

## APPENDIX A

### Topic: “Repurposing A Shopping Mall”

#### Preliminary Round

1. The Covid-19 pandemic which started in early 2020, has resulted in a sudden and significant impact on all aspects of people’s lives. Businesses will not go back to the way we knew before the pandemic, but they will be compelled to use this crisis to reinvent themselves to be more resilient, adapting their operational models to the ‘new normal’.
2. Every sector must now scramble to adapt to the changes brought about by the pandemic, and shift strategic plans to take on the ‘new normal’ and the property industry is no different. While the outlook for the property market looks uncertain in the short term, it is expected for market recovery to happen in the near future, and businesses must strategize for the long run to best capitalise on this.
3. A large public-listed company with core business in real estate investment has appointed your Firm to turnaround its retail assets from the conventional pre-pandemic purposes which are now economically obsolete to innovative forward-looking and income-generating repurposes.
4. For the first phase, your Firm has been assigned to a medium-sized neighbourhood mall with a Net Lettable Area (NLA) of approximately 200,000 square feet to undertake a “Repurposing Study” with the following objectives:
  - a) To propose potential use(s) with income-generating prospects as alternative to the existing retail and F&B uses which have seen a decline in business resulting in default in rental payments as well as reduced occupancy rate as tenants terminated their tenancies in the mall;
  - b) To identify potential tenants/buyers that are able to occupy the mall based on the proposed alternative use(s);
  - c) To project the rental/sales income that can be generated after the repurposing exercise;
  - d) To assess the existing physical conditions of the mall to evaluate its viability to be repurposed to the proposed use(s);
  - e) To review the existing ownership status and propose the necessity of subdividing the mall into a stratified property in line with the proposed use(s); and
  - f) To prepare estimates for the cost of repurposing the mall to the proposed use(s) including any refurbishment, retrofitting, interior decoration, additional infrastructure and building services as well as plant and equipment that will be required.

5. In order to undertake the above tasks, you are to assemble a team comprising of the following professionals:

- a) Property Surveyor
- b) Building Surveyor
- c) Geomatics and Land Surveyor
- d) Quantity Surveyor

6. Based on para 4. above, your Team is to prepare and present in PowerPoint format a comprehensive and integrated proposal comprising of the following:

<b>Presentation</b>	
<b>Property Surveyor</b>	<ul style="list-style-type: none"><li>• <b>Market Study</b></li><li>• <b>Feasibility Study</b></li></ul>
<b>Building Surveyor</b>	<ul style="list-style-type: none"><li>• <b>Building Condition Survey</b></li></ul>
<b>Quantity Surveyor</b>	<ul style="list-style-type: none"><li>• <b>Costing</b></li><li>• <b>Bill of Quantities</b></li></ul>
<b>Geomatics and Land Surveying</b>	<ul style="list-style-type: none"><li>• <b>Building Layout Plan</b></li></ul>
<b>Whole Team</b>	<ul style="list-style-type: none"><li>• <b>Conclusion</b></li><li>• <b>Recommendations</b></li></ul>

