The study has also ascertained the effectiveness of quality control techniques in building production in terms of planning and control aspects of management in Abuja. Lastly, the study has ascertained the challenges of quality control techniques in building production in terms of planning and control in Abuja with inclination to environmental, technological, personnel and project related challenges respectively

In view of the Findings made and Conclusion drawn from the study, it is recommended that all the quality control techniques in use should be put to practice rather than just a few, and should easily be accessible to ensure effectiveness in building production across all companies in the study area. So also, the gap for further study should create a data base for information and communication challenges of quality control techniques from lowest to highest as negative factors should have negative highest value respectively. Lastly, Construction consultants, contractors both private and public should imbibe quality control habits through training, workshops, seminars, symposium, etc to aid effective and efficient productivity

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ASSESSMENT OF PRE-INVESTMENT APPRAISAL TECHNIQUES AS A VERITABLE TOOL FOR REAL ESTATE BUSINESS DECISION IN ABUJA, NIGERIA.

AYODELE KAYODE DAVID
Department of Estate Management and Valuation, School of Environmental Studies, Federal Polytechnic Nasarawa, Nasarawa State Nigeria.

Abstract:
This paper evaluates pre-investment appraisal as a decision-making tool available to Estate Surveyors and Valuers (ESV) for determining the viability of any Real Estate Business. The viability test investigates profitability and takes into account how long it would probably take for an investment to recoup its initial investment. This paper examines the appraisal techniques used by ESV in Abuja Metropolis. Field survey was adopted through the use questionnaires administered to 150 Registered Estate Surveyors and Valuers out of which 125 were successfully retrieved. Data were analyzed through descriptive statistics. The results of Relative Importance Index (RII) falls between Low, High, and Very High. The payback Period PbP was found to be the viability appraisal technique that is most commonly used in practice, as shown by the highest mean score of 3.2 and RII of 0.81 which is very high by rating. Unstable interest rate ranked highest among the factors for the choice of appraisal technique with a mean of 3.2 and RII of 0.80. It was advised that Estate Surveyors should adopt suitable tool for carrying out viability studies in order to guide investors on the decision to choose between alternative real estate investments.

Keywords: *Pre-investment appraisal, viability, payback Period, and Real Estate.*

Introduction

In connection to creating a capital project, a pre-investment analysis is crucial. It compares costs with those areas of of real estate business prospects (Power, 2021). Thus, only instances where the option could increase or decrease cost or value should be considered when determining the choice. Typically, options are generated that vary from

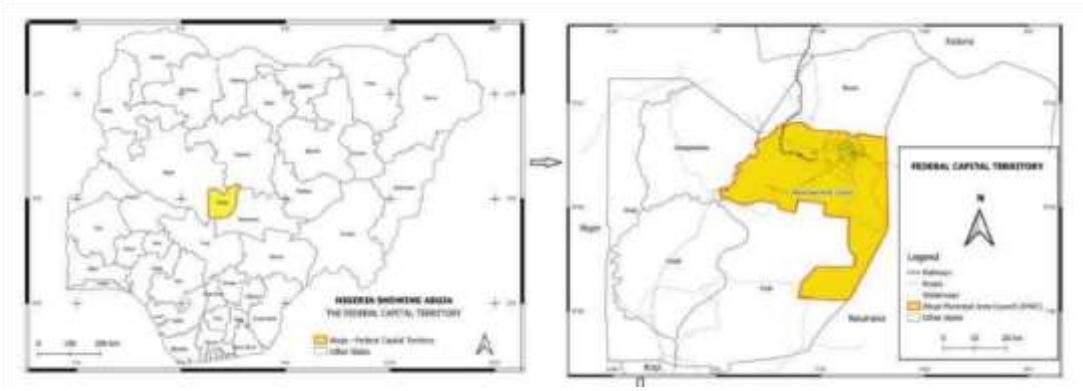
the most extreme (such as total relocation) to the "do least" strategy (Allen, Parrott, & Kyle, 2016). The anticipation of future returns has an impact on the decision to invest in a project since prudent investors usually seek to minimize risk while increasing profits. This call for the deployment of a strategy that will help the investor avoid losing money due to lack of pre-investment analysis. To establish if an investment is profitable, one or more decision rules must be applied while considering benefits and costs (Aharoni, 2015).

