ANALYSIS OF REAL ESTATE VALUATION METHODS
(ON THE EXAMPLE OF RESIDENTIAL BUILDINGS)

Giyasov Bobo Djurakulovich
Phd. Docent. department of "Cost Engineering and Real Estate Examination."
E-mail: Giyasov@mail.ru

Mardonova Moxidil Otabek kizi
Master. Samarkand State Architectural and Construction Institute.
e-mail: Moxi@mail.ru

Annotation

One of the most important conditions for the viability, existence in this sector of the market, as well as a necessary condition for the functioning of the real estate market is the availability of information infrastructure. It, in turn, provides market participants with up-to-date, complete and reliable information, and also performs an effective analysis of real estate valuation methods, which will allow for a deeper, objective and complete assessment of land and residential assets

Keywords: cost, estimate, price, estimated cost, construction, estimated norms, Local estimates, Object estimates, Consolidated estimated calculations of the cost of construction.

Relevance of the Study

In recent years, one of the topical problems is considered to be the problem of improving the efficiency of the economic management system and its components in the field of real estate management, including the sphere of management of real estate and land plots of owners of such. In this area, the municipal authorities have the ability to regulate it directly. The reform of local self-government has changed the attitude to property that is in municipal ownership, it has become necessary to legally regulate the emerging appraisal activity on the basis of the developing market.

The aim of the work is to develop theoretical and methodological approaches to the formation of an economic strategy for the analysis of real estate valuation methods in modern conditions, taking into account the options for its development and use.

To date, various methods and techniques that are used in the evaluation of real estate and land are effective.

There are three main methods of real estate valuation:

- Comparative;
- Expensive;
- Profitable.

The comparative method considers a comparative analysis of market sales, that is, the ratio of the desired criteria and the comparison of market analogues. This method is based on the principle of substitution, its meaning is that an informed buyer, according to the necessary degree of his awareness,

will not pay more for real estate than a similar real estate object is worth on the market. The cost of the object is determined based on the prices of recent valid sales

This method is used as the main one when evaluating housing for the purposes of mortgage loans. The stages of real estate valuation using the comparative method are:

- Market research and collection of information about completed transactions;
- Selection of information in order to increase its reliability; confirmation that the transactions were made in free market conditions;
- Selection of comparable objects for analysis;
- Conducting a comparative analysis

This method is used as the main one when evaluating housing for the purposes of mortgage loans. The stages of real estate valuation using the comparative method are:

- market research and collection of information about completed transactions;
- Selection of information in order to increase its reliability; confirmation that the transactions were made in free market conditions;
- Selection of comparable objects for analysis;
- Conducting a comparative analysis

The cost-based method involves estimating the cost of full reproduction or the cost of full replacement of the assessed property, minus the amount of estimated depreciation of buildings and structures.

This method is used in the feasibility study of new construction, determining the best and most efficient use of land, and in insurance. In modern Russian practice, the calculation of the recovery (current) the cost of the object is carried out using officially approved indices, conversion coefficients of the estimated cost of construction and installation works into current prices, etc. The main stages of the cost-based assessment procedure:

- Calculation of the cost of constructing a new similar building, obtaining the replacement cost;
- Determination of the amount of physical and moral deterioration of buildings;
- Reduction of the replacement cost by the amount of depreciation to obtain the real value of the building;
- Adding the land value to the calculated real cost of the building

The income method is an assessment of the current value of the property in terms of the planned profit from the use and possible further sale of the property in the future. It is used in the evaluation of investments and commercial real estate [3].

Stages of evaluation by this method:

- Estimation of gross potential income based on the analysis of current prices, rates and tariffs in the rental market and paid services for comparable objects;
- Assessment of losses from loading and uncollected lease payments based on the analysis of the market, the nature of its dynamics in relation to the property being evaluated (this amount is deducted from gross income, the final indicator is the actual / effective gross income);

- Calculation of the operating costs of the estimated property based on the analysis of the actual costs of its maintenance and typical costs in this market (this amount is deducted from the effective gross income);

- Recalculation of the net income received into the current value

In accordance with regulatory legal acts, the market value of an object of valuation is understood as the most likely price at which this object of valuation can be alienated on the open market in a competitive environment, when the parties to the transaction act reasonably, having all the necessary information, and any extraordinary circumstances are not reflected in the value of the transaction price. This implies that the transaction is carried out in conditions when:

- One of the parties to the transaction is not obliged to alienate the object of evaluation, and the other party is not obliged to accept execution;

