types of Business organization, Private Enterprise, Public Enterprise, Similarities and difference between private and public Enterprises, Private and public limited companies.

POPULATION THEORY AND LABOUR MARKET- Definition and population types, Malthusian theory of population, Factors Affecting population distribution, Rural - Urban population migration.

MONEY, & INFLATION-Definition and basic concepts, Characteristics & function of Money, Inflation, inflation price index

PUBLIC FINANCE- taxation and fiscal policy

ECONOMIC SYSTEMS- Capitalism, Socialism, Communism, Welfarism, Mixed Economic System, Traditional Economic systems

FINANCIAL INSTITUTIONS-, Definition & basic, Traditional / modern financial institutions-

Central Bank, Commercial Banks, Development Banks, Merchant Banks, Mortgage Banks, Insurance companies,

The Stock Exchange, The Money Market, The capital market etc

Economics

O.A Lawal(1985) Success in Economics, John Murray, London

D.O Eyiye(1980) Economics Made Easy Quality Publishers, Benin city

Richard G. Lipsey and Alec Chrystal (1995) An Introduction to Positive Economics, Oxford

Samuelson Paul and William Nordhaus (2004) Economics -An Introductory Analysis, McGraw-Hill

Hanson J.L. (1968) A Textbook of economics, MacDonald & Evans 1968

PQE105- Accounting

Principles and Methods of bookkeeping, Principles of Double entry, The use of books- Journal and ledger

Forms of Account, Trading, profit and loss Account. Balance sheet, Trial balance and Final account

Interpretation of accounts in term of income, expenditure, revenue and single entry

Receipts and payments account Income and Expenditure

Sole Proprietorship Accounts, Partnership Accounts, Limited liability Accounts

PQE 106- Introduction to Construction and Surveying

SECTION A (BUILDING CONSTRUCTION)

Draughtsmanship signs and symbols

Architectural graphics, Building forms and styles

Scale rules and dimensions- letting etc. Preliminary operations -Site clearance, Setting out, Site layout and site organization, Excavations.

Building Materials-Types and properties, Factors influencing choice of building materials

Soil testing, Soil types, Soil test and choice of foundation

Moisture rising and seepage in foundation-Damp proof membrane materials and function, Damp proof course material and construction

Hardcore material and functions, Blinding-specification and function

Insect treatment in foundation

SECTION B (Land Surveying)

Basic principles and objectives of Land surveying-Surveying Instruments, Surveying Methods

Line Ranging and offset Measurement

Traversing with chain and compass, Level and levelling Methods

Use of Contour maps and map reading

Sources of errors in Linear Measurement and corrections

Computation of areas and volumes

Use of plan metre and computing scales;

Basic principles of Geographic and Land Information Systems (GIS & LIS)

Introduction to Surveying

James A. Anderson and Edward Mikhail (1984) Introduction to Surveying McGraw Hill

Paul Richard Wolf (2002) Elementary surveying-An Introduction to Geomatics Prentice Hall PTR

PQE 107 – Introduction to Valuation

Meaning and concepts of value, Economic thought on value

Incomes, price and costs and their relation to value

Definition and purposes of valuation and functions of a valuer

Factors affecting value- economic, institutional, geographical, sociological, environmental, political, legal

Principles governing interest rates and yield.

Simple and compound Interests Calculation -Mathematical method of constructing valuation tables

Various interests in land

Different types of valuation e.g. statutory non-statutory, objective and subjective

Valuation terminology e.g. rents, outgoings, rate of Interest etc.

Methods of valuation

Valuation process e.g. Field inspection, tools and data gathering and market survey.

PQE 108 Land Economics

Meaning of land economics and scope

Economics principles applicable to land-law of diminishing return, distinction between capital and land, Land as a commodity, division of labour (geographical specialization) comparative cost advantage etc.

Concepts of Land-Attributes of land – Economics, physical, institutions

Land market- Demand and supply for land and various uses of land.

