Dear Colleagues of real estate professionals.

Our Thai Appraisal Foundation would like to thanks all the leading international and national experts who generously contributed their insights. All the interviews were first published at the ThaiAppraisal Journal, Vol.9 No.1, January – February 2010 and it is reprinted at this booklet.

Allow me to introduce to you that our Foundation has been a principal member of the FIABCI since 2002. With legal registration No.BMA.1075, it’s one of the most active real estate organizations with monthly forums since October 2002, bi-monthly journal, the ThaiAppraisal and occasional international real estate events. We now have some 700 members who are appraisers, bankers, financiers, officials, and other real estate professionals.

Our foundation believes that “KNOWLEDGE IS NOT PRIVATE PROPERTY”. It should be share among professionals involved in real estate worldwide. The more we share, the more we win on the win win basis. Distortion, exploitation and domination will no longer exist if professionals and the public are knowledgeable about the market situation.

Please enjoy reading this view and if anyone would like to contribute to our Journal, please contact us at sopon@thaiappraisal.org. Please help share your view.

Sincerely yours,

Sopon Pornchokchai, Ph.D., D.FIABCI, CRS, MRICS
President, Thai Appraisal Foundation
Bangkok, Thailand
May 20, 2010.

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VIEWS OF LEADING EXPERTS ON WORLDWIDE PROPERTY MARKETS, 2010-2011

The Thai Appraisal Foundation interviewed 40 leading experts worldwide on the future of real estate markets in different countries as well as global trends on international markets. These are great contributions of the largest and rare gathering of leading experts which should be considered.

WORLD

Lisa Kurrass, CIPS, FIPC, FIREC
FIABCI World President, 2009-2010

First, I believe we need to stop focusing on the negative information which is reported throughout the world and embrace the idea that opportunity is everywhere for those of us who seek it.

Opportunity throughout the world exists but it requires new ways of thinking and searching to find it. Reaching outside our local boundaries is easy but requires some effort. And thanks to new technologies, the world is becoming a smaller playing field. Opportunity is there. The fluctuation in currencies and the advantages created as a result of exchange rates are enabling a strong emergence of new and increased business opportunities in different markets around the globe.

As the global financial crisis looms, there are many opportunities arising in specific property markets. According to billionaire real estate mogul, Sam Zell, Brazil, Egypt, Mexico and China provide some of the best opportunities for property investments. He also points out that the shortage of affordable housing and infrastructure that supports foreign investment is a reason for this positive success. Opportunity does exist.

Another trend I see is within the green sector of real estate i.e. green buildings, green mortgages, green designations. Along that same line I see an opportunity and new trend in the area of the building of eco-cities which will have a great impact on our health, our environmental resources and the world.

If you look around you will see that green technology is slowly being embraced throughout the world. Green technology is a science, a growth process, and a re-thinking of our existing actions and habits which is some cases need to modified. As world leaders, although our cultures can be very different, there is one thing I am sure that we all agree on – each one of us has a responsibility to our children to take care of this world, and to preserve it for future generations.

A final trend which I see is also an opportunity is with technology. Technology is leading change in the real estate market throughout the world. Never before have we had an opportunity to connect with so many cultures, share our thoughts, voice our opinions and even make history. Real Estate opportunities are growing with the increased usage of Social Networks, Wiki’s, Micro Blogging and online networks in the real estate industry.

Enrico Campagnoli
FIABCI World President, 2010-2011

In front to financial crisis, the International Real Estate Federation (FIABCI), representative of the RE private sector, has the responsibility to try to minimize the effects of the crisis, to restore confidence in the financial products backed by RE assets, to propose the use of the RE market as a driving force for national economies. As soon the the document “Key framework of Real Estate Market components”, produced with the support of FIABCI will become an UNECE (United Nations – Economic Commission for Europe) formal document, an instrument to help policy makers with advises to minimize the effects of financial crisis, FIABCI Chapter could consider it with local national RE policy makers. Also outside the UNECE region an appropriate consideration not only of the value, but also of the rating of RE assets backing financial products, could be useful to restore the confidence in the RE backed financial products. The development of the green RE markets could have a large impact of RE investments on GDPs and employment.

The role of FIABCI: FIABCI could lead an appropriate globalisation of RE Market, with global common rules and a World Arbitration
Commission to try to enforce them. Common global rules could come from UN documents, supported by our organization and by common rules decided w orld wide by the FABCI principal members. An World Arbitration Commission, constituted mostly by FABCI World Presidents, could have assigned the rule to enforce and FABCI members the global common rules and conduct FABCI code.

Common global rules and the capacity to enforce them could allow to our organization to lead a globalisation of the RE market able to reduce the risk of international transactions. The risk of RE markets, with social and economical benefits for everybody, but also for RE private sector itself, that could become a driving force of the recovery, w ith a resulting completely new positive image. The globalisation of the RE market, according common global rules, could help to avoid in future financial crisis, to increase the efficiency of RE market and the national GDPs.