Before contemporary technology existed, there was a long-standing search for an accurate project appraisal process. Today, people still use the old appraisal approach to help them decide where to put their money. Despite the traditional appraisal's value, it has been criticized for a number of reasons, including its inability to foresee accurately, which causes an investor to lose money on his capital investment. Both management and shareholders of a company are concerned about locating a reliable method for calculating the prospective value of capital investment plans. Because they include the commitment of crucial resources that have an effect on the long-term performance and the wealth of the shareholders, capital investment decisions are of paramount importance to any organization. (Alipour, Mohammadi, & Derakhshan, 2015). The study of investment performance is highly important at present moment since investment performance analysis is being prioritized in many regions of the world (Kerzner, 2017). The economy of Nigeria has undergone tremendous transformation; the dynamism of the early 1970s and 1980s cannot be compared to the economy of today. (Kolawale, & Grace, 2017). Therefore there must be precautions before embarking on real estate investment considering the huge capital outlay.

Study Area

The Federal Republic of Nigeria's capital is Abuja, often known as the Federal Capital Territory. Latitude 9.0765° N and Longitude 7.3986° E are the coordinates of the city. (Refer to Figure1.) The region is situated to the north of where the Niger and Benue rivers converge. Its neighbors include the states of Kogi to the southwest, Nassarawa to the east and south, Kaduna to the northeast, Niger to the west and north west, and Kaduna. Abaji, Abuja Municipal (AMAC), Bwari, Gwagwalada, Kuje, and Kwali are the six local area councils that make up the

Federal Capital Territory (FCT). AMAC is the central area council known as Abuja. The planned metropolis of Abuja, which was constructed in the 1980s and replaced Lagos as the capital of Nigeria on December 12, 1991, is still home to the majority of the country's population. Aso Rock, a 400-meter monolithic rock, serves as the geographic center of



Abuja. The demand for diverse sorts of real estate had forced development of numerous properties throughout the city's length and width, opening up prospects of real estate business. Real Property industry requires the various services of estate surveyors, surveyors, and valuers and this infored the choice of the study area.

Figure 1. Map of Nigeria showing the study area.

Source*: Extracted from administrative map of Nigeria, produced by office of the Surveyor General of Nigeria in 1990, updated in 2021*

Conceptual Framework:

A feasibility study is necessary to reduce the risk of capital loss because the building industry requires a significant amount of financing. The viability indicators that direct decision-making in real estate development are getting harder to forecast. Investment viability evaluations are necessary as "requirements" for receiving development financing or satisfying legal requirements for approval. Similar considerations are necessary when a bank considers an open-ended loan because loan repayment may be based on the project's lease or sales strategy. Investors and financial institutions had to determine whether a thorough feasibility assessment supported the project before the bank would authorize a loan commitment. Additionally, it must make sure that any flawed study or evaluation that fails to take into account present and realistically predicted market conditions is rejected (Baumeister, Vohs, & Oettingen, 2016).

Before doing a feasibility and viability assessment, the potential investor would have decided to move forward with the project. The choice made frequently affects how well a project performs overall and how it turns out. According to Bello (2013), The main goals of feasibility and viability assessments are to assess the project's need and market potential, estimate project costs and expected revenues, create a suitable schedule for the proposal's implementation, and assess the project's proposed funding arrangement in light of the promoters' current financial situation.

Professional development appraisal methods have come under fire due to basic assumptions made about the incidence of costs and finance charges (Starr, & Whipple,