Compatibility and incompatibility in Land Use

Population and use of land

Rent theories -Von thunen, David Ricardo, William Alonso, etc Economic rents, transfer earning, contract rents etc.

Macro and Micro factors in land use determinants.

Concept of highest and best use

Theories of Land use patterns.

Effect of zoning on land values- Accessibilities and Complementary of land use

Land resources classifications.

Proprietary Land unit

R.G Barlowe

Land Economics

Professional Qualifying Examination Part Two

(PQE2)

PQE 201- Urban Land Economics

Urban Land Economics

Urban Economics-meanings

Cities and their structures-cost and benefits

Theories of Economic development-Location theories and urban hierarchy- economic of location, central place theory, location of decisions of firm, industries, household

Agglomeration economics

Theories of Land use and Land value- Compatibility and incompatibility in Land use, Succession in land use, urbanization, urban growth and poverty.

Urban housing, social housing

Population and land use, Crime etc.

PQE 202 - Legal Studies II

Functions and relationship of the three tiers of government (Federal, State and Local)

The rule of law- Principles of delegated legislation, Public services, public corporation and quasi government

Important of Privatization and commercialization

Local government system

Administrative plans and tribunals of enquiries function and power of administration.

Role of police force and public complaint commission

Land and concepts such as leases and covenants-

Types of leases, creation, terms & conditions of lease

Concept of covenant and Types of covenants,-

Tenancy and issues in tenancy, licences easement etc

Land lord and tenants legislation

Land tenure system in Nigeria

Dispute Resolution Methods-Litigation, Arbitration and award, Negotiation, Mediation, Conciliation etc

PQE 203 -Building Construction

Different element and components of buildings-substructure to superstructure

Sketch various building components.

Elements of modern techniques of construction

Materials and their characteristics-stones, ceramics, concrete, timbers and their products

Different requirements of building components- Functions of the buildings and elements

Types of foundations and their construction-Construction detail in block and brick works, bonding, cavity construction, reinforcement, jambs & reveal.

Masonry and its different kinds

Seasoning of timber and the different types

Foundation, ground floors, bricks and block walling, lintel, and arches, doors and windows, roofs, stairs

PQE 204 -principles of valuation

Property Market- Characteristics of property market

Comparison of property market with other forms of investment

Types of property investment, the structure and operation of the investment market

Economic returns to landed property- concepts of rents, types of rent, factors influencing rents- demand and supply.

Outgoings- components of outgoings

Yield and types of yield, factors influencing yield, various interests in land e.g. freehold, lease hold, sub leasehold etc. Methods of valuation-market approach (Comparison), Investment Method, Profit, residual and contractors.

Use of valuation Tables and alternatives to the use of valuation tables

Valuation of various interests in landed properties. Valuation involving deferred receipts and payments. Virtual or sitting tenants, rack rental values and future capital payment and receipts.

Capital expenditure and premium

Economic and institutional factors affecting land and land resources

PQE 205 -Principle of urban & Regional Planning

Historical evolution of planning

Objectives of urban & Regional Planning and Components of planning

Relationship between planning as a profession and Estate Surveying and Valuation discipline

Planning agencies and authorities in Nigeria, Development control and public participation in planning

Urban planning theories, Planning models and techniques and Concept of city

Rationale of Land use planning. Land use management system- Building code and regulations, Development Plan, Intensity of Development, Development Parameters, Systems and Procedures of plan approval, density, zoning, sub-division, development control etc.

Planning and land values, site layout and analysis,

Urban and regional Act and laws

Planning process- Regional consideration in planning-

Housing, population, employment, leisure and recreation etc. .

Understand planning problems of large metropolitan.