Howard C, Gelbtuch, MAI, CRE, FRICS
Prinospel, Greenwich Realty Advisors
Future of Real Estate Markets in the United States and Around the World: Investors will one day look back and realize what a unique buying opportunity current distressed economic conditions present. Over-optimistic buyers supported by over-eager lenders used overly aggressive assumptions in their analyses, resulting in w hat we now realize were inflated purchase prices. Many purchases were financed with several layers of loans that now collectively exceed the current market value of these properties, and likely cannot be refinanced. The result is that mortgage lenders will become the new owners, and it will eventually have to dispose of these assets to get them off of their books. Prospective buyers have been accumulating cash and are waiting in the wings for lenders to accept the new reality and reduce their prices. Once this happens, the buyers will swoop in, and in a few years, when economic conditions have improved, it will look like heroes.

Future of the Valuation Profession: In certain sectors, such as the residential (single-family) home markets, some unscrupulous appraisers were, unfortunately, part of the problem by preparing unsupported, inflated appraisals. This was less prevalent in the commercial sector, as many appraisers actually did their job well, reporting the actions of buyers and sellers, just as they were supposed to do. That said, the environment is far more conservative now, w ith income in place being valued more highly than future income. Cash is king, and w e all now recognize that trees don’t grow to the sky!

Sopon Pornchokchai, Ph.D., D.F.IABCI, CRSMRICS 5

more significant role in the real estate industry both as a quality check on single property appraisals (to avoid the abuses we have just witnessed in the United States), and as a more cost effective way handle multiple data requirements ( property tax, loan underwriting, etc.). The cost differential is two cents versus two hundred dollars per plot. This is already happening in Denmark and Finland and more countries are following suit.

EUROPE
Bertrand Wasels
Vice-Chairman, European Group of Valuers’ Association (TEGoVA)
The crisis highlights the differences in Europe between real estate markets that suffered from economic recession and those that experienced the bursting of a property bubble on top of that. That should not obscure the longer term trend, which is the increasing approximation of national real estate market conditions caused by the political and economic integration of the European Union. The euro, the EU regulation of financial services and specific legislation to facilitate real estate investment and service provision across the EU are powerful factors creating a level EU playing field for all aspects of the business. This has a direct impact on the valuation profession, as the disappearance of borders and loss of national control needs to be compensated by European rules. TEGoVA is at the heart of this process. Its European Valuation Standards and a Recognised European Valuer (REV) scheme ensure common European valuation practice by valuers whose competence is recognised to high European standards.

AUSTRALIA
James Baxter
Assoc Professor, RMIT University
All countries, including Australia, were hit by the Global Financial Crisis to a greater or lesser extent. Recovery has been quicker than initially feared, but it is clear that the world is still very much in recovery-mode, and the crisis has not passed yet into history. As south-eastern Australia continues to struggle with one of its longest droughts in recorded history, and other parts of the continent are badly affected by floods and cyclonic storms, the Copenhagen talks are in the forefront of many people’s minds. Forecasts of rising sea levels have big property and investment implications for many areas of coastal Australia – and it is on the seaboard that the majority of the population lives.

As its response to the global financial crisis, in February 2009 the Australian Government announced an AUD 42 Billion Nation Building and Jobs Plan to support jobs and invest in future long-term economic growth. That package was passed by the parliament late in 2009; with the Australian Property Council saying “Let’s get building”. It also urged governments Australia-wide to work with industry to fast track bidding and approvals processes. Important projects include social housing, schools and other community facilities.

Geoff Guyett, FAPI, ANZIV
Managing Director, Colin Porter –Property Consultants (AUS) - CAP
The future of real estate markets in Australia: Australia was one of the few countries not to be affected by the Global “meltdown”. Property values did retreat and property transactions declined, but not significantly. Government stimulus programs ensured that the housing sector maintained some momentum and continues to be in demand. Commercial and Industrial sectors have seen a slight easing in return rates, but are still sought after by Fund Managers who have a need to invest in real estate with an easing in the real sector.

The future of valuation profession in Australia: The adoption of the International Accounting Standards w ill offer continued challenges for the valuation profession and a higher need for reporting w hic will flow through to employment opportunities into the coming years. There is a steady stream of graduates from the Universities that seem to be taken up in all fields of the property and financial industries and the valuation profession is looking to the future for continued growth.

I skandar Ismail, Ph.D.
Partner, Iskandar Associates
I see two major developments on the horizon. First, debt financing will be jittered in favour of reduced leverage as a risk management strategy. This means that the days of hot money driving megaprojects in Dubai and elsewhere will disappear for a decade or more until a new generation that has not been burnt by the recent collapse repeats the cyclical process. Its European Valuation Standards and a Recognised European Valuer (REV) scheme ensure common European process. Common global rules and the capacity to enforce them could allow to our organization to lead a globalisation of the RE market able to reduce the risk of international transactions. The risk of RE markets, with social and economical benefits for everybody, but also for RE private sector itself, that could become a driving force of the recovery, w ith a resulting completely new positive image. The globalisation of the RE market, according common global rules, could help to avoid in future financial crisis, to increase the efficiency of RE market and the national GDPs.

