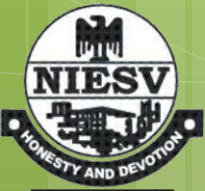




KOLA AKOMOLEDE & CO

ESTATE SURVEYORS & VALUERS
ESTATE AGENTS AND PROPERTY CONSULTANTS



MEMBER

The Dichotomy of Real Estate practice and theory

- Question:

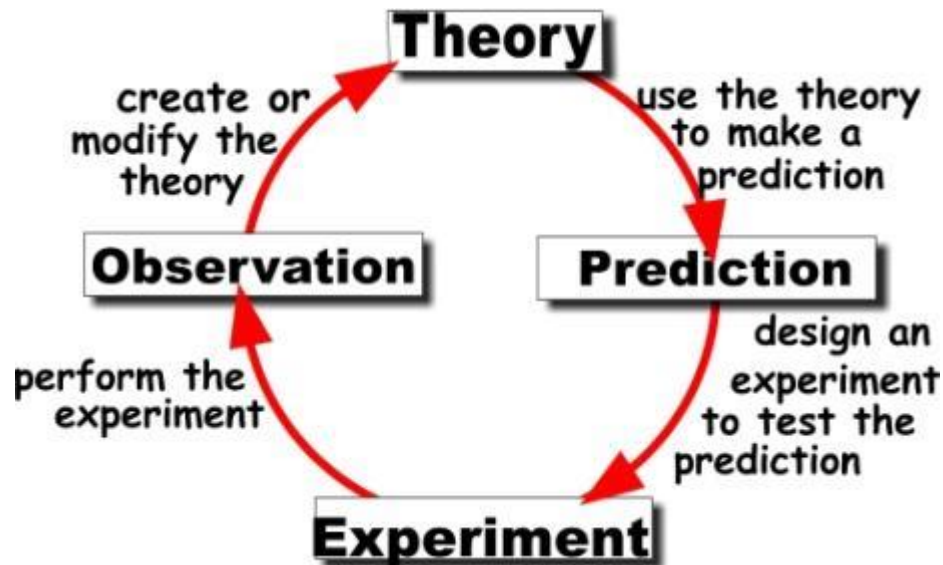
What do we understand by this statement?

Let's break it down.



Definitions

- Real estate theory refers to the ideas and general principles that create a body of knowledge, which seeks to explain the subject matter



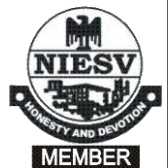
Definitions

- Real Estate practice refers to the application of theory to get the desired results. It is the application of knowledge to resolve a situation.



Real Estate Practice

- Valuation
- Estate Agency
- Property & Facility Management
- Project Appraisal
- Project Management
- Real Estate Consultancy



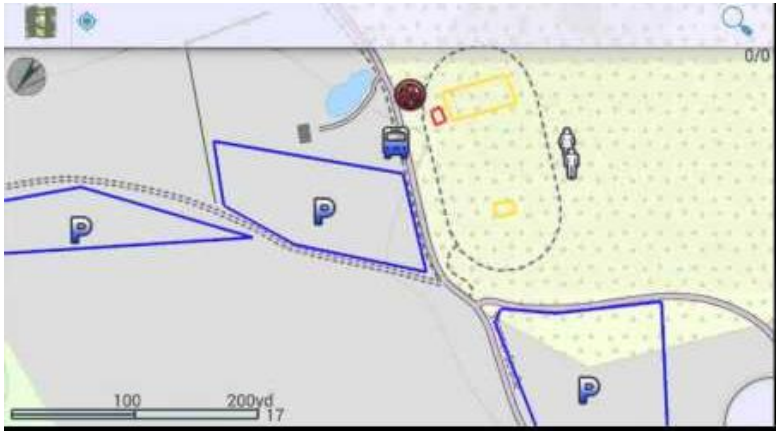
Valuation

- ◆ The rates –YP 7.5% as opposed to 4-5% in practice
- ◆ Outgoings-Borehole, Inverter, Generators which do not form part of Service Charge.
- ◆ Dearth of reliable information for comparables due to evasion from tax, LUC, public perception of wealth, etc.



Valuation

- ◆ Preference by clients to state to use comparable method of valuation, some clients request exact comparables in our reports.
- ◆ Use of technology in data collection and verification such as Google Earth Pro.



Valuation

- ◆ Valuation of agricultural
- ◆ Valuation of mining companies (over 40 precious stones & metals).
- ◆ Government policies supporting these sectors, creating opportunities.



Property Management

- ◆ Difficult Tenants
- ◆ Difficult Landlords, refusing repairs, renovate internally.
- ◆ Third parties such as neighbours.
- ◆ Dynamic situations constantly occurring.
- ◆ New fees, dues, taxes- LUC (who is responsible?)
- ◆ Advent of caution deposit to cover outstanding bills, damages, bills not received before tenant departure, etc.
- ◆ Scope of Service Charge excluding diesel in view of fluctuating availability and prices that impact on budget planning.

Facility Maintenance

Facility maintenance is a specialized arm of property maintenance, ideally covering facilities such as Elevators, swimming pools, generators for which service contractors are called on as required.



Real Estate Agency

Real estate agency has become more competitive in practice.

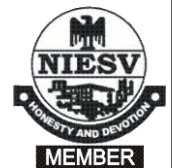
Clients are more informed and demanding more information: room size, history of maintenance, inspecting properties virtually via progressive websites, use of professional emails [smartguy007@gmail.com]



Real Estate Agency

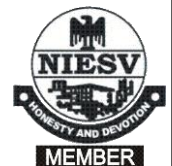
Use of GPS co-ordinates with apps such as GPS Essential to ascertain the co-ordinates to identify property location.

Brand perception sometimes plays a big role in practice.



Rating

- ◆ Estate surveyors not as involved in rating of properties for local and state governments for revenue generation.
- ◆ Land Use Charge- assessing value of property is often arbitrary.
- ◆ Perhaps the LUC may not exist today if members of the profession were consulted.



Project Management

Project management in property development for private and public service, acting as independent but knowledgeable parties to the construction team.

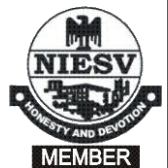


The Dichotomy of Real Estate practice and theory



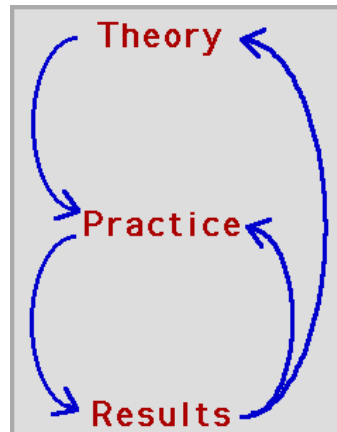
THE NIGERIAN INSTITUTION OF ESTATE SURVEYORS AND VALUERS

Membership of the Mandatory Compulsory Professional Development [MCPD] of the NIESV serves the brilliant purpose of bridging the gap between theory and practice, to help us keep abreast of changes in the field and technological advancement.



In Summary

The dynamic nature of real estate practice certainly makes real estate theory appear to be 'lagging behind' but in truth, this is the norm generally and not the exception in most professions.



Real estate theory is important as it serves as a landing board, giving guidelines on how to resolve several situations.

THANK YOU



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