Concepts of small & medium size towns & villages

Understand the concept of region, types, its delineation and development

Traffic and transportation planning,

RECOMMENDED TEXTS

A.E Telling Planning law and Procedure

Kefas Jiriko Urban master planning in Nigeria

R.G Barlowe Land economics

L.B Achi Urban design in Nigeria

PQE 206 -PROPERTY RATING & TAXATION

Definition of taxation, Principles and Canons of taxation

Types of property tax and the methods of taxing proprietary interest in land

Effect of property tax on physical planning

Characteristic of land which make it convenient to levy taxes on it and the various method of taxing proprietary interest in land

Elementary principle of public/national finance and distinction between central, state & local government taxes & levies

History of property Rating in Nigeria

System of Rating in Nigeria- purposes, principles, methods of assessment, procedures and the rating laws.

Challenges of Property rating as a source of revenue for Local Government in Nigeria

PQE 207- RURAL ESTATE MANAGEMENT & ENVIRONMENT

Introduction to agriculture and farm production systems -farm, forest, and farm houses etc.

Agricultural productions- crops cultivation, animal husbandry, and aquaculture etc

Economics of agricultural production, agricultural policy and planning, primary production in agriculture and forestry

Soil-Types of soil and classifications, Soil factors in real property development

Role of agriculture and national development

Farm management and rural valuation

Agricultural tenancies; rural asset valuation and appraisal; rural estate taxation and planning; forestry and woodland management for timber

Comparing land use pattern between rural and urban- urban fringe

Agricultural resource appraisal, including the use of farm buildings and fixed equipment, diversification and new enterprises-Landscape, habitat, and sporting objectives

Rural conservation and environmental considerations including policy, environmental assessment and protection

Rural land tenure and challenges of rural development

Environmental resources management Causes and consequences of Environmental degradation-Desertification, Erosion, flood, etc.

Environment agents such climate, vegetation, soil, minerals etc. Pollution and Waste management

Impact of industrialization, commercial and other man activities on the environment

PROFESSIONAL QUALIFYING EXAMINATION PART THREE (PQE3)

PQE 301 - Property Development

Concepts of Development & re-development, Effect of planning on physical development.

Understand the development team and development process.

Explain the legal, construction, Economic social & technical framework involved in development.

Public & private control over physical development, Limitation and Constraints

Sources of financing real estate development – traditional and contemporary

Preparation and Evaluation of development proposal

Objective of investment and development decision

Feasibility and viability indicators Types of viability–conclusive and compelling

Techniques of appraising feasibility and variability appraisals – break even valuation, developmental valuation, cash flow analyses, Discounted cash flow, internal rate of returns, (ERR), Net present value (NPV), Internal rates of returns (IRR), payback periods, profitability index, accounting rate of return, sensitivity test.

Follow up appraisal techniques-monitoring and evaluating

Feasibility and viability reports writing

Environmental consideration in property development: Site analysis, Environmental impact assessment and its importance

Soil test, load bearing and other Environmental Surveys required before development.

Understand, utilities, amenities and facilities provision requirement within the built Environment.

RECOMMENDED TEXTS

David Isaac Property Development

Nathan S. Collier, Courtland A. Collier and don Halperin (2007) Construction Funding- The Process of Real Estate Development Appraisal and Finance, John Wiley & Sons Inc

Land Use Act 1978

PQE 302 -Property and Facility Management

Section (a) Property Management

Concept of property management

Management functions in relation to real estate and land Housing and fiscal policies of government, e.g. rent control Edict, landlord and tenant Act, Recovery of premises Act.

Lease control, controlling use or change of use etc and their effects on property management.

Functions of various Federal and State Government agencies dealing with land matters.

Understanding Land Use Act and its effect on Land use, allocation and development.

Marketing of real property or space, property insurance, selecting tenant, leasing advice, tenancy administration, rent collection, lease negotiation and renewal

Service charge and administration

Portfolio management

Estate Agency types, its creation and the duties of the parties in agency and their relationship.