Duane Kissic
Vice Chairman, AECOM International Development
As we have recently observed, the real estate industry and real property need to adapt to the global economy. At least in the short-term there will be a return to basics so that confidence in the financial system is restored. More emphasis will be on appropriate due diligence in loan underwriting. No doubt, when investors regain confidence in the quality of debt in the market, the real estate industry will rebound. Given the global financial crisis, mass appraisal systems will play a

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Max Raine  
Chairman, Raine & Home Pty Ltd  
Clearly there have been far stronger growth years but when you consider the latest Australian Bureau of Statistics analysis suggesting capital city house prices jumped 6.2% since September 2008, this is surely a ringing endorsement for residential property in the doom and gloom this time around.

Nationally our Reserve Bank in December told us that house prices ‘surged 10% in first 10 months of last year’. RP Data median prices in Sydney are highest at $553,583 followed by ACT $503,000, Perth $490,541, Melbourne $481,247.

Around the continent what underpins our market is the housing shortage and strong population growth. It is predicted by some that we are building 30,000 – 40,000 too few houses each year. There were approximately 31,000 starts a fall of 30% in 2008 lowest level since 1991.

Connie Susilawati, Ph.D.  
Queensland Univ of Technology  
Home investment and ownership in Australia are highly dependent on the financing cost and availability. In 2010, many government stimulus packages will cease and it will impact the growth in housing sector. In Queensland, government has added more development constraints within planning mechanism and infrastructure charges which will restrain major development. Other government funded infrastructure projects will be dominated future development activities.

BRUNEI  
Maslina Abu Bakar  
Land Department  
Ministry of Development  
Real estate market is expected to remain the same in 2010 in all property sectors. Demand for medium to low cost housing remains high and preferences for landed housing continues to dominate the market particularly for young families for own occupation. Commercial properties rental is also expected to remain stable in areas within 1-4 kilometers from the centre of the capital, Bandar Seri Begawan.

The official implementation of the Strata Titles Act in July 2009 enhances the role of local valuers. The Act imposed landowners/developers to submit the Unit Entitlement Values of each strata unit prepared by a licensed valuer approved by the Board upon submitting the building subdivision application to the authorities.

CANADA  
Paul D. Bender, MRICS, ASA, AACI  
Senior Director, Altus Group  
There is a prevailing consensus view that the Canadian economy has emerged from recession in the third quarter of 2009, with a fairly gradual recovery continuing well into 2010. The impact of the recession has affected regional markets differently, with certain urban areas experiencing significant difficulties in the commercial and industrial real estate sectors and other cities having relatively stable conditions. Hospitality trade and manufacturing have been particularly hard hit by the economic downturn. On the other hand, the retail trade/housing markets have benefited by historically low interest rates.

The turbulent economic conditions have created challenges for the real estate appraisal profession in Canada. There are fewer sales of certain property classes, which complicates a yield and capitalization analysis for similar investments. Significant regional differences account for considerable variance in the selling values of property. As a result, a Canadian practitioner requires greater diligence in following current economic trends, performing reliable market research and competently analysing the available data. Going forward, there will be significant onus on the appraisal professional with respect to the opinions provided to clients, many of whom will undoubtedly seek legal remedy or litigation of losses resulting from reliance on such advice. Such liability can be mitigated by the appraiser in adhering to recognized standards of professional conduct and performing diligent and competent work.

Robert L. Brown  
International Property Tax Institute  
The Bank of Canada’s stated policy of keeping very low interest rates until at least June 2010 continues to offer promise for the Canadian real estate market. Although a backlog of inventory in commercial properties is keeping vacancy rates high, improvements in early 2010 are anticipated. The residential sector remains strong and the low interest rate commitment augurs well for 2010.

The distinctions between the mass appraisal and single property appraisal professions in North America continue to shrink. Linked education programs and mutual recognition of credentials are emerging. In mass appraisal, education standards for new entries continue to rise. The growing use of valuation and GIS models is resulting in a total restructuring of traditional assessment offices.

David Highfield  
Vice President, BC Assessment  
Chair, International Valuation Council, Appraisal Foundation  
The Canadian real estate market has shown remarkable resilience through the global economic downturn. Conservative Canadian banking regulations resulted in secure mortgages and low interest rates led to property values returning to pre 2008 levels in many regions of the Country.

Looking forward, the market is subject to a number of risks. Interest rates will likely increase significantly within 18 months. As incomes are unlikely to increase, this will limit demand. As oil prices rebound after the recession there will be reduced disposable income. For these reasons the indications are less optimistic in the mid-term.