# APPENDIX B

## Guideline for Question 4A (Prepared by GLS Division)

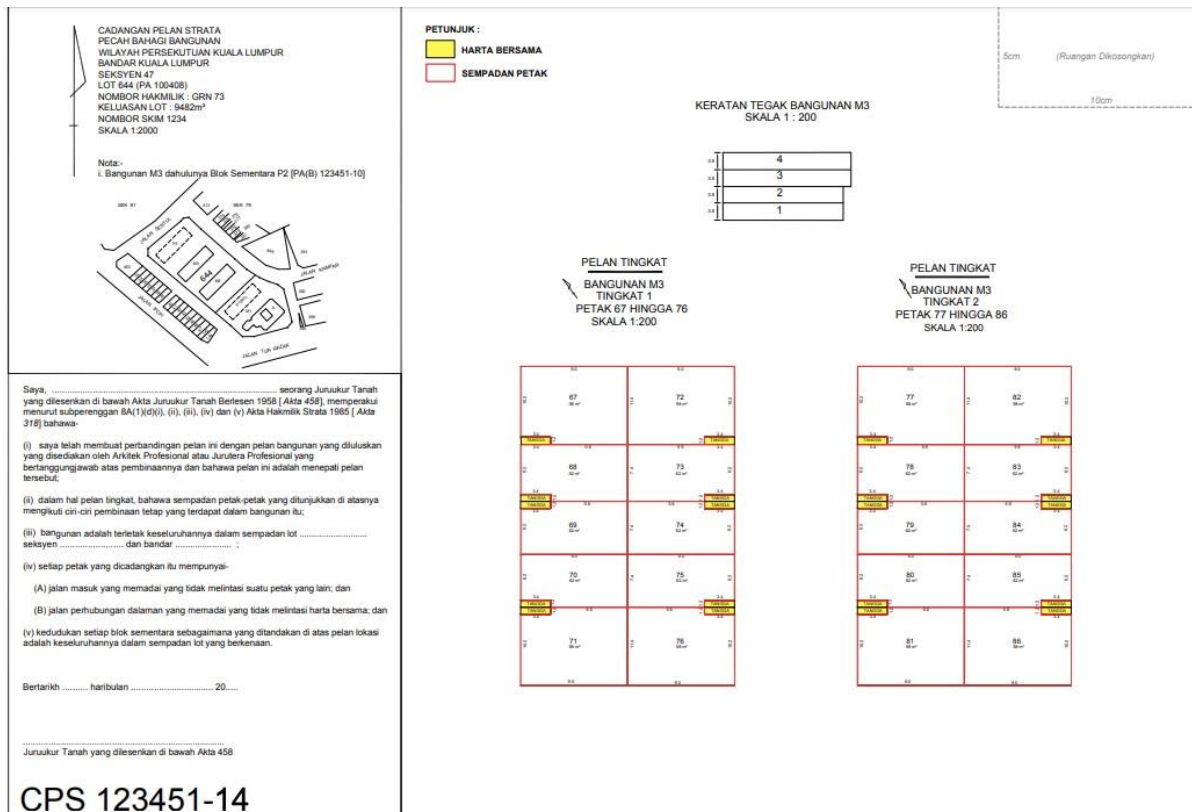
### STRATA PLAN PREPARATION

A reconnaissance and site visit are required to prepare a strata plan. The strata plan must be prepared to determine the location of the existing shopping mall and provide the details of parcels inside the shopping mall in every level.

As a Geomatic and Land Surveyor, you are engaged to produce a proper strata plan which follow the all circulars and guidelines related to strata scheme. Strata plan is used to determine the building structure within the proprietor boundary and to ensure the designated area for each parcel in every level of the shopping mall. The strata plan must include a location of building on land parcel boundary, floor plan for every level, vertical section of the building and common properties. Common properties refer to any part of the lots which is not comprised in any parcel i.e. stairs, elevator, visitor parking, playground and etc. This plan should also include its own numbers, dimension and area of each parcel in this building. As a Geomatics and Land Surveyor, you must convince the real estate investors, the existing physical conditions of the mall has viability to be repurposed to the proposed use.

The strata plan must be prepared in suitable scale and represent all the minimum requirements stated in the above paragraph. A sample of strata plan is shown in Figure 1.

Figure 1: Sample of strata plan in Wilayah Persekutuan Kuala Lumpur



Note:

Participants are open to use any map publishing tools available. Hand-drawing plans are discouraged.





**APPENDIX C**

**Guideline for Question 4B (Prepared by RISM BS Division)**

**BUILDING CONDITION ASSESSMENT FOR SHOPPING MALL**

Instruction: You are required to prepare a list of maintenance works for the shopping mall based on the Planned Maintenance schedule from your own recommendations

REFERENCE			
CONDITION ASSESMENT			
CONDITION	SCALE	DESCRIPTION (VALUE)	
1	NEW/AS	MINOR SERVICING	
2	FAIR	MINOR REPAIR	
3	POOR	MAJOR REPAIR	
4	VERY	MALFUNCTION	
5	DILAPIDAT	DAMAGE	
PRIORITY ASSESMENT			
PRIORITY	SCALE	DESCRIPTION (VALUE)	
NORMAL	1	FUNCTIONAL, ONLY COSMETIC DEFECT	
ROUTINE	2	MINOR DEFECT, BUT CAN LEAD TO SERIOUS DEFECT	
URGENT	3	SERIOUS DEFECT, CANNOT FUNCTION ACCEPTBLE	
EMERGENCY	4	ELEMENTS/STRUCTURE NOT FUNCTION AT ALL; OR RISK	
		THAT CAN LEAD TO FATALITY AND INJURY	
OVERALL BUILDING RATING			
NO	BUILDING RATING	SCORE (total matri/total defect)	
1	GOOD	1 TO 4	
2	FAIR	5 TO 12	
3	DILAPIDATED	13 TO 20	