Estate life cycle, costing and rehabilitation

Land taxation -income and capital tax- withholding tax, Capital gain and transfer tax and their importance in property management decisions

Financial control and budgeting, Estate accounting and records etc

Management of public and private estates,

Preservation and management of historic and monumental buildings

The concept of Sale and marketing in property management-the types of sales applicable in property transaction

Structural survey of buildings, schedule of dilapidation, condition etc

Section (b) Facility Management

Facility Management-History and scope, functions in a built Environment, Facility management as supporting organisational objective(s)

Job description of a facility Management

Types of facilities & services provision requirement in a building – Residential, commercial, industrial, mega structures Agricultural Property etc. Various management approaches in facility management, Budgeting, concept of maintenance- Planned, unplanned or corrective.

Maintenance schedule and the preparation of maintenance budget

Health, Safety and environment-bomb and fire threat etc.

Managing people, staff and clients, Outsourcing and in-house staff, sustainability-use of resources and technology, waste management and fleet management.

Post occupancy evaluation

Space management

Outsourcing and contract administration

RECOMMENDED TEXTS

David Martin (2006) A-Z of Facilities and Property Management, Thorogood Publishing

Keith Alexander (2003) Facilities Management-Theory and Practice edited SPON press

Wes McGregor and Danny Shiem- Shin Then (2003) Facilities Management and management of Space, Butterworth Heinemann

Wolfgang F.E Preiser and Jacqueline C. Vischer (2005) Assessing Building Performance (Edited) AP Elsevier

Victoria Edwards and Louise Ellison(2004) Corporate Property Management, Balckwell Publishing

Sam A. Kubba (2008) Property Condition Assessment McGraw Hill

G.O Olayonwa Property Management-Principles and Practice

Chika Udechukwu Real Property Management

Michael Thorncroft Principles of Estate Management

Douglas Scarrett Property Asset Management

PQE 303 - Applied Valuation 1 (Land & Building)

- Valuation of specialized properties-. Various purposes for which specialized properties can be valued. Non statutory valuation e.g. developmental valuation rental, mortgage, insurance, sales and purchase, going and gone concerns valuation and balance sheet, farming etc. Valuation of allowance for future capital sum, Valuation of varying leasehold incomes. Concept and calculation of premium, Marriage value, Cost in use, surrender and renewal of lease, Rental control laws and its effect on properties values. Concept and the procedures involved in statutory valuation- Compensation, insurance, mortgage, rating, probate, way-leaves etc.

Students should examine the factors determining the location of industry. These result in industrial concentration which gives rise to problems of urbanization and regional imbalance:

- (i) The advantages and problems of urban areas e.g. Agglomeration economics, urban decay; health and housing, unemployment and transport difficulties.
- (ii) Regional policy on location of industries
- (iii) Political consideration in the location of industries.

(c) Financing industrial development

Students will be expected to know the link between the theory of the rate of interests, the price of investment assets in general, and the level of real investment, especially in plant and machinery.

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The investment decision of the business organization, whether a private firm or a public body, should be studied. This requires knowledge of the usual method of investment appraisal, e.g. DCF, NET PRESENT VALUE (NPV), Internal Rate of Return (IRR) together with Cost-Benefit Analysis (CBA).

The cause of inflation, government policy to cure inflation and effects of such policies on investment decisions should be studied. The effects of inflation on the value of plant, machinery and stocks, and on the accounting methods of dealing with such effects.

The topics should be examined in the light of elementary economic theory. Credit will be given for relating actual situations to this theory. For example the investments in paper mills, petrochemical industry, steel industry etc. in Nigeria. It is not essential for candidates to have specialists' knowledge of such industries outside Nigeria.

Section C: Industrial Process

Candidates will be expected to have a general knowledge of the more common industrial processes, the basic types of plant and their application together with the various factory services required by industry.

Candidates will be examined on their knowledge of the structure of industry and the characteristics and requirements of its various divisions.

An understanding of the different techniques required for mass production, small production runs and individual products are essential. The need of industry for skilled, semi-skilled and unskilled labour is

to be considered, together with the requirements for and the effects of technological progress and automation, including their relationship with obsolescence.