Considering the future of the valuation profession in Canada, it has a limited window of opportunity to take its place among first tier professions globally. The non traditional areas of practice that directly relate to the valuers body of knowledge are not being assertively pursued by our profession in many places in the world. As new accounting standards and new valuation related products are being requested other professions are often prepared to offer services despite this being within our area of expertise. This is a crucial time for international standards and advocacy. It is also the time for our profession to prove our value.

Anil Dhope  
Board Member, Practicing Valuers Association India (PVAI)  
Education levels have gone up and due to the boom in the IT sector, India has produced a generation of young engineers nearly 600,000 engineers every year, widely travelled abroad and with high aspiration levels. They earn good money and spend good money too. And good policies of the Reserve Bank of India have resulted in extensive development of the housing sector & other infrastructure facilities in most of cities. Lending is on the rise.

The demand will keep growing in coming times because of the large population of India which is close to 1,250 million. Also major houses have acquired businesses around the globe. Merger and acquisition activity has caught up in a big way.

Masahito Suzuki  
International Relations Committee, Japanese Association of Real Estate Appraisal  
The United Nations forecast that the world economy will bounce back in 2010 with a global growth rate of 2.4 percent. Economic growth next year will be stronger in developing countries, especially in BRICs. Recovery in USA, Japan and EU countries will be weaker. Generally speaking the real estate market will show the same tendency. How ever I forecast that factors of the market recovery will be complicated more than before and the situations of the recovery will be very different according to circumstances of every place. The individualization will become more remarkable concerning the recovery of real estate market.

Sopon Pornchokchai, Ph.D., D.F.ABCI, CRSMRICS  
Chair, International Valuation Council, Appraisal Foundation  
Sopon Pornchokchai, Ph.D., D.F.ABCI, CRSMRICS  
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Considering the future of appraisal profession, I forecast that the individualization will become more remarkable concerning the value of every real estate in every country and influences on the value of real estate will be more complicated. Therefore local information will be more important. In the appraisal of real estate, it will be more necessary to analyze local market changes and specific value influences that give real estate its individuality.

MALAYSIA

Y. Bhg. Dato’ Mani Usilappan
President, Board of Valuers, Appraisal & Estate Agents, Malaysia

The valuation profession has grown from strength to strength in Malaysia and throughout the world. The growth areas are collateral valuations, valuations for accounting and development appraisals. The property sector, being risk dominated, requires the skills, knowledge and analytical abilities of a professionally trained valuer. Hence, it is foreseeable that the profession will grow.

Global liberalisation and cross border investments and trade will broaden the professional involvement of valuation work. Already, there exist worldwide brands being globally recognised moving into third world countries and making an impact. This trend will grow and the profession will be strengthened through higher standards of performance and quality services.

NEPAL

Om Rajbhandary
Chairman & CEO, Comfort Housing Pvt Ltd

Real Estate Sector is such an immense field where along with construction, buying and selling of residential/commercial real estate, selling raw land, managing or investing in properties, or putting money into real investment trusts (REITs) are just a few of the ways in which people become involved in this complex industry. It is a continuous and perpetual process where asset creation and up gradation process goes on in a cycle.

Sopon Pornchokchal, Ph.D., D.FIABCI, CRSMRICS

below their peak), economists are predicting a further slump in real estate prices in the last half of the year as interest rates increase due to the recovering world economy and the fight for local funds for the banking sector upon the world stage.

New Zealand previously had a serious shortage of graduates in the property profession which has now been addressed by the Institute. However with the downturn in the economy (with some redundancies) and very few take-ups of graduates there is a drift by graduates to other professions. The real estate profession is in crisis and training of professional development management instead of pure valuation. Time will hopefully correct this drift before the practitioners in the profession of valuation quickly age themselves into retirement.

NIGERIA

Roland Igbinoba
Chairman, Pison Housing Company

The global housing market received the biggest plunge during the economic global crisis. The Nigerian real estate market hardly felt this fall as a result of the lack of access to housing finance which ironically served as an advantage to the Nigerian market during this period. Hence it is not all bleak and grim for the Nigerian real estate market. A few beneficial initiatives are being put in place such as the Public Private Partnership and the Central Bank of Nigeria’s mortgage reforms are on-going. These will fortify the Nigerian real estate market and also increase access to housing finance in Nigeria.

PHILIPPINES

Florentino S. Dulalia, Jr.
National President, Chamber of Real Estate & Builders' Assoc and Chairman, FIABCI – Philippines

The nation faced the year with mixed feelings of apprehension and expectation. The economic turbulence caused by the global recession that began in the United States was quickly spreading to other countries, spawing social and political upheavals in its wake.

Sopon Pornchokchal, Ph.D., D.FIABCI, CRSMRICS

A Valuator acts as a catalytic role between the buyer and the seller to decide for their interest. Thus, it can be said undoubtedly that the valuation profession and the Real Estate market run parallel, complementing each other.

