



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF ENGINEERING AND THE BUILT ENVIRONMENT

DEPARTMENT OF LAND AND SPATIAL SCIENCES

QUALIFICATION(S): BACHELOR OF PROPERTY STUDIES DIPLOMA IN PROPERTY STUDIES	
QUALIFICATION(S) CODE: 08BOPS 06DIPS	NQF LEVEL: 6
COURSE CODE: PMM611S	COURSE NAME: PROPERTY MANAGEMENT AND MAINTENANCE
EXAMS SESSION: JULY 2024	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

SECOND OPPORTUNITY/SUPPLEMENTARY EXAMINATION QUESTION PAPER	
EXAMINER(S)	MS ELINA TEODOL
MODERATOR:	MR VERINJAERAKO KANGOTUE

INSTRUCTIONS
<ol style="list-style-type: none">1. Read the entire question paper before answering the Questions.2. Please write clearly and legibly!3. Please START EACH QUESTION ON A FRESH PAGE.4. The question paper contains a total of 5 questions.5. You must answer <u>ALL QUESTIONS.</u>6. Make sure your Student Number is on the EXAMINATION BOOK(S).

PERMISSIBLE MATERIALS

1. Non-programmable Scientific Calculator

THIS QUESTION PAPER CONSISTS OF 9 PAGES (Including this front page)

Question 1

For each of the following statements indicate whether it is 'TRUE' or 'FALSE'. Each correct answer carries 1 mark. (15)

- a) Property managers often use market analysis to determine the best rental rates.
- b) Tenant satisfaction is unrelated to how well the property is maintained.
- c) Preventive maintenance only involves the mechanical systems of a property.
- d) Landscaping maintenance should be conducted annually.
- e) A property's operational efficiency can be gauged by its energy consumption levels.
- f) Tenant screening involves verifying an applicant's credit history to reduce risks of non-payment.
- g) Lease agreements are optional documents that landlords may choose to implement.
- h) Routine property inspections can help identify issues before they require costly repairs.
- i) A drive-by inspection is as comprehensive as a move-out inspection.
- j) Emergency maintenance is typically planned in advance.
- k) Gutter cleaning is considered preventive maintenance.
- l) The primary goal of property management is to ensure that all properties look aesthetically pleasing.
- m) Risk management in property management includes managing insurance and legal compliance.
- n) Maintenance costs are typically lower in well-maintained properties.
- o) Tenant relations are solely the responsibility of the customer service department, not the property manager.

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Question 2

- a) As a property manager for a residential complex, you are tasked with upholding the living standards and financial viability of the property. List two (2) fundamental responsibilities you have in this role. (2)
- b) Differentiate between corrective maintenance and preventive maintenance, providing an example of a scenario that necessitates each approach in the context of property management. (2)
- c) You are reviewing the finances of a property you manage. According to the 50% rule, how should you expect the costs for maintenance and repairs to relate to your total operating costs, and what implications does this have for budget planning? (1)
- d) Discuss why a comprehensive understanding of building codes is crucial for a property manager and the potential consequences of non-compliance. (2)
- e) When performing a comprehensive property inspection, what key elements must be evaluated to ensure the integrity and safety of the property? (3)
- f) Define 'tenant screening' and explain its significance in maintaining the profitability and condition of a rental property. (2)
- g) As technology continues to evolve, what role does it play in the maintenance of property and how can it transform traditional property management practices? (2)
- h) Evaluate the impact of neglecting regular property maintenance on the overall operations and reputation of a property management company. (1)
- i) Discuss four (4) strategies a property manager can employ to enhance tenant retention and the importance of these strategies in the context of property management. (4)
- j) Define the 'implied warranty of habitability' and its practical implications for property managers in the day-to-day operation of a rental property. (2)

- k) Explain the significance of lease agreement negotiations in maintaining a balanced relationship between landlords and tenants. (2)
- l) Describe a situation where emergency maintenance is necessary and outline the immediate steps that should be taken by the property management team. (2)
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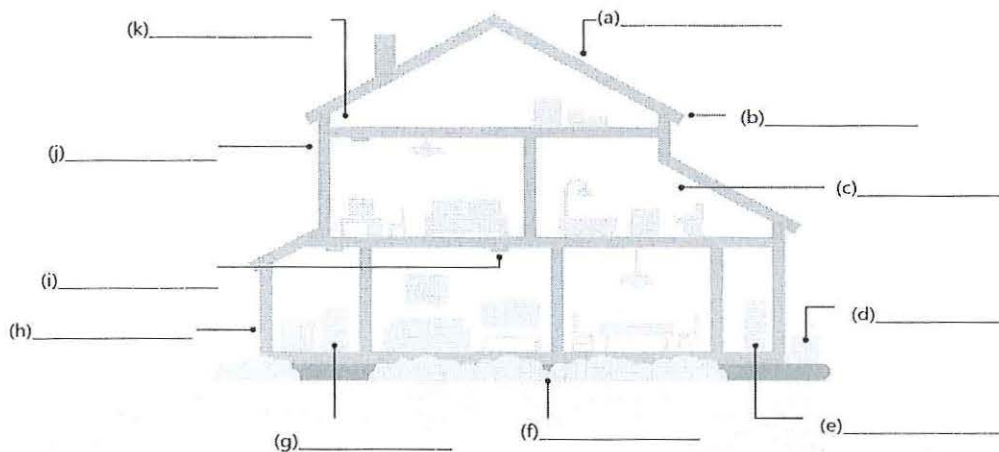
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Question 3

As a property manager, your role encompasses the oversight of numerous systems and components within a residential property. These elements are crucial for maintaining the property's functionality and ensuring the comfort and safety of its occupants. The provided diagram is a visual tool that outlines various aspects of a typical residential home, each crucial to the property's overall well-being.