- The parties to the transaction are well aware of the subject of the transaction and act in their own interests;

- The object of evaluation is presented to the open market in the form of a public offer;

- The transaction price represents a reasonable remuneration for the object of evaluation, and there was no compulsion to make a transaction with respect to the parties to the transaction from anyone's side;

- The payment for the object of evaluation is expressed in monetary form

When conducting an assessment, the appraiser should use cost-based, comparative and profitable approaches to assessment, and he can determine specific assessment methods independently

Thanks to the assessment, it is possible to determine the degree of usefulness, value of a particular thing for a person. Without defining their attitude to things, it is difficult for a person to build their relationships with other people. In fact, all spheres of human relationships are based on evaluation – morality, politics, culture, economy, and the evaluation itself has become a self-sufficient process aimed at forming norms of behavior and decision-making

The fundamental works on which the theory and practice of real estate valuation was based in the second half of the 90s were the translated works of A. Varlamov and N. Shcherbakov. In both works, the principle of the most effective use is defined as the fundamental, most important principle of assessing the market value of real estate.

The following approaches are used in the process of assessing the market value of residential real estate:

- A comparative approach (a method of comparing sales), as well as

- - Cost approach (in this case, the cost of the land plot is estimated separately), but also within the framework of a comparative approach,

- A profitable approach is not used when assessing the market value of residential real estate, since this property is usually built for living, but not for income. Analyzing the results of practice, and based on it, it should be said that the assessment of such real estate is made in the following cases:

- Conclusion of a purchase and sale agreement,

- The purpose of the seizure of a land plot for state or municipal needs,

- For the purposes of collateral for personal lending

A fairly new direction in the assessment of residential real estate is the assessment of suburban and residential real estate for the purpose of challenging the cadastral value.

Each of these types of assessment of the intended use of real estate in the future has its own indicators when evaluating it.

If you want to independently evaluate your property, without contacting the employees of real estate agencies, you can evaluate real estate and land as follows: comparative analysis:

1. In the special literature or Internet sources, you need to find 10 houses with a land plot with similar characteristics.

2. Make a call to each of them and go to inspect these objects. This is necessary in order to discard dummy ads. It is necessary to focus only on the actual real estate.

3. For each house under study, you need to make the following calculations [51]: The price of the object (house)/Total area of the house = The average cost of 1 sq. m.

4. Now you need to compare all the data obtained and delete the cheapest and most expensive options from the list.

5. At this stage, it is necessary to calculate the average cost of 1 sq. m. of all remaining objects [26]. (Price of 1 object + Price of 2 objects +...) /(S 1 object + S 2 objects + ...) = Average price

6. As a result, you need to determine the approximate cost of your home. The average price of 1 sq. m.*S of a house = The price of a house These calculations are the approximate approximate cost of only a house. Here it is necessary to take into account the fact that there are a number of factors that can lower or increase the value of your property.

Factors that positively affect the cost of a house

Building material: bricks	+3...5%
The building is less than	7 years old +5...10%
The total area of more than 80 sq. m	+1...3%
The house does not require repair	+15...30%
The presence of repaired pipes and communications	+5...10%
The presence of separate rooms	+5%
A modern project	+20...30%
The presence of all necessary amenities	+10%

Factors that negatively affect the price of the house

Building material: shell rock	-5...8%
The building is 8-20 years old and more	-5...15%
The total area is less than 60 sq. m.	-1...3%
The construction is not completed	-60%
The presence of rotten (old) pipes and plumbing	-5...10%
The presence of adjacent rooms	-5%
The building needs repair	-10...30%
Partial or complete lack of amenities	-10...20%

Literature

1. National standard of real estate services of the Republic of Uzbekistan (No. 2) RXMS) Approval of "Information and Consulting Services in the Real Estate Market".
2. Astreiko, A.A. Analysis of the behavior of market participants in the conditions of subsidized support of the economy / A.A. Astreiko, D.V. Kukareko // New Economy. 2014. No. 1 (63). S. 130-137.
3. Demin, A.V. Regulation of the development of the housing economy. Scientific publication / A.V. Demin. - M.: ASV, 2012.- 288 p
4. Popova S.O. The real estate market as a factor of economic growth // Territory of Science 201.
5. Yodgorov V.U., Mirjalilova D.SH. Use of real estate organization and management. Textbook. -T.: Tashkent architecture and construction institut, 2014. -200 p.
6. gazeta.uz A source: https://www.gazeta.uz/ru/2020/05/06/construction.