This section of the syllabus will be restricted to general processes and candidates will not be examined on the detailed production methods of specific items or specific chemical processes. Candidates will be expected to be familiar with the production sequences, raw material and plant requirements of processes which fall within the broad categories of industry listed below:

- Textiles
- Iron, Steel and non-ferrous metal production
- Metalworking
- Chemical and petrol-chemicals
- Plastics and Rubber
- Paper and Board making
- Garment and shoe manufacture
- Food and Drinks
- Electrical and Electronics
- Printing and Publishing
- Construction Materials Industry
- Sugar and Alcoholic production
- Furniture and Timber
- Ceramics, Glass and Mineral Production
- Paint production.

Candidates will be expected to know the function of, and general application of, machinery not necessarily found in continuous production lines such as machine tools, plastics machinery, woodworking and sheet metal machinery. Methods of inventory taking and presentation are very much a matter of personal preference, but the content requirement of an inventory, which is either to be presented to a client or which will form the basis of a valuation, must be understood, and candidates may be asked to compile an inventory of the machines which they expect to find in a specified industry like paper or sugar production industry.

Section D: Valuation Process

(1) **Property**

This syllabus is designed to test a thorough understanding of the reasons why valuations are required by industry, and the principles involved in carrying out such valuations.

Although candidates must be familiar with the broad principles of industrial property, the emphasis will be placed on the principles and practice of valuation of plant and machinery.

(2) **Principles**

Candidates should have a good background knowledge of the growth of industry in Nigeria, and the reasons why certain industries have tended to be concentrated in specific areas of the country, e.g. petro-chemicals in Warri and Port-Harcourt, Sugar production at Bactia and Numan, paper products at Jebba, steel production at Aladja and Ajaokuta, Textiles in Kano and Kaduna etc .The effects of the factory Acts and Health and Safety Regulations in Nigeria on the valuation of plant and machinery.

An understanding and physical factors affecting the value of plant and machinery is required, including their age, obsolescence, condition, layout and situation, and the availability of labour. The effects of a change in the relationship between the economic and physical life of plant and machinery should be appreciated. Candidates should be aware of the various Government grants and incentives, which are available.

(3) **Practice**

Candidates will be expected to know the methods to adopt in valuing plant and machinery and industrial building for insurance financial and market purposes, and the needs of the client, adviser or authority in each case. In this connection, candidates are expected to study the NIESV Guidance Notes and background papers on Asset valuations. There should be an awareness of the need for the apportionment of property Values between land, buildings and fixed plant.

The Law on compensation for compulsory purchase (Land Use Act No.6 of 1978) and Nigerian Planning Laws should be studied with emphasis on the work of the plant and machinery Valuer, including the preparation of disturbance claims and the methods to adopt in the case of a total extinguishment of a business.

The effects of national taxation on plant and machinery Valuations should be understood and in particular the requirements and methods to be adopted for Capital Gains Tax, Capital Transfer Tax and probate purposes.

Candidates should be familiar with the law on the rating of plant and machinery, including knowledge of leading cases and the Plant and Machinery order, together with the interaction with the valuation of Land and building.

There should be a working knowledge of the various methods of disposal of industrial property and plant and machinery, including private treaty sales, auctions and tenders. A study of auction laws in Nigeria should be made and also accounting and conditions of sale and duties of receivers and liquidators.

Knowledge of rating laws in various parts of Nigeria will be expected of students assessing in respect of industrial and commercial property together with an understanding of broad principles of consequential loss insurance.

What are the insured's intentions and requirements?

Tenants' obligations to insure by reference to lease conditions, examination of policies, the specification, clauses and insurance plan to ascertain the basis of cover and all other relevant information.

- Indemnity and Re-instatement bases of value
- Systematic taking of inventory of plant, machinery etc., and other contents (excluding stock-in-trade)
- The special problems of obsolete and obsolescent plant, and technological changes
- Valuation of patterns, drawings, jigs, fixtures, dies, moulds, special tools, templates, press tools, artwork, negatives, litho plates, printing standing matter, etc.
- Limitations imposed by the insurance clauses of indemnity or re-instatement
- Valuation report and summary on especially the scope of the exercise
- Projections for inflation: The special (85%) condition of Average escalator clauses, valuation linked scheme, notional re-instatement value scheme.