Defect Sheet No.	001	Block.Level	BA.1		
		Location	Shop 1		
		Element/ Component	Ceiling/ Ceiling Board		
		BARIS			
		Condition	Priority	Matrix	Colour
		4	4	16	
		Defect Description			
	Damaged ceiling board				
Defect Sheet No.	002	Block.Level	BA.1		
		Location	Shop 1		
		Element/ Component	Wall/ Wall Tiles		
		BARIS			
		Condition	Priority	Matrix	Colour
		3	4	12	
		Defect Description			
	Broken wall tiles				
Defect Sheet No.	003	Block.Level	BA.2		
		Location	Shop 2		
		Element/ Component	Door/ Timber Door Leaf		
		BARIS			
		Condition	Priority	Matrix	Colour
		3	2	6	
		Defect Description			
	Damaged timber door leaf				
Defect Sheet No.	004	Block.Level	BA.2		
		Location	Toilet 1		
		Element/ Component	Floor/ Floor Tile		
		BARIS			
		Condition	Priority	Matrix	Colour
		2	2	4	
		Defect Description			
	Stain on floor tiles				

**BUILDING CONDITION ASSESSMENT RATING SYSTEM (BCARS)**  
**TABLE OF BUILDING DEFECTS FOR SHOPPING MALL**

Bill	Block/Level	Location	Element/Component	Defect Description	Condition [a]	Priority [b]	Analysis Matrix [c] = (a x b)	Defect Sheet No.
1	BA.1	Shop 1	Ceiling/ Ceiling Board	Damaged ceiling board	4	4	16	001
2	BA.1	Shop 1	Wall/ Wall Tiles	Broken wall tiles	3	4	12	002
3	BA.2	Shop 2	Door/ Timber Door Lea	Damaged timber door lea	3	2	6	003
4	BA.2	Toilet 1	Floor/ Floor Tile	Stain on floor tiles	2	2	4	004
5	0	0	0	0	1	1	1	005
6	0	0	0	0	1	1	1	006
7	0	0	0	0	1	1	1	007
8	0	0	0	0	1	1	1	008
9	0	0	0	0	1	1	1	009
10	0	0	0	0	1	1	1	010
11	0	0	0	0	1	1	1	011
12	0	0	0	0	1	1	1	012
13	0	0	0	0	1	1	1	013
14	0	0	0	0	1	1	1	014
15	0	0	0	0	1	1	1	015
16	0	0	0	0	1	1	1	016
17	0	0	0	0	1	1	1	017
18	0	0	0	0	1	1	1	018
19	0	0	0	0	1	1	1	019
20	0	0	0	0	1	1	1	020
21	0	0	0	0	1	1	1	021
22	0	0	0	0	1	1	1	022
23	0	0	0	0	1	1	1	023
24	0	0	0	0	1	1	1	024
25	0	0	0	0	1	1	1	025
26	0	0	0	0	1	1	1	026
27	0	0	0	0	1	1	1	027
28	0	0	0	0	1	1	1	028
29	0	0	0	0	1	1	1	029
30	0	0	0	0	1	1	1	030
31	0	0	0	0	1	1	1	031
32	0	0	0	0	1	1	1	032
33	0	0	0	0	1	1	1	033
34	0	0	0	0	1	1	1	034
35	0	0	0	0	1	1	1	035
36	0	0	0	0	1	1	1	036
37	0	0	0	0	1	1	1	037
38	0	0	0	0	1	1	1	038
39	0	0	0	0	1	1	1	039
40	0	0	0	0	1	1	1	040
41	0	0	0	0	1	1	1	041
42	0	0	0	0	1	1	1	042
43	0	0	0	0	1	1	1	043
44	0	0	0	0	1	1	1	044
45	0	0	0	0	1	1	1	045
46	0	0	0	0	1	1	1	046
47	0	0	0	0	1	1	1	047
48	0	0	0	0	1	1	1	048
49	0	0	0	0	1	1	1	049
50	0	0	0	0	1	1	1	050
51	0	0	0	0	1	1	1	051
52	0	0	0	0	1	1	1	052
53	0	0	0	0	1	1	1	053
54	0	0	0	0	1	1	1	054
55	0	0	0	0	1	1	1	055
56	0	0	0	0	1	1	1	056
57	0	0	0	0	1	1	1	057
58	0	0	0	0	1	1	1	058
59	0	0	0	0	1	1	1	059
<b>Total Mark [d] (Σ of c) / [d] (Σ of h)</b>							93	
<b>Total of defects [e]</b>							59	
<b>Total Score (d/e)</b>							1.576271186	
<b>Overall Rating of the Building</b>							GOOD	