Real Estate sector has tremendous potential. Government Policy should aid in attracting FDI & NDI by making certain changes in its policies for housing schemes. Introduction of “Master Developer Concept” will enhance more opportunity for all the international as well as domestic investors.

NEW ZEALAND

Ian Campbell, BSc MBA FPINZ
President, Property Ins. New Zealand

New Zealand’s economy continues to recover but cautiously as markets reflect on world growth particularly activity in Australia and China, higher export commodity prices, government spending and housing strength. Given an improvement in business confidence, business spending will still remain weak. A high New Zealand dollar currently hinders export receipts back.

The Official Cash Rate is forecast to remain at 2.5% until mid 2010. Annual CPI inflation is expected to remain below 2.0%. Unemployment rate remains at 6.5% currently below the OECD average. House prices have risen steadily during 2009 with the national average up 1.0% over the last 12 months. Increases have not occurred equally across the market. A modest increase in house pricing, volumes and strength are expected during 2010.

Geoff Guyett, FAPI, ANZIV
Managing Director
Valuation and Management Services Limited (NZ) – VAMS

New Zealand is just recovering (very slowly – growth 0.1%) from six quarters of recession, and is expected to be a slow journey. Real estate has suffered and although there are national statistics to show a property recovery in prices (which are nationally still some 5% below their peak), economists are predicting a further slump in real estate prices in the last half of the year as interest rates increase due to the recovering world economy and the fight for local funds for the banking sector upon the world stage.

Despite, however, the dire forecasts for the more fragile economies by the pundits, the Philippines was spared of the brunt of the global recession, thanks to emerging opportunities in key sectors such as tourism, mass housing, business process outsourcing, and the presence of a steady and empowered market provided by some 12 million Filipinos overseas that dutifully sent their dollar remittances to the homeland.

Our banking system remains stable, and this is due in no small way to the efforts of our government and the professional bodies as such as property and farm management instead of pure valuation. Time will hopefully correct this drift before the practitioners in the profession of valuation quickly age themselves into retirement.

Bansan C. Choa
Chairman, Subdivision and Housing Developers Association

The industry growth soared within the last five years. But with the current global financial crisis and natural calamities industry undertook a minor slide. Real Estate market values remains the same, except for areas affected by the recent floods while those in non-flooded areas, prices increased. The housing supply increased for both the socialized and economic levels.
while simple subdivision and Open market supply decreased due to fall out from U.S. sub-prime crisis but is slowly gaining foothold after the recent floods. Overall, there is an increased market demand in the country because requirement for housing in the Philippines is a necessity not a luxury.

As long as country’s banking industry, growth in domestic consumption and strong OFW remittances coupled with the full support of other the government agencies, the Philippine real estate developers see brighter prospects for the coming years. Thus, the Philippine housing industry is in the right direction towards the year 2010 and beyond.

SINGAPORE

Kai Li, Ph.D. Candidate, Nanyang Technological University
The world real estate market will have fundamental change. So will the real estate valuation and appraisal. The primary concern will certainly be the climate change, and the real estate market will respond towards the associated policy move. The emerging green technology in building will be another area of concern to real estate sector. We also expect that world, in particular Asia, is having another boom in infrastructure development such as transportation and energy. All these will transfer the current real estate market towards low carbon and environmentally responsible practice. And such transformation will have impacts to cost, sales and income, in both residential and commercial properties.

Jeffrey Foo
President, Institute of Estate Agents, Singapore
Surprisingly, 2009 turned out to be a year of bumper harvest for property developers in Singapore as the number of private new homes sales surged past 14,570 units by end November 2009, only 441 units shy of matching the vintage 2007 performance with the December’s sales figure yet to be released. By November 2009, only 441 units shy of matching the vintage 2007 performance with the December’s sales figure yet to be released. By

Sopon Pornchokchai, Ph.D., D.FIABCI, CRSMRICS

TAIWAN

Tsyou Calvin LIN
Department of Land Economics, National ChengChi University
After the subprime mortgage crisis, real estate markets in most countries tend to recover since mid 2009. Two major factors attributed to the significant growth of real estate markets. First, most countries employed the monetary policies to rescue the financial markets, i.e., low interest rates and increased money supply. For example, Taiwan and Japan used the “consumption coupon” to stimulate consumption, which was a form of money supply and indirectly fueled the inflation. Second, securities investors, especially CDOs, hurt in the subprime crisis fled from the real estate market. The government's focus on bolstering the real estate market, almost a half of all estate agents have left the industry over the past 18 months. Mortgage bonds are difficult to obtain and investment in commercial property has been affected seriously. However, there is a perception that the property market is turning, and in the residential market, there are more potential buyers and prices are creeping upwards.

The good news is that with the continued strengthening of the open market value of public flats, which can be bought and sold freely in the market, demand for all types of mass market condominiums is expected to stay firm for 2010 and beyond.