(5) **Loss Claims Assessment and Settlement**

Candidates are expected to have in-depth knowledge of all aspect of loss assessing and claim settlement relating to industrial property and should be fully conversant with the functions of the loss assessor and loss adjuster.

The Loss Adjuster's Role

Appointment by the insurers or Lloyds underwriters

Function to establish that the loss is within the scope of the policy/policies.

Functions to see that steps are taken to minimize the material damage loss and to direct the insured accordingly

Concerned with, and reports to the insurers on the circumstances giving rise to the claim and the causes, factors affecting the spread and stopping of the damage, nature and extent of the damage, recovery aspects against third parties value at risk.

Preliminary, interim and final reports, fees

The Loss Assessor's Role

Appointment by the insured

Function to co-operate with the loss adjuster and the insured to minimize the material damage. Similar function in respect of business interruption if there is a consequential loss policy.

Function to advise the insured if there is no consequential loss policy. Formulation and presentation of claim for material damage in collaboration with the insured.

Onus of proof collection of data for inclusion in claim, submission of claim

Negotiating a settlement with the loss adjuster,

- (iii) Extensions - the special perils
- (iv) Indemnity policies
- (v) Reinstatement policies, declaration policies. Optional clauses and mandatory regulations
- (vi) Sum insured
- (vii) The average clause and the special condition of average (85%)
- (viii) Policy "Excess" - voluntary and compulsory
- (ix) Settlement of disputes

(Lc) **Other Insurance Policies**

(i) Sprinkler leakage

(ii) Engineering breakdown, e.g. boiler plants, lifting equipment, etc

(iii) Theft

(iv) Motor

(v) All risks.

(2) ***Classification of Risk***

The classification and technicalities of risk and safeguards which can be taken need to be studied in broad principles only. First loss insurance should be understood.

(2a) Fire hazards and fire protection

(2b) Rating and Classification of risks

(2c) Principles of 'first loss' insurance policies especially in relation to architects, surveyors, and consulting engineers' fees and the costs of debris removal.

(3) ***The Insurance Market***

Risk Management and the function of the insurance broker in the context of this syllabus should be studied in depth. A basic understanding of the workings of the insurance market in respect of industrial buildings and plant is required.

Insurance companies in Nigeria, Lloyd's underwriters, NICON and Nigeria Re-insurance, Insurance Agents, Insurance brokers and Risks management.

(4) ***Fire insurance Valuation***

Fundamental knowledge is required in respect of the way valuation for fire insurance purposes are undertaken from receipt of instruction to presentation of the valuation to the Client. All factors which may affect a valuation and the consequences of inadequate insurance amount must be fully understood.

In this context, property is understood to have its widest meaning and includes plant and machinery, other contents and stock-in-trade.

Emphasis should be on industrial insurance but candidates will be expected to have a general knowledge of all perils insurance matters, including the commercial and domestic ones.

This paper is not intended as a test for insurance experts. The questions will be designed to prove a good general knowledge of insurance principles so far as they are applicable to a Valuer as agent or assessor.

Candidates should have knowledge of leading cases, supporting principles, of insurance documents normally in use and their purposes. As much as possible Nigerian cases should be cited, but where relevant British cases can be cited.

(1) *Legal Principles and the Fire Policy*

Candidate will be expected to be familiar with the fundamental principles, legal concepts and terms relating to insurance of industrial building, plant, and stock and materials-in-trade. Candidates will be examined on the general content of the industrial fire insurance and the causes- Conditions and memoranda. Candidates will be expected to have in depth knowledge of their interpretation and implication.