2019). Given the sensitivity of development evaluation elements, some sort of sensitivity analysis is necessary. The traditional method of using current estimates of rental value, investment yield, building cost, and finance rate is prone to error given the dynamic nature of the components involved in the development appraisal. There are existing problems with pre-investment review process, such as financing rates that are higher than expected, building cost estimates that are moving up, yields that are lower than expected, and longer void periods. Babawale, (2013) assert that there is no development appraisal that is devoid of problem. The standard of advice provided by estate surveyors to clients is gradually deteriorating in a rising economy. Assessment reports must be written such that they can take into account the characteristics of the complex real estate development industry. Due to implicit risk consideration in property development appraisals, the profession is currently falling behind in the domain of general finance. The decision of a commercial development appraisal should no longer be solely based on the knowledge and judgment of surveyors. When this reality is neglected, appraisers' results will present risk perceptions that are different from those of their customers since investor risk preferences and tolerance vary greatly (Alwahaibi, 2019). In order to correctly advise potential investors, viability studies involve a very critical investigation of viability criteria (physical indicator, financial, economic, legal, sociopolitical, and cultural indicators) (Alwahaibi, 2019). Different viability criteria were required for various choice categories, and only viability criteria that were in line with the decision-goals were suitable for each given decision. maker's The client's objectives, or set of objectives, should be the valuer's criteria. There are two main methods for determining if a real estate project will be lucrative or not, according to Damodaran (2012). Both deterministic and probabilistic appraisal techniques exist. The deterministic technique only uses the best estimate of all variable inputs for the viability computation as seen from a single point of view, while the probabilistic approach incorporates risk. Risk cannot be determined using the deterministic technique. The deterministic approach, which incorporates techniques like the residual valuation method, the developmental method, the break-even valuation method, the cost-benefit technique, the cash flow technique, the payback period, the Net Present Value (NPV), the Internal Rate of Return (IRR), the Annuity method, the profitability index, and the debt coverage ratio among others, has come under fire for failing to take risk into account in its calculations.

Hacker, (2019) states that the realities of the current economy may not be compatible with the conventional ways. The viability assessment procedure continues to rely primarily on traditional development appraisal methods. Modern methods of appraisal that incorporate measurement of risk and uncertainty, such as Monte Carlo Simulation, Risk Adjustment Discounted Rate technique, Certainty Equivalent technique, and Sliced Income technique, are still not fully embraced in practice, experts' opinions notwithstanding (Kolawale & Grace, 2017). These methods are more applicable under risk and uncertainty conditions as are currently experienced in Nigeria.

According to Ogunba et al. (2005), the probability weighted cash flows method (based on the net present cost technique) is the most suitable approach for clients who are public developers, Monte Carlo simulation for clients who are private developers, and certainty equivalent cash flows for clients who are development lenders. These are all contemporary methods of appraising property, and valuers hardly ever employ any of them.

The complicated and ever-changing socioeconomic environment in which real estate development takes place has a considerable impact on the decision-making processes utilized in appraisals of real property development, according to (Ekström, Grose, and Whetton 2015). The dependability of development evaluation is strongly influenced by the appraiser's ability to accurately estimate the variable inputs used in the assessment. Appraisers do not base their judgments on anything other than the decision-makers' objectives, which are virtually always to maximize profit. If the estate surveyors has a risk attitude that is more positive than what their clients feel appropriate, development evaluations may not diminish risk tolerance in an appropriate way. Modern methods of appraisal that incorporate measurement of risk and uncertainty, such as Monte Carlo Simulation, Risk Adjustment Discounted Rate technique, Certainty Equivalent technique, and Sliced Income technique are not yet widely used in practice, despite experts' opinions that these are the best methods that are more applicable under risk and uncertainty. Modern appraisal procedures have been developed as a result of the problems with the traditional method of appraisal. These procedures have been evaluated in industrialized countries and have proven to be more effective and efficient in resolving the ongoing problems that occur when using the conventional methods of appraisal.

The majority of development appraisers that undertake a risk analysis as part of their development evaluation merely use the risk analysis technique that works for them, according to Ogunba et al. (2005). It was claimed that the choice of viability criteria and, in turn, the appropriate evaluation technique should be based on the investor's view of and risk tolerance.