SOUTH AFRICA

Prof Valmond Ghyoot
FPD Business School
South Africa has also suffered as a result of the financial crisis. Retail sales are down and expenditure on luxury and leisure items has decreased. In the real estate market, almost a half of all estate agents have left the industry over the past 18 months. Mortgage bonds are difficult to obtain and investment in commercial property has been affected seriously.

In the future, influenced by the interest rate decreasing policy in the whole world, Taiwán an's interest rates have been seen a slightly down ward and less 1% in 2009. The government’s strategic investments in the 12 development projects might largely push up the economic growth in 2010. Looking ahead, the global economy is recovering slowly. The booming Taiwán an stock market will further help stimulate private consumption. However, the overarching theme of warming relations with China has provided a partial counterweight to the Taiwán an's property market.

Sopon Pornchokchai, Ph.D., D.FIABCI, CRSMRICS

percent this year, Typhoon Morakot, which battered the island in early August 2009, has doubtless added a complicating factor, but is unlikely to throw the economy off course.

Considering property market, Taiwán an’s business environment is on a healthy trajectory, in no small measure due to the benzene cross Strait dynamic but also the government's focus on bolstering the island's competitiveness amid fierce regional competition. Easing in monetary policy by the Central Bank of China appears to have played under Taiwán an’s residential and commercial property markets.

Taiwán an’s office market will be the first to benefit, since China's public banks can set up representative offices in Taiwán an and help boost the occupancy rate. On 23 Nov. in 2009, Cathy Life Insurance announced that it planned to purchase a new building in TAIWAN for NT$ 3 billion to purchase the Cashbox KTV building on Zhongxia East Road. The purchase set a record on the land price paid per ping sold for NT$ 10.59. Million in the future, influenced by the interest rate decreasing policy in the whole world, Taiwán an's interest rates have been seen a slightly down ward and less 1% in 2009. The government’s strategic investments in the 12 development projects might largely push up the economic growth in 2010.

Despite official intervention by way of increasing the residential sites in the government land sale (QLS) programme for 2010, there was no stopping buyers picking up both brand new and resale private homes in the prime districts – propping up prices along the way. Sales of new private homes in the Core Central Region (CCR) actually increased in November 2009 over the previous month; while in the resale arena, private home sales were generally brisker in all districts in November as compared with October.

Going forward, the prospect of further intervention by the government, following warning by the central bank that more might need to be done to ensure greater credit risk management by banks in Singapore, may counterbalance any drastic price movements in the next two to three quarters.

The good news is that with the continued strengthening of the open market value of public flats, which can be bought and sold freely in the market, demand for all types of mass market condominiums is expected to stay firm for 2010 and beyond.

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The good news is that with the continued strengthening of the open market value of public flats, which can be bought and sold freely in the market, demand for all types of mass market condominiums is expected to stay firm for 2010 and beyond.
These factors will have a materially detrimental effect on cashflow, and that alone could trigger more business failures.

How will 2010 differ from 2009 for the property industry? Firstly, a less pessimistic attitude - one bubble may lead to another bubble, and that may lead to a more sustainable recovery, promoting confidence amongst the lending and borrowing communities.

Secondly, more tenant failures, particularly in retail (caused by the economy, consumer concern about the effects of the election outcome and the continued growth of internet retailing) could increase financial and cashflow pressure on landlords, causing high streets to have even more vacant units, and, over time, those high streets will become more concentrated in their core, with secondary or tertiary property at the edges being converted into other uses, such as residential.

And thirdly, there must be the prospect of a new international banking accord, (perhaps Basel III) to discuss and determine a revised assessment of risk management for property lending throughout the world's largest and financially developed nations. As long as that unquantified capital adequacy and unmeasurable risk remain an issue, then it is hard to see how the property markets in the UK and internationally can really return to their traditional levels of activity, success and profitability.

Jeremy C. Green, BSc MRICS
Director, Capital Markets, Lambert Smith Hampton

The UK commercial real estate investment market has suffered a severe downturn over the last two years, with transaction volumes reducing significantly and yields increasing to levels not seen since 2001. The last four months have, however, seen a turnaround that has seen values recovering in certain sectors of the market.

Overseas investors continue to be dominant in the marketplace, accounting for 43% of purchases in the year to date. Their focus continues to be on Central London and their interest in the market is enhanced by the continuing reduction in the value of sterling since the start of the credit crunch.

Market sentiment has improved across all sectors but the focus is on spatial information and geo-processing services encompassed in real estate appraisal.

Organizations involved with data standards are the Mortgage Industry Standards Maintenance Organization (MSMO); Real Estate Standards Organization (RESO); the Open Standards Consortium for Real Estate (OSCRE) and the Open Geo-Spatial Consortium (OGC).

