

**NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY  
FACULTY OF COMMERCE  
DEPARTMENT OF FINANCE  
BACHELOR OF COMMERCE HONOURS DEGREE IN FINANCE  
PART IV - SUPPLEMENTARY EXAMINATION – AUGUST 2010  
REAL ESTATE INVESTMENT AND FINANCE [CFI 4205]  
TIME ALLOWED: 3 HOURS**

**Instructions to Candidates**

Answer **five** questions

**Question 1**

What are the three primary components of the real estate system and how are they interrelated? [20 marks]

**Question 2**

What is the difference between a real estate space market and the real estate asset market? [20 marks]

**Question 3**

What will happen to equilibrium prices if both demand and supply change in opposite directions in a market simultaneously by the same proportions at all price/quantity combinations? [20 marks]

**Question 4**

What are the three main factors affecting prices in real estate asset markets? [20 marks]

**Question 5**

How are the vacancy rate and the occupancy rate in a market related? [20 marks]

**Question 6**

In a market analysis for apartment properties, what are some of the key “drivers” an analyst should consider? [20 marks]