Since examining the costs and benefits of an investment is the major focus of investment appraisal, it is the valuer's responsibility to identify these criteria before choosing the best technique to employ. All businesses place a high priority on their investment decisions, and the most efficient instruments for doing so are competent evaluation methodologies. The usual probabilistic methodologies, like sensitivity analysis, the risk-adjusted discount rate, riskadjusted cash flows and Monte Carlo simulation, are, however, infrequently applied even in the face of economic volatility. The majority of development evaluations place less emphasis on risk analysis and more emphasis on returns; as a result, the methods used are deterministic and are quickly becoming insufficient to handle the dynamic socio-economic investment environment of today. These methods are inappropriate in an unstable economy like Nigeria's due to the determinism methodology. Sensitivity analysis represents the earliest attempts to

abandon determinism in project evaluation. The foundation of sensitivity analysis is the idea that changes in the important economic variables' values can have an impact on profitability.

Baum, Crosby, & Devaney, (2021) defined appraisal as an evaluation of a certain property's projected cash flow to ascertain its viability for a particular investor. It is typically done to support decision-making while taking into account the investor's investment characteristics. There are two major appraisal techniques;

(1). Traditional or accounting approach

(2). Discounted Cash Flow (DCF) approach 1. Traditional or accounting approach:

These straightforward techniques are those that are commonly employed in traditional or accounting project analysis approaches that are taken into account for viability appraisal in this research and they include; *a. The payback period.*

The payback period technique selects project with the shortest length of time to recover the investment. The method is very simple and it safeguards risk by early cash out. The method is also deficient because it does not discount the cash flow i.e the time value of money is not considered and it ignores the other cash flows after the payback period.

Types of Investments	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Project {x}	{₦ 10.0M}	₦ 6.0M	₦ 4.0M	₦ 2.0M	₦ 1.0M	₦ 0.5
Project {y}	{₦ 10.0M}	₦ 3.0M	₦ 2.0M	₦ 5.0M	₦ 4.0M	₦ 4.5M

Source: Author's Hypothetical Example, 2022;

i. From the above project (x) has recouped the capital outlay within two (2) years and project (y) would recoup within three (3) years. Whit this criterion, the proposed investor will be advised to choose the project (x) and reject the project (y). Prospective project (y) had more prospects of financial return after the payback period because a profit of N8.5M would be receivable from project (y) two (2) years after the payback period, while only N3.5M would be receivable from the project (x) after three (3) years of the payback period.

ii. Peak Profit Method: This method expresses the profit level in the best business years as a return on the sum invested. Assuming that in the above hypothetical For example, if the project (x) had the best income of ₦ 6M and the capital invested is ₦ 10M then the (%) return will be 60% while project (y) will be 50%; therefore project x will be recommended by this method.

iii. Average rate return (ARR): This is the only traditional method that appraises the proposed project by considering the profit from the project over the entire life as against the single year used in the peak period method. Average annual return for project (x) is ₦ 13.5M ÷ 5 = ₦ 2.7M
ARR in project x above will be $\frac{2.7}{10M} \times \frac{100}{1} = 27\%$
The average annual return for the project (y) is ₦ 18.5M ÷ 5 = ₦ 3.7M
While project (y) = $\frac{3.7}{10M} \times \frac{100}{1} =$ 37% So by ARR project (y) will be recommended because of the ARR of 37% which is 10% greater than that of the project (x). This method is equally very simple but does not discount the cash flow by the use of present value (PV).

Discounted Cash Flow (DCF) approach*:*
DCF uses the present value of future streams of income as a basis for adjusting the now value receivable in the future. The two DCF approaches mentioned in this paper are;

a. Net Present Value (NPV): This is the difference between the total discounted cash outflows for a particular property real estate investment and the total discounted cash inflows. It is equally used to choose between alternative investments by comparing the net present values of alternative investments. The value of NPV is rated by positive, negative or zero (+, -, or 0). A positive (+) NPV means that the investment is profitable or viable and the higher the positive value the better. A negative (-) NPV is an indication that the proposed investment will not be profitable or will result in a loss of capital if embarked upon. On the other hand, a proposed project with an NPV of Zero (0) is a project the total of the present values of cash inflows equals the total present values of cash outflows and it means that there would be no profit or loss. Proposed projects with Negative or Zero (- or 0) NPV are not profitable/viable and prospective investors should be discouraged from investing on them. NPV is given by the formula;
$NPV = \frac{Rt}{(1+i)t}$……..*3*
Where;
NPV = Net Present Value
R_t *= Net Present Cashflow @ time (t) t =*
Time of the Cashflow