Sandy A. Grigg, SR/WA
President, International Right of Way Association (IRWA)

As right of way professionals, our role is largely unknown and frequently not factored into the initial planning of a project. This means the issue of property rights may be overlooked until late in the schedule. Many infrastructure projects in the United States receive funding tied to a specific timeline, which puts increased pressure on obtaining property rights as soon as possible. However, when we are rushed and lack the time needed to establish a relationship of trust and professionalism, then equitable negotiations with the landowners are challenging at best. It becomes increasingly difficult to ensure that property owners are treated justly and fairly when the project timeline is the main priority. We represent both a body of knowledge and experience that cannot be duplicated outside our profession. In addition to our ethics and expertise, we bring perspective, problem solving and a multi-disciplined approach to any infrastructure project.

Josephine Lim, Ph.D, RI
President, International Association of Assessment Officers (IAAO)

Not surprisingly, the performance of real estate markets depends on the location and can vary between city and city, and town and town. Some states in the United States are severely affected by the mortgage and financial crisis, and four states are acknowledged to be the hardest hit by the crisis. They are Florida, California, Nevada and Arizona. I attended the IAAO Legal Seminar in early December 2009 in Las Vegas NV and the mortgage defaults in this city at that time are extremely high (quoted to be over
Randall Kopfer, SR/WA
Chair, Int’l Valuation Committee, IRWA

Appraisers who work for the United States government could see an increase in business opportunities stemming from stimulus funds that were allocated to infrastructure projects. For the private sector, there has been rapid growth in the expansion of electric transmission lines from coast to coast. Some projects are related to connecting new “green” or wind-generated energy to the grid, while other projects emerge from an increasing demand for electricity. New rights of way are required for expanding the grid, and as permitting is approved, the expansion of electric transmission rights of way should continue to grow for the next several years.

Several positive developments are proposed for appraisers in the near future. The Appraisal Foundation is establishing an appraisal practices board to issue voluntary timely guidance on emerging valuation issues in the marketplace. As the appraisal profession becomes more globally interconnected, international valuation standards will become more important in expanding the role of the International Valuation Standards Council.

In the United States, the economy is showing signs of stabilization. Despite this, concerns remain about its sustainability due to slow growth and high unemployment.

Sopon Pornchokchai, Ph.D., D.FA.BCI, CRS/IRRICS

In regard to real estate activity, the housing market shows signs of improvement as prices rise modestly and inventories shrink. However, in the commercial market, value losses continue. Specifically, in the apartment market, vacancy rates are increasing somewhat and both rents and prices are falling, again due to increased inventories. In the office market, vacancy rates continue to increase, as well, due to an imbalance of supply as measured against demand.

For both the apartment and office real estate sectors, tenants are in a more powerful negotiation position. The retail real estate market was, unfortunately, an early leader in a generally declining total real estate market. This decline occurred early as consumers reduced their spending on consumer goods. Finally, the industrial market, while usually a more stable real estate market, is not escaping the general malaise of the other investor areas. While the above paragraph might lead a person to conclude that the real estate market is pessimistic, there is, instead, cautious optimism.

Dan Owings
Senior Director, BOMI International

The U.S. real estate meltdown appears quickly moving from residential properties to commercial real estate. The spate of foreclosures and loan defaults could cause a collapse in that part of the bond market which is backed by commercial real estate and construction debt. Add to that banks’ reluctance to refinance commercial mortgages and the mood in this country is less than cheery. Daniel Tishman, chairman and CEO of the Tishman Construction Corporation is only one person to speak gloomily of prospects for commercial real estate.

At best, uncertainty plays a key role in how quickly the real estate markets will recover. If the world recession continues, businesses will contract or close, and the buildings housing them will stand underutilized or vacant. This gloom and doom scenario sounds dire, and it is — except that facility owners and managers with sophisticated training will know how to weather this perfect storm by reducing costs without sacrificing infrastructure integrity, positioning themselves and their companies advantageously for the recovery.

Sopon Pornchokchai, Ph.D., D.FA.BCI, CRS/IRRICS

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Wayne Thorburn, Ph.D.,
Former President, Association of Real Estate License Law Officials

The diversity of the U.S. real estate market results in certain areas - California, Nevada, Arizona, Florida, Ohio, Michigan - experiencing a high level of foreclosures, short sales, and residential home price depreciation. Other areas of the country, where prices never balloon, are witnessing a slow-down in home construction and a shortage of mortgage financing. The overall economic recession and high levels of unemployment discourage many individuals from purchasing homes also. This economic situation also has impacted commercial real estate, especially retail as several major chains have closed and vacated shopping malls and strip centers. For those with cash to invest for the long-term future, opportunities exist for excellent purchases, both commercial and residential, in areas where population growth and an economic rebound will provide future price appreciation.

Major changes are occurring in the appraisal profession in the U.S. with increased educational requirements for certification, an aging population of current certified appraisers, and the increased use by lenders of appraisal management companies who can underbid the traditional appraisal firms. With these and other changes, it is likely that the appraisal profession will be significantly different in five years from what it has historically been in the U.S.