(La) Legal Principles

- (i) The Insurance contract - the Policy
- (ii) Utmost good faith and material facts
- (iii) Insurable interest: what property may be insured and against what perils.
- (iv) The principle of indemnity
- (v) Contribution
- (vi) Subrogation
- (vii) Co-insurance
- (viii) Proximate Cause

(lb) Fire Insurance Policies

- (i) The Standard Fire Policy, specification and plan having regard to the type of cover required and the provision of cover for buildings, plant, machinery, stock, money, personal effects and all other contents.
- (ii) Exclusion

Adjustments for wear and tear and betterment, Salvage realization, Indemnity settlements Additional payments under the extension clauses and memoranda including the re-instatement reserve, the public authorities clauses, removal of debris, architects, quantity Surveyors' and consulting engineers fees.

Value at risk and the application of average, Claim and acceptance forms, ex-gratia payments, recovery of uninsured losses, assessors' fees

(6) *Consequential Insurance and Claims*

It is intended that the consequential loss should be considered in broad principles only. The general contents and, intention of the policy and general approach towards compiling a claim should be understood.

(6a) Theory

Business principles, effect of reduced turnover on earning capacity, variable charges, standing charges, net profit, seasonal fluctuations in turnover,

(6b) The Policy

The scope of the standard policy and specification, gross profit – standing charges and net profit basis, gross profit-difference basis, wages-dual rate basis, wages-pay Toil basis (including the statutory obligations of employers under the contracts of employment and redundancy payments Acts). Increase in cost of working. Auditor's charges, policy definitions: Turnover, rate of gross profit, annual turnover, standard turnover, rate of wages, indemnity period, specified working expenses. Special circumstances clause, other policy types- Special perils and extensions, including failures by suppliers and failures by public utilities

The sum insured, including the adequacy of the Indemnity period, Average clause.

(6c) Loss Settlement

Initial claims procedure, the loss assessor and loss adjuster, role of auditor/accountant in preparing claims, examination of trading account and balance sheet, estimating the reduction in turnover, adjustments for upward or downward trends in turnover or prices, increase in cost of working, residual values, calculating the loss, savings in standing charges and wages, application of average.

RECOMMENDED TEXTS

M.A Bello Guide to Plant and machinery Valuation

Nigel Enever & David Isaac (2002) The Valuation of Property Investment 6th Ed Estate Gazette

Godson Ifediora Plant and Machinery valuation

John Umeh Plant and Machinery Valuation

Godson Ifediora Appraisal Framework

PQE 305- Legal Studies III

Legal concept of Land

Doctrine of Estates

Concept of property rights and types of interest in land-Lease, Tenancy, license, Easement and other rights and interest in Land

Concept of ownership of land and types

Land tenure system

Principles in sales, assignment, pledges and mortgages in common law and equity

Registrable instruments and importance of Land Title Registration

Land Use Act of 1978 and its implication on Land transaction in Nigeria

Land reform in Nigeria

Law of Agency

RECOMMENDED TEXTS

James Barnes *Law for business*

J.A Omotola ed *land Use Act*

Nweke Umezuruike *Land Use decree 1978 A critical Analysis*

Principles of Estate management Michael Thorncroft

Introduction to Estate Management Chika Udechukwu

Elements of Estate Management and property valuation Sunday Olajide et al

PQE. 306 –Information Technology in Real Estate

Overview of Information and data

Overview of Computer- evolution, types and classifications- Computer Hardware- keyboard, printer etc, storage system, input and output system.

Computer Software-utility and operating system, users interface.

Application software in business and Estate Surveying and Valuation- Spreadsheet, Access and Data base management system and their Application in Real estate

Application of Computer to Property Valuation and Investment Appraisal, Portfolio management, Performance Measurement and Investment Information, risk analysis etc

Principles and Application of Geographic/Land Information System.- Decision Support Systems (DSS) and Real Estate, Artificial Intelligence (AI) and Expert Systems in DSS, Geographic Information System,

Land Information Systems and GIS application software e.g. Arch Info, Arch GIS etc and Spatial Analysis

Uses of Internet in Estate Surveying and Valuation- Internet and Intranet communication and uses in real estate business - and M-commerce, E-Business, E-Commerce and E-Estate.