## **APPENDIX E**

### **Guidelines for Question 4C and 4D (Prepared by PS Division)**

1. To consider the following in arriving at the income on monthly basis (assuming the subject mall has been repurposed): -
  - a) Location (city, district, surrounding developments, etc);
  - b) Subject mall's revised layout plan, net lettable area and proposed tenant mix;
  - c) Economic performance;
  - d) Comparison between the retail sector business/industry performance and the repurposed sector;
  - e) Retail property market (demand and supply, sale and leasing market performance, etc) versus the repurposed market;
  - f) Demographic profile of target catchment (age, household income, consumer behavior etc).

The monthly income for the subject mall should include but not limited to base rent from the leasing of net lettable area, percentage rent from sales turnover, advertising and promotion, car park, etc.

Relevant analyses and adjustments made on the comparable data adopted must be incorporated.

2. To incorporate the capital expenditure to repurpose the subject mall derived from the Quantity Surveying part of the assignment into the financial projection as per the template below.
3. To propose the detailed operating expenses on monthly basis (assuming the subject mall has been repurposed) taking into account the maintenance schedule under Building Surveying and incorporated into the financial projection.
4. To provide the annual net cashflow projection including the following indicators:
  - a) Payback period
  - b) Net Annual Value
  - c) Present Value
  - d) Discount Rate
  - e) Internal Rate of Return
5. To provide a summary on the financial viability or feasibility of the repurposing project based on the financial projection including target market, value propositions, critical success factors, marketing strategies etc.

**APPENDIX E (CON'T)**

**Guideline for Question 4C and 4D (Prepared by PS Division)**

**DISCOUNTED CASH FLOW (DCF) PROJECTION**

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
1. INCOME						
2. EXPENSES						
3. SURPLUS/DEFICIT						

**APPENDIX F**

**GUIDELINE FOR QUESTION 4F [Preliminary Stage]**

Prepared by RISM QS Division

Cost Estimating is a predictive process used to quantify, cost, and price the resources required by the scope of an investment option, activity, or project. The output of the estimating process, the **Cost Estimate**, may be used for many purposes, such as:

- determining the economic feasibility of a project
- evaluating various project alternatives
- establishing the project budget
- providing a basis for project cost and schedule control

1. The contestants are required to prepare the cost estimate for the repurposing project. Cost estimate should be based on the contestants proposal.
2. The cost estimate prepared shall be the basis of the project cost to be included in the final presentation, hence all elements should be included.
3. Tables attached are the examples of cost involved and should be incorporated in the final slide.

Estimating for Demolition

No	Items	Size (m <sup>2</sup> )	Cost/m <sup>2</sup>	Total
	<b>East Wing</b>			
	Existing Walls			
	Existing Partition			
	Existing Finishes			
	<b>Centre Court</b>			
	Existing Fountain			

Estimating for Repurposing Shopping Mall

No	Items	Specifications	Size (m <sup>2</sup> )	Cost/m <sup>2</sup>	Total
	<b>East Wing</b>				
	New Walls	Brickwall with paint finish			
	New Finishes	8mm Granite			
	<b>Centre Court</b>				

Total Construction Cost for Repurposing

	Items	Cost
	Demolition	
	Repurposing	
	- East Wing	
	- Centre Court	
	<b>Total</b>	