VIETNAM

Tony Milton, MRICS, SIOR
Director, Indiana Chartered Appraisers Realtors Valuers & Auctioneers

In the short term, the real estate markets both of Vietnam and “the world” will be hindered by the lack of liquidity / bank loans. Also, as the West gets “poorer” I would expect rentals to either fall over time and slow growth at substantially reduced levels. Indeed, there is talk of new Capital Gains Taxes to prevent bubbles. However, with regards to Vietnam things are different with long-term upward trends fed by increasing GDP / capita, although the office

Sopon Pornchokchai, Ph.D., D.FA.BCI, CRS/IRRICS

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Dr. Sopon Pornchokchai
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Board Member, International Advisory Board, the Appraisal Foundation, USA
FABIACI Representative at the UN ESCAP Region
Representative in Thailand, Int’l Association of Assessing Officers
Course Organizers, BOMI International (Building Owners and Managers Institute International)
Focal Contact, United Nation Global Compact for Thailand
CRS Instructor, Council of Real Estate (CRS), National Association of Realtors (NAR)
Board Member, Thai Chamber of Commerce in Real Estate
Founder and Board Member. FABIACI Thailand
President, the Appraisal Foundation
Director, Thai Real Estate Business School
President, Agency for Real Estate Affairs, the largest real estate information centre with the most extensive surveys in the ASEAN.

He has been a consultant to the World Bank, ESCAP, UN-Habitat, International Labour Organization and other international organizations. His research masterpieces include the discovery of 1,020 slums (1985), CAMA (computer-assisted mass appraisal) modeling (1990), forecast of 300,000 unoccupied housing units (1995 and 1998), study for property information centre (2000), the roadmap for valuation profession (Ministry of Finance Vietnam, 2006) and the consultancy service to Ministry of Finance, Indonesia (2008).

Sopon Pornchokchai, Ph.D., D.F.IABCI, CRSMRICS

February 14-19, 2010
Real Estate Training in Nepal.
Dr. Sopon Pornchokchai in corporation with Brihat Investment Ltd., the largest education centre in Nepal organized a 6-day training on the Real Estate Marketing Agency in Kathmandu.

Monday - Friday, February 1-5, 2010
International Training Course: CRS
An international real estate course on the Certified Residential Specialist (CRS) by the Real Estate Brokers Association. Dr. Sopon Pornchokchai was an interpreter as well as a judge for the training the trainer. Some 44 participants participated at this course.

Saturday, December 12, 2009
Real Estate Presenting in Yangon
Dr. Sopon Pornchokchai was invited to speak about investing in Bangkok’s real estate at the Sedona Hotel, Yangon which was invited by Mr. James Duan, Chief Executive Officer of the Fragrant Property Co., Ltd

Mon-Tue, September 28-29, 2009
CSR Workshop, Bali
Dr. Sopon Pornchokchai, as a representative of the Employers’ Confederation of Thailand, went to present a paper on Corporate Social Responsibility (CSR) and SMEs in Bali by the I.O.

Sun - Wed, May 9-12, 2010
World Bank Project, Jakarta, Indonesia
Dr. Sopon Pornchokchai as a consultant of the World Bank to conduct some survey and presentation on property valuation for land acquisition in Jakarta

Wednesday, April 21, 2010
Real Estate Panel in Batam
Real Estate Indonesia (REI) at Batam Chapter organized an annual conference.

Sat - Sun, March 27 - 28, 2010
Teaching Valuation in Phnom Penh
Dr. Sopon Pornchokchai went to teach real estate valuation in Phnom Penh for two full days organized by the Ministry of Finance, Cambodia and National Valuers Assoc of Cambodia.

Friday, March 26, 2010
FIABCI Asia Pacific Meeting
Dr. Sopon Pornchokchai, a co-founder of the FIABCI Thailand and currently the FIABCI Representative to the UN ESCAP was at the FIABCI Asia Pacific Meeting at the Arnuma Hotel, Bangkok.

Friday, March 19, 2010
Real Estate Speaking in Penang
Dr. Sopon Pornchokchai was invited to speak about the ASEAN real estate market at the Malaysian Institute of Estate Agents in Penang, Malaysia.

September 10-20, 2009
IAAO Annual Conference, USA
Thai Appraisal Foundation joined the 75th International Annual Conference of the International Association of Assessing Officers held in Louisville, Kentucky.

August 16-18, 2009
Honorary Member of Indian Valuers
Dr. Sopon Pornchokchai received a honorary membership from the Practising Valuers Association of India and gave two lectures in Vadodara City.

June 25 - July 5, 2009, Indianapolis
International Right of Way Association
Thai Appraisal Foundation joined the 75th International Conference of the International Association of Assessing Officers held in Indianapolis.