

## Form 2B

# City University of Hong Kong

## Information on a Course

offered by Department of Architecture and Civil Engineering  
with effect from Semester A in 2014/2015

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### Part I

|                               |                                                                                                                                                                                                         |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Course Title:</b>          | Property Economics                                                                                                                                                                                      |
| <b>Course Code:</b>           | CA6223                                                                                                                                                                                                  |
| <b>Course Duration:</b>       | 1 Semester<br>(Some courses offered in Summer Term may start a few weeks earlier than the normal University schedule. Please check the teaching schedules with CLs before registering for the courses.) |
| <b>Credit Units:</b>          | 3                                                                                                                                                                                                       |
| <b>Level:</b>                 | P6                                                                                                                                                                                                      |
| <b>Medium of Instruction:</b> | English                                                                                                                                                                                                 |
| <b>Prerequisites:</b>         | Nil                                                                                                                                                                                                     |
| <b>Precursor:</b>             | Nil                                                                                                                                                                                                     |
| <b>Equivalent Courses:</b>    | BC6223 Property Economics                                                                                                                                                                               |
| <b>Exclusive Courses:</b>     | Nil                                                                                                                                                                                                     |

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### Part II

#### Course Aims:

The aims of this course are to provide a solid and advanced understanding of the economics of property; to provide students a better insight into the application of the economic principles and models to property and land use. The major economic concepts and models relating to the property economics and land use will be identified and discussed. Also the principal factors that determine the price and volume of transaction of property in different sectors - commercial, residential and industry will be examined.

#### Course Intended Learning Outcomes (CILOs):

Upon successful completion of this course, students should be able to:

| No. | CILOs                                                                     | Weighting (if applicable) |
|-----|---------------------------------------------------------------------------|---------------------------|
| 1.  | apply economic concepts to real estate market;                            | ---                       |
| 2.  | apply real estate appraisal and investment;                               | ---                       |
| 3.  | understand land economics;                                                | ---                       |
| 4.  | relate property development process and planning and zoning in Hong Kong; | ---                       |

## Teaching and Learning Activities (TLAs):

(Indicative of likely activities and tasks designed to facilitate students' achievement of the CILOs. Final details will be provided to students in their first week of attendance in this course)

**Semester Hours:** 3 hours per week

**Lecture/Tutorial/Laboratory Mix:** Lecture (2); Tutorial (1); Laboratory (0)

| CILO No. | TLAs                                                                   | Total Hours (if applicable) |
|----------|------------------------------------------------------------------------|-----------------------------|
| CILO 1   | <ul style="list-style-type: none"><li>Lectures and Tutorials</li></ul> | 6                           |
| CILO 2   | <ul style="list-style-type: none"><li>Lectures and Tutorials</li></ul> | 12                          |
| CILO 3   | <ul style="list-style-type: none"><li>Lectures and Tutorials</li></ul> | 15                          |
| CILO 4   | <ul style="list-style-type: none"><li>Lectures and Tutorials</li></ul> | 6                           |

## Assessment Tasks/Activities:

(Indicative of likely activities and tasks designed to assess how well the students achieve the CILOs. Final details will be provided to students in their first week of attendance in this course)

**Coursework:** 100%

**Examination:** 0%

| CILO No. | Type of assessment tasks/activities                                                                                                                            | Weighting (if applicable) | Remarks                                                                    |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------------------------------------------------------------|
| CILO 1   | <ul style="list-style-type: none"><li>Coursework (100) including (i) project research proposal (30%), (ii) individual project and presentation (70%)</li></ul> | ---                       | <ul style="list-style-type: none"><li>Nil</li></ul>                        |
| CILO 2   | <ul style="list-style-type: none"><li>Ditto</li></ul>                                                                                                          | ---                       | <ul style="list-style-type: none"><li>Presentations are required</li></ul> |
| CILO 3   | <ul style="list-style-type: none"><li>Ditto</li></ul>                                                                                                          | ---                       | <ul style="list-style-type: none"><li>Presentations are required</li></ul> |
| CILO 4   | <ul style="list-style-type: none"><li>Ditto</li></ul>                                                                                                          | ---                       | <ul style="list-style-type: none"><li>Presentations are required</li></ul> |

## Grading of Student Achievement:

### Grading Pattern:

Standard

Refer to Grading of Courses in the Academic Regulations for Taught Postgraduate Degrees.

