



**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF ENGINEERING AND THE BUILT ENVIRONMENT**

**DEPARTMENT OF LAND AND SPATIAL SCIENCES**

<b>QUALIFICATION(S):</b> BACHELOR OF PROPERTY STUDIES	
<b>QUALIFICATION(S) CODE:</b> 08BOPS	<b>NQF LEVEL:</b> 8
<b>COURSE CODE:</b> REM821S	<b>COURSE NAME:</b> REAL ESTATE MARKET ANALYSIS
<b>EXAMS SESSION:</b> DECEMBER 2025	<b>PAPER:</b> THEORY
<b>DURATION:</b> 2 HOURS	<b>MARKS:</b> 100

<b>SECOND OPPORTUNITY/SUPPLEMENTARY EXAMINATION QUESTION PAPER</b>	
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<b>MODERATOR:</b>	MR SIMSON KASHUPI ANGULA

<b>INSTRUCTIONS</b>
<ol style="list-style-type: none"><li>1. Read the entire question paper before answering the Questions.</li><li>2. Please write clearly and legibly!</li><li>3. Please <b>START EACH QUESTION ON A FRESH PAGE.</b></li><li>4. The question paper contains a total of <b>13 questions.</b></li><li>5. You must answer <b><u>ALL QUESTIONS.</u></b></li><li>6. Make sure your Student Number is on the EXAMINATION BOOK(S).</li></ol>

**PERMISSIBLE MATERIALS**

1. Non-programmable Scientific Calculator

**THIS QUESTION PAPER CONSISTS OF 5 PAGES** (Including this front page)

**Question 1**

Read each question carefully. Among the alternative answers, choose the letter that correspond to the best/correct answer. Each correct answer carries 2 marks.

1.1 In the Four-Quadrant Model, when tenant demand increases, causing rents to rise in the Space Market quadrant, what is the expected immediate effect in the Asset Market quadrant?

- a) A Property prices decrease because investors expect lower future incomes.
- b) Property prices increase due to higher rental income expectations
- c) Construction decreases due to oversupply of buildings
- d) Stock levels immediately drop

1.2 Assume construction costs rise sharply, limiting the number of new buildings. How will this impact rents and property prices according to the Four-Quadrant Model if demand remains steady?

- a) Rents fall and property prices fall due to oversupply
- b) Rents increase and property prices increase due to constrained supply
- c) No change in rents or property prices due to steady demand
- d) Construction increases rapidly to balance the market

1.3 What typically characterizes the "boom" phase in real estate markets?

- a) Rapid increase in property prices and high buyer demand
- b) Steady or declining property prices and low demand
- c) High unemployment and low housing construction
- d) Declining mortgage rates and reduced lending

1.4 Which factor commonly triggers the "bust" phase following a real estate boom?

- a) Increased government subsidies for homebuyers
- b) A sudden rise in interest rates making borrowing more expensive
- c) An influx of new homebuyers into the market
- d) Relaxed lending standards leading to easier credit access

1.5 During a real estate bust, what happens to housing inventory and prices?

- a) Inventory decreases, and prices increase rapidly
- b) Inventory increases, and prices decline sharply
- c) Inventory remains steady, but prices rise slowly
- d) Inventory decreases, and prices remain stable

1.6 How can speculative buying contribute to a real estate boom and subsequent bust?

- a) It stabilizes prices by matching supply with genuine demand
- b) It inflates prices beyond fundamental values, leading to a market correction later
- c) It decreases demand by discouraging first-time buyers
- d) It causes long-term steady growth with minimal price fluctuations

1.7 What policy measure can governments use to help moderate boom-bust cycles in real estate?

- a) Remove all restrictions on lending
- b) Tighten credit standards and increase transparency in lending
- c) Eliminate property taxes to encourage buying
- d) Freeze all home prices during booms

1.8 How does an increase in housing construction (supply) affect the equilibrium price in a real estate market, assuming demand remains constant?

- a) The equilibrium price increases
- b) The equilibrium price decreases
- c) The equilibrium price remains the same
- d) The market experiences a shortage

1.9 If a popular city's population rapidly grows due to new job opportunities, what is the most likely immediate effect on the real estate market assuming supply is relatively fixed?

- a) Demand decreases, causing prices to fall
- b) Demand increases, causing prices to rise
- c) Supply increases, causing prices to fall
- d) Supply decreases, causing prices to rise

1.10 In a scenario where government policies impose strict zoning restrictions limiting new housing development, what is the expected impact on the housing market if demand remains steady?

- a) Supply decreases, causing prices to increase
- b) Supply increases, causing prices to decrease
- c) Demand decreases, causing prices to increase
- d) Demand increases, causing prices to decrease

[20]

**Question 2**

What key factors should be considered when determining the highest and best use of a property in Windhoek, Namibia? (5)

[5]

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**Question 3**

Discuss the prospects of each of the main factors that affect the new housing supply in Windhoek and further assess the most likely movements of total new supply in Windhoek over the next three years.

(10)

[10]

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**Question 4**

Discuss the three major dimensions of housing demand and their implications for housing market analysis in Namibia? (15)

[15]

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**Question 5**

How can property owners and investors in Windhoek, Namibia, effectively determine the highest and best use of a property, considering factors such as zoning regulations, market demand, economic conditions, and physical characteristics? (5)

[5]

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**Question 6**

What challenges are currently faced by buyers, sellers, and investors in Windhoek's real estate market? (6)

[6]

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**Question 7**

Explain how urban migration shapes Windhoek's housing demand? (5)

[5]

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**Question 8**

How does the supply of residential land and housing in Windhoek affect the real estate market? (5)  
[5]

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**Question 9**

From your perspective what drives demand for properties in Windhoek? (3)  
[3]

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**Question 10**

What are the key trends and factors shaping the residential real estate market in Windhoek, Namibia, in 2025? (10)  
[10]

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**Question 11**

A 500 square meter plot of land in Windhoek's Eros suburb is valued at N\$350,000. If the typical rental yield for land in Eros ranges from 6% to 9%, show the annual steps you would take in calculating monthly land rents if a rental yield of 7% is used? (10)  
[10]

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**Question 12**

What are the key sources of comparable land sale data for Windhoek property valuations, especially land valuations? (10)  
[10]

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**Question 13**

Explain the impact of macro-economic and micro-economic factors on property markets. In your answer, discuss specific examples of how these factors influence property prices, demand, and supply across different types of real estate markets. (6)  
[6]

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