b. Internal Rate of Return (IRR): This is the rate of return that when used to discount the cash inflows, it will make the NPV of cashflow to be zero. It is used to determine the profitability of a proposed investment by comparing it with the

target rate of return expected by the investor. IRR must be greater than the anticipated rate by the prospective investor in order for the investment to be profitable. If the IRR is lower than the expected target rate, there will be a loss and if the target rate is equal to the IRR, then there will be neither profit nor loss meaning that the proposed investor would just break even. The IRR is given by the formula;

$$IRR = R1 + \{R2 - R1\}\frac{NPVR1}{(\text{NPVR2} + \text{NPVR1})}$$

Where IRR = Internal Rate of Return
R_1 = First Rate of Return
R_2 = Second Rate of Return
NPV R_1 = Net Present Value of First Rate of Return (+)
NPV2 = Net Present Value of Second Rate of Return (-)

In one specific case of sensitivity analysis, the profitability of various combinations of these pessimistic, average, and optimistic estimates is calculated by considering high, low, and medium values of the key economic components and providing ranges of probable alternative conclusions. Baum, et al. (2021) accomplished a thorough analysis of deterministic and probabilistic techniques using a framework of numerical examples, they made a contribution by suggesting new tactics, such as the (Sliced Income approach) as a suggested replacement for the Risk-Adjusted Discount Rate and Certainty Equivalent methods, to help UK investors choose between various assets. This strategy essentially combines the Certainty Equivalent and Risk-Adjusted Discount Rate approaches. In Nigeria, where data banks and computer literacy are inadequate, Iroham, Oni, Okagbue, Emetere, Oluwunmi, Durodola & Udonquak (2021) believed that implementing this technique might create practical difficulties.

Given the aforementioned, the study's goal is to evaluate the investment viability techniques used by estate surveyors and valuers in Abuja, Nigeria, towards examining appraisal tool that is most used and the variables that affect the selection of these appraisal techniques, the viability standards taken into account by estate surveyors and valuers when performing viability studies, and an assessment of any potential problems that might arise from the use of appraising instruments that are unable to precisely measure the intrinsic value.

Methodology

Taking into account the foregoing, the study's objective is to assess the pre-investment viability appraisal methods employed by ESV in the spatial area of this research in order to identify best practices that will enable uniformity of methodology for projects. The

factors that influence the choice of these appraisal techniques, the decision-making criteria used by ESV when conducting viability studies in order to consider the potential issues that could arise from the use of appraisal tools that are unable to accurately produce the desired results.

Using the directory of the Nigerian Institution of Estate Surveyors and Valuers, a sample of 150 estate surveying firms was identified in order to complete the aforementioned task. A sample for analysis was created using the answers to 125 of the structured questionnaires that were distributed to a list of registered estate surveyors. The Liker scale was employed for an opinion study, and mean scores were used to analyze the data. The results were then sorted using the Relative Important Index (RII).

a. Computation of the mean using the weighted average formula;

Mean score were used for data analysis which were later ranked by the use of Relative Importance Index (RII).

$\bar{x} = \frac{\sum fx}{x}$ ……..(i)

$\bar{x}$ = Mean

x = Areas on the likert scale (1,2,3 and 4)

f = occurrence of respondents choice on the scale.

b. calculation of Relative Importance Index (RII)

$RII = \frac{\sum fx}{x} \; x \; \frac{1}{k} = \frac{\bar{x}}{k}$ ……..(ii)

K = maximum point on the likert scale

c. Interpretation of RII:

S/No.	Results of RII	Interpretations of RII
1.	RII < 0.60	Low Rating
2.	RII > 0.60 < 0.80	High Rating
3.	RII ≥ 0.8	Very High Rating

Discussion of the Findings:

Table 1: Questionnaires Administered:

Variables	Statistics	Percentage %
Administered	150	
Retrieved	125	83.33%
Not-retrieved	25	16.66%
Total	150	100%

Source: Author's Field Survey, 2022.

