

MAKERERE



UNIVERSITY

**VALUATION OF RENTED RESIDENTIAL HOUSES IN KAMPALA:-
EFFICACY OF THE INVESTMENT METHOD**

BY

MWANJE NASSIR

REG. NO: 2011/HD06/3191U

**A RESEARCH REPORT SUBMITTED TO MAKERERE
UNIVERSITY COLLEGE OF BUSINESS AND MANAGEMENT
SCIENCE IN PARTIAL FULLFILMENT OF THE REQUIREMENTS
FOR THE AWARD OF THE MASTER OF BUSINESS
ADMINISTRATION DEGREE OF
MAKERERE UNIVERSITY**

OCTOBER, 2013

ABSTRACT

This study is presented in five chapters. Chapter one provides a general introduction to the research problem, Chapter two presents a detailed and carefully chosen review of pertinent literature, the entire research methodology which involved interviewing registered valuers forms chapter three of this study, chapter four discusses the findings while chapter five summarizes the research findings and presents recommendations.

The study found out that the investment method of valuation is seldom used as far as valuation of income producing residential properties is concerned and this was in part because most valuers are not aware of the different types of techniques under the investment method. While it came second in valuation of apartments and third in tenements, it was widely not used in valuation of rented bungalows and several modest houses which are the preponderant housing type. The majority of valuers preferred cost method while others used the hybrid method of cost and investment.

The study recommended, among others, that seminars with a theme on the investment method of valuation should be continuously organized by the Institution of Surveyors of Uganda (ISU) to update its members on various paradigm shifts in investment valuation including techniques under the investment method of valuation.