Your task is to study the parts on the diagram below and use it to answer the following questions pertaining to maintenance task for the building.

Each correct answer carries one (1) mark.



- a) Which maintenance task is critical for preventing water from damaging the interior walls and ceilings

- at the part of the building labelled *A*?
- A) Pruning trees
 - B) Inspection of Roof for openings/leakages
 - C) Cleaning gutters
 - D) Flushing the water heater
- b) Which maintenance task is critical for preventing water from damaging the interior walls and ceilings at the part of the building labelled *B*?
- A) Pruning trees
 - B) Refreshing bathroom caulk
 - C) Cleaning gutters
 - D) Flushing the water heater
- c) Identify the maintenance task at *C* which is often overlooked but can prevent moisture issues and enhance bathroom's appearance?
- A) Checking smoke detectors
 - B) Caulking the bathroom
 - C) Pruning trees
 - D) Inspecting the roof
- d) What should be routinely replaced at building part labelled *D* to maintain indoor air quality and system efficiency in HVAC systems?
- A) Smoke detectors
 - B) HVAC filters
 - C) Door locks
 - D) Trees and shrubs
- e) This preventative task involves removing sediment build-up in a specific appliance to ensure its efficiency and longevity. Identify the appliance labelled *E* in the diagram provided above.
- A) HVAC system
 - B) Smoke detectors
 - C) Water heater
 - D) Gutters

- f) Which maintenance activity should be carried out at building part *F* to contribute to the property's aesthetic appeal and capable of preventing damage to the foundation?
- A) Inspecting for pests
 - B) Flushing the water heater
 - C) Pruning trees and shrubs
 - D) Checking for water damage
- g) Component of the building labelled *G* is a system which requires seasonal servicing necessary for the device to handle extreme temperatures and ensure resident comfort year-round. Identify this system.
- A) Plumbing
 - B) Electrical
 - C) Heating and cooling
 - D) Insulation
- h) Which security features labelled with an *H* are essential for tenant safety and can influence insurance premiums?
- A) Water heater
 - B) Door and window locks
 - C) Smoke detectors
 - D) Bathroom caulk
- i) Regular inspection of items tagged as *I* in the diagram is essential for early detection of fire or carbon monoxide presence in the home. Identify this item?
- A) HVAC filters
 - B) Smoke and carbon monoxide detectors
 - C) Water heater
 - D) Bathroom caulk
- j) What routine checks can a Property Manager conduct at part labelled *J* to minimise the risk of accidents in common areas?
- A) Refreshing bathroom caulk
 - B) Replacing HVAC filters

- C) Pruning trees and shrubs
 - D) Checking for potential hazards
- k) To prevent infestations that can cause significant damage to a property, what regular inspection should be carried out at building part labelled K?
- A) Water heater
 - B) HVAC system
 - C) Pests
 - D) Door locks

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Question 4

In managing a residential rental property, establishing a well-informed maintenance budget is imperative for ensuring the property's safety, habitability, and financial viability. A realistic maintenance budget can prevent costly emergency repairs and ensure that the property remains attractive to current and prospective tenants.

You are required to apply standard estimation rules to determine the annual maintenance costs for a hypothetical rental property. These rules are crucial for projecting expenses and formulating a budget that accurately reflects the property's upkeep needs.

Use the following property details for your calculations:

- Property Value: N\$500,000
 - Annual Operating Costs: N\$150,000
 - Monthly Rental Income: N\$7,500
 - Property Size: 4,500 square meters
 - Cost per square meters: N\$50
- a) Utilising the 1% Rule, which estimates that annual maintenance costs should equate to 1% of the property's value, calculate the expected yearly maintenance expenses for the hypothetical property. Provide your answer with a brief explanation of the rule. (5)
- b) The 50% Rule suggests that maintenance and repairs will typically cost about 50% of a property's

total operating costs. Calculate the amount to be allocated for maintenance and repairs according to this rule and explain its significance in budgeting. (6)

c) By applying the 1.5x Rule, which speculates that average annual maintenance costs will be 1.5 times the monthly rental income, determine the maintenance budget for the given property. Discuss the potential benefits of using this rule for properties with varying rental incomes. (6)

d) According to the Square Meters Formula, maintenance costs can be estimated at a set rate per square meter. If the maintenance cost is N\$50 per square meter per year, calculate the total annual maintenance cost for the property based on its size. Justify the use of this formula in maintenance budget planning. (6)

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Question 5

Case Study: Overseeing Maintenance at The Otjomuise Heights Residences

Background:

You are the property manager of The Otjomuise Heights Residences, a mid-size apartment complex in a suburban neighbourhood known for its quality living standards. The complex is 15 years old and is beginning to show signs of wear and tear. Recently, the residents have raised several maintenance issues, from the aging HVAC system to minor plumbing leaks in various units. The complex consists of 50 units, and the current maintenance budget is tightly constrained due to unexpected expenses in the previous fiscal year.

The ownership is very concerned with the long-term health of the property and resident satisfaction but wants to ensure that maintenance costs do not overrun. They have tasked you with developing a maintenance plan that addresses current issues and sets the property up for the next five years of operations.

Questions:

a) Draft an outline of a strategic maintenance plan for The Otjomuise Heights Residences that prioritizes immediate concerns and long-term sustainability. (8)

- b) Propose two cost-effective solutions to address the aging infrastructure that ensure quality and do not compromise resident satisfaction. (8)

- c) Develop a communication plan to inform residents about the upcoming maintenance activities and how they will impact them. (8)

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