The distribution of the questionnaires is shown in Table 1 above; of the 150 distributed, 125 were retrieved, or 83.3% of the total; this is a good number for reliable results. The remaining 16.66% of the administered questionnaires were not retrieved, which had no impact on the validity of the results.

Table 2: Categories of Respondents and brief to carry out feasibility and viability Appraisal

Categories	Statistics	Percentage %
Principal partners	18	14.4%
Associate partners	23	18.4%
Branch head	28	22.4%
Heads of units	20	16%
Principal estate surveyors	12	9.6%
Senior estate surveyors	16	12.8%
Others	8	6.4%
Total	125	100%
Years Experiences (years)	Statistics	Percentage %
1-5	22	17.6%
6-10	43	34.4%
11-15	36	28.8%
≥15	23	18.4%
Total	125	100%

Source: Author's Field Survey, 2022.

According to Table 2, Branch Managers received the highest level of briefing for feasibility and viability assessments, followed by Associate Partners (18.4%) and other designations (6.4%). Meanwhile, 16% of respondents held the title of Head of units at their organizations, followed by Principal Partners (14.4%), Senior Estate surveyors and valuers (12.8%), and Principal Estate Surveyors (9.6%). No respondents said they had never received instructions for undertaking investment appraisal, as further evidenced by the Table. This suggested that the majority of respondents supported the claim that a significant fraction of investors do consult professionals before starting capital development projects. Table 2 also reveals that 28.8% of respondents have been in their field for between 11 and 15 years, while 18.4% of respondents have been practicing for more than 15 years. One to five years of job experience was held by 17.6% of respondents, and six to ten years of practice by 34.4%. This proves that the majority of responders have the knowledge required to ensure the reliability of the results. *Table 3 Appraisal Techniques and Frequency of Usage.*

Techniques	MOU (4)	OU (3)	SU (2)	NU (1)	Mean Scores ( )	RII	Rank
Accounting rate of Return(ARR)	55	22	30	18	2.91	0.73	5.5th
Int. Rate of Return (IRR)	54	35	20	16	3.01	0.75	3.5th
Payback Period (PBP)	68	37	10		3.22	0.81	1st

Peak Profit Method (PPM)	56	30	21	19	3.00	0.75	3.5th
Net present value (NPV)	53	33	29	10	3.03	0.76	2nd
Risk adjusted (NPV)	48	37	20	20	2.73	0.73	5.5th

MOU: Most Often Used, OU: Often Used, SU: Seldom Used, NU: Not Used, Source: Author's Field Survey, 2022.

Table 3 displays how frequently Estate Surveyors and Valuers employed viability appraisal techniques for development appraisal. The table indicates that the most frequently used evaluation methodology in actual practice is the Payback Period, one of the traditional methods of appraisal. A mean of 3.22 and RII of 0.81 which is a very high rating demonstrates this. Other techniques that followed are; NPV and IRR, with mean scores of 3.03 RII = 0.76 and 3.01 RII 0.75, which are high in rating respectively, whereas the Surveyors rarely employ riskincorporating techniques.

Table 4: Factors for choice of appraisal Tools

Factors	VS (4)	S (3)	U (2)	NS (1)	Mean Score ( )	RII	Rank
Level of risk tolerance	46	50	29		3.1	0.78	2nd
Unstable interest rate	49	50	26		3.2	0.80	1st
Suitability of viability tool	47	48	30		2.4	0.60	5th
Proposed Returns	47	48		30	2.9	0.72	3rd
Government policies	40	45	25	12	3.1	0.71	4th

VS: Very Significant, S:Very Significant, U:Udecided, NS: Not Significant Source: Author's Field Survey, 2022.

Table 4 above shows that unstable interest rate came in first with a mean score of 3.2 and with a high RII of 0.80, while Level of Risk Tolerance came Second with a mean score of 3.1 and RII 0.78 and then proposed returns ranked third with mean score of 2.9 and RII of 0.72. The fourth on the list is consideration for government policies with a mean of 3.1 and RII of 0.71. The Suitability to Viability tool ranked last with a mean score of 2.4 and RII of 0.60 which is a low RII rating, this suggested that appraisers don't always take into account the Suitability of viability tool. The incorrect application of the viability appraisal technique resulted in the failure to critically examine these functions.