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## Part III

### Keyword Syllabus:

Principles of demand and supply of land market; economic analysis of office, retail, industrial and residential property market; public policy and land use; concepts of market efficiency.

### Recommended Reading:

- **Texts:**
    1. Cheung, S.N.S. (2002), 'Economic Explanation', Arcadia Press, Hong Kong
    2. Renaud, B., Pretorius, F. and Pasadilla, B. (1997), 'Markets at Work: Dynamics of the Residential Real Estate Market in Hong Kong', Hong Kong University Press, Hong Kong (HD943.2 .R45 1997)
    3. Yiu, C.Y. and Hui, E.C.M. (2005) 'Testing the Dividend-Ratio Model on Real Estate Asset', Discussion Paper, City University of Hong Kong
  - **Online Resources:**
    1. Chau, K.W., Wong, S.K. and Yiu, C.Y., (2004), 'The value of the provision of a balcony in apartments in Hong Kong', *Property Management*, 22(3), Sep., 250-264.
    2. Chau, K.W., Wong, S.K. and Yiu, C.Y. (2005) 'Adjusting for Non-linear Age Effects in the Repeat Sales Index', *Journal of Real Estate Finance and Economics*, 31(2), 137-153.
    3. Chau K.W., Yiu CY, Wong SK and Lai LWC (2003) 'Hedonic price modelling of environmental attributes: a review of the literature and a Hong Kong case study', in *Understanding and Implementing Sustainable Development* (eds. LWC Lai and F Lorne), Nova Science.
    4. Chiang, Y.H. and Ganesan, S. (1996) 'Property Investment in Hong Kong', *Journal of Real Estate Portfolio Management*, 2(2), 141-158
    5. DiPasquale, D. and Wheaton, W.C. (1992) 'The Markets for Real Estate Assets and Space: A Conceptual Framework', *Journal of the American Real Estate and Urban Economics Association*, 20(1), 181-197
    6. Eaton, B.C. and Lipsey, R.G. (1979) 'Comparison Shopping and the Clustering of Homogenous Firms', *Journal of Regional Science*, 19(4), 421-435.
    7. Hotelling, H. (1929) 'Stability in Competition', *Economic Journal*, 39, 41-57.
    8. HIRSHLEIFER, J. (1962), 'THE FIRM'S COST FUNCTION: A SUCCESSFUL RECONSTRUCTION?', *THE JOURNAL OF BUSINESS*, 35(3), 235-55.
    9. Hui, E.C.M. and Yiu, C.Y. (2003), 'Market Dynamics of Private Residential Real Estate Price – An Empirical Test in Hong Kong', *Journal of Financial Management of Property and Construction*, 8(3), Dec., 155-165.
    10. Umbeck, J. (1980). 'Shipping the Good Apples Out: Some Ambiguities in the Interpretation of Fixed Charge', *Journal of Political Economy*, 88(1), 199-208
    11. Wong, K.C. and Norman, G. (1994) 'The Optimal Time of Renovating a Mall', *Journal of Real Estate Research*, 9(1), 33-46
    12. Yiu, C.Y. and Hui, E.C.M. (2005), 'An Empirical Study of the Impact of Income Uncertainty on Private Residential Property Markets in Singapore and Hong Kong', *Housing Studies*, 20(5), 753-769. [G-U014]
    13. Yiu, C.Y. and Tam, C.S. (2004), 'A Review of Recent Empirical Studies of Property Price Gradients', *Journal of Real Estate Literature*, 12(3), 307-322.
    14. Yiu, C.Y. and Wong, S.K. (2005), 'The Effects of Expected Transport Improvements on Housing Prices', *Urban Studies*, 42(1), Dec., 113-125.
    15. Yiu, C.Y. and Wong, S.K. (2005), 'The Effects of Expected Transport Improvements on Housing Prices', *Urban Studies*, 42(1), Dec., 113-125.
    16. Yiu, C.Y., Wong, S.K. and Yau, Y. (2006) 'Property Management as Property Rights Governance', *Property Management, Special Issue on Institutions, Culture, and Sustainability*, forthcoming
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