Desk-top publishing (DTP) - Use of design and graphics software to produce high quality charts, diagrams and figures for reports.

Statistical application- SPSS etc

RECOMMENDED TEXTS

A computerized Approach to Real Estate Practice in Nigeria Ibimina Kakulu

PQE307- Project Management

Project and Programme Management-, philosophy, history, definitions

Understanding of basic terms-project, programme, project management, project manager.

Major project management models-Traditional, Pure, Matrix; Critical concepts- project life cycle, performance measurement/metrics, etc;

Projects vs. products; Project planning & control-techniques/ methods, Tools & software e.g. MS Project Planner, etc.

Critical Path Methods- GAM.

RECOMMENDED TEXTS

Project Management in Property Development M.A bello & C.A Agbatekwe

PQE 308 -Building Construction III

Construction Materials-timber, metals (ferrous & non-ferrous), concrete, glass, plastics (thermal insulation and their applications, Thermosetting, etc); Cast stone, asbestos asphalt and bituminous fleets, glass, steel, aluminium and other metals.

Glazing-material and techniques- Finishes-hard, soft; nature/characteristics, types, uses, sources, etc
Components-types, specification/make, characteristics, etc.

Waste Management-definitions, common waste types (domestic, agricultural, industrial), Equipment used in housing/ other premises e.g. chutes, etc.

Maintenance-basic principles, definitions, standards (BSI, etc),

Types of maintenance-planned, preventive, corrective etc

Maintenance budgeting and planning

Concepts of life cycle, Standards/specifications, etc.

Source of water supply –cold and hot, and distribution and Water treatment

Drainage- material etc Sewage and waste disposal-sanitary system, fire safety installation and fitting, elevators electric stairways and water works, ducts chutes.

RECOMMENDED TEXTS

Roy Chudley and Roger Green Building Construction Handbook

Professional Practice Examination

(PPE)

General information

Syllabus for the Professional Practice Examination (PPE)

1. Candidates are expected to have a thorough knowledge of professional practice in all departments of Estate Management necessary for the training of an Estate Surveyor and Valuer.
2. The approved examination shall be made up of two papers-
Paper one- Test of knowledge and proficiency of candidates in the principles and practice of Property Valuation- land and building and plant & machinery. The questions in this section shall be compulsory for all categories of candidates.

Paper Two - Section two shall cover broad areas of professional practice.
Candidates would have opportunity to select questions of their choice to answer.
- 3 The details of the syllabus are set out below:

Paper One- as stated in PQE303 and PQE304

Paper Two- The professional ethics and professionalism.

- Principals and clients relationship
- Professional office organization ~ small: medium and big offices \
- Acts of professional negligence.
- Estate Surveyors and Valuers Registration Board rules affecting professional practice
- Relevant practice laws ~ Land Use Act, National Housing Policy, National Construction Policy, Capital Gains Tax, Value Added Tax (VAT), Town and County Planning Act, Rating Laws, Rent Control Laws, Highway regulations etc.
- Knowledge of foreign bodies to which the Institution is affiliated.
- Knowledge of the structure of The Nigerian Institution of Estate Surveyors and Valuers
- Requirements for qualification as an Estate Surveyor and Valuer.
- Knowledge of and the structure of APBN (Association of Professional Bodies of Nigeria)
- Professional Report writing ~ essentials of a good report, styles and methods of report writing, structure of a report and the various purposes for which a report is required.
- The Estate Surveyor and Valuer and his roles in public and private sector of the economy.
- Project co-ordination and control: contract procedure and management
- Arbitration and settlement of disputes.

Expert witness, uses of valuation guidance note, proof of evidence of valuation,

Employability skills and commercial awareness, valuation process and market analysis.

Issues affecting the profession e.g government policies and legislations

Human resources management including strategies of Modal administration, roles of administration and problems solving techniques

Office and resources management

Entrepreneurship in real estate