Table 5: Viability parameters for appraisal

Viability criteria	A (3)	NO (2)	N (1)	Mean Score( )		RII	Rank
Economic	53	54	18	2.28		0.76	2nd
Technological	49	58	20	2.26		0.75	4th

Socio cultural	50	48	27	2.2		0.73	5th
Political	54	20	51	2.0		0.67	6th
Physical	50	50	25	2.27		0.73	3rd
Financial returns	70	50	5	253		0.85	1st

A: Always, NO: Not Often, N: Non
Source: Author's Field Survey, 2022.

Table 5 lists the factors that Estate Surveyors and Valuers considered before selecting an evaluation method. The results indicated that the most crucial factor to take into account when selecting an evaluation technique is the financial returns. This is shown by the average mean score of 2.53 and RII of 0.85 which is very high according to Relative Importance Index Rating. It is closely followed by Economic returns with a mean score of 2.28 and RII of 0.76 and followed by physical, technological, socio-cultural, and political criteria with mean score of scores of 2.27, 2.26, 2.22, and 2.20 respectively.

Table 6: Challenges of Using Inappropriate Appraisal Tools

Categories	Statistics	Percentage %	Rank
Actual Returns differs from the Expected	15	12%	5th
Defaults in Loan repayment arrangement	22	17.6%	3rd
Longer void period for properties	27	21.6%	2nd
Exposures to risk	20	16%	4th
Foreclosure of mortgaged properties by lenders	41	32.8%	1st
Total	125	100%	

Source: Author's Field Survey, 2022.

Table 6 displayed the of selecting a viability appraisal method that is unable to accurately gauge the investor's purpose. 32.8% of the respondents believed that the use of such an appraisal technique could result in foreclosure of mortgaged properties while 21%, 17.6%, 16%, and 12% were ranked as shown in table 6 above. The use of inappropriate appraisal tools would result in misleading advice by the surveyors and the use of that advice would result in nonviability of the investment.

Recommendations and Conclusion:

In order to make a wise investment selection, to establish the type of data to watch out for and the best appraisal technique to use. The following suggestions are generated from the study:

i. Estate surveyors and valuers should make every effort to enhance their learning culture about the usage and application of various appraisal methods since their opinion of value acts as a standard of judgement. This is due to the fact that the instrument used for investment research needs to be sufficient and

efficient in order to handle the worldwide trend of economic improvement while also accomplishing an investor's goal. ii. In addition to the investor's objective(s), the economic inflationary trend, the appropriate viability requirements, changes in interest rates, and the investor's level of risk tolerance, appraisers should note all aspects that can enhance theprofitability of an investment. The majority of investors are willing to accept the risk necessary to start an investment, thus this is necessary. iii. When conducting a viability study, ESVs should pay adequate attention to carefully consider the appropriate viability criteria for the proposed investment because it has been established that investments will thrive in an environment that is both financially and economically supportive. iv. When ESVs uses an investment instrument that is unable to accurately measure the investment's intended purpose while counseling the investor on the profitability of his investment portfolio.

Conclusion:

The appraiser's capacity to precisely estimate the variable inputs used in the assessment has a significant impact on the dependability of development appraisal. The role of a valuer is particularly prominent because these changeable inputs are susceptible to change. Estate surveyors and valuers engage in investment analysis should take note of all parameters that will bring about dependable result for clients decision. Most ESV executes appraisal exercise in a way that is open and more suitable to them rather than the requirements of he client. There are various appraisal tools available for use in this exercise to help with investment decision-making. This study proved that applying appropriate modern appraisal techniques is a challenging task for Estate Surveyors and Valuers in practice because it necessitates critical analysis of tools that are too heavy or necessitates rigorous mathematical application that most appraisers are not too familiar with. Understanding the various different development risk analysis approaches is one thing; evaluating and using the technique that is best suitable for each situation is quite another. Any viability study's success depends on more than just understanding the investor's objectives; it also depends on understanding the criteria on which those objectives are founded, the investor's level of risk tolerance, changes in interest rates, and the path of inflation in the economy.

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