

Review of Price Formation of Land and Landed Properties in Colombo: Is it a Myth or Reality?

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Abstract

Land and landed properties are fundamental ingredients for the socio-economic development of a country. In any development project, land and buildings are essentially a part of it as either among its inputs or in the process or among the outputs of the project. On the other hand, land is an inevitable investment or/and consumption purchase of all individuals, families, organizations and nations. Hence, in a market economy, land and property market is supposed to play a live and a vibrant role instead to be a silent or unreliable sector. However, research on land and property markets in various context raises debatable questions over some concepts associated with land and property markets such as “informality of markets”, “immaturity of markets”, “land as dead capital”, property crimes”, “lack of property democracy”, “unaffordable land and property prices”, “lack of professional engagement” etc. Even though there are several debatable problems in global land markets, it is clear that all such problems are interrelated and collectively influence the price formation resulting unprofessionally decided property prices in the market disrupting all the socio-economic goals of such nations. Most of developing cities, including the city of Colombo, with poorly organized land and property markets have been facing this problem as a vicious cycle. Hence, the aim of this paper is to analyze the role of the property markets in general and issue in connections with the price formation of land and landed properties in Colombo in particular. This theoretical discussion is underpinned with some practical cases and life experience of authors. At the end, some recommendations are presented for a moderate situation against the problem.

Keywords: *land and property price, price formation, market economy, professionalism, land and property market*

1 Introduction

Land is considered from different perspectives by different disciplines. For households, it is a location for their residence where utility is maximized, for business firms, it is a location for them to maximize profit. For individuals, families and nations, land is a wealth, treasure, power and the mighty. For physical planners, it is an actual space suitable for living, working and other social functions. It is an economic commodity in economists' and accountants' viewpoints. When it comes to lawyers and valuers, it is a set of real property rights. In general, it is a fundamental resource on which economic well-being and social stability of individuals, families and nations is based on. As such, it should be continuously monitored and managed for the benefits of the present and the future generations (Ariyawansa, 2008; Economic Commission for Europe, 2004).

Furthermore, land is a key factor of production. Accordingly, a rent is paid in return for its use. It holds space for other factors of production used in any economic activity. Generally, Land is a natural resource which is finite in supply; as such for any investment decisions, the scarcity of land is a prime concern (Harvey, 1993). At the same time, land becomes an economic resource once it is secured with property rights (Perera, 2008). These property rights are in various forms. "The nature of land rights and the way they are enforced have significant consequences for resource allocation and economic efficiency" (Gershon 1999 in Perera 2008). On the other hand, land is a foundation for any social and economic activities of the society and it is depicted as a source of wealth of the society. However, land has to be identified in scientific means and secured and managed by professional mechanism so that those can be used in an economically viable and socially acceptable manner. If it is not utilized in this manner, land may be just an element, and not an economic resource, which generates benefits to the society. As De Soto mentions, the resources, which are not properly identified and secured to make commercially and financially visible in the economy, it just becomes dead capital (Ariyawansa, 2008, Perera 2008; Soto, 2000). It is further argued that such a situation may create huge irregularities and issues which may paralyze the smooth flow of economic and social activities in an economy. Particularly, it may have negative impact on the effective functioning of the property market and hinder effective resource allocation of the economy (Ariyawansa, 2008; Perera, 2008; Soto, 2000).

On the other hand, land has special characteristics which clearly distinguish it from other production factors and those characteristics are unique in nature. The common attributes of land are; each parcel of land is unique in its location, land is not physically mobile, it is durable, and its supply is finite thereby value is determined (Premathilaka, 2016; Appraisal institute 1996). In economic terms, land has value as a source of wealth since it is demanded for various economic and social activities in the market, as such it is considered as marketable commodity. As supply is fixed, increased demand leads to increased price in the market. In fact, the natural supply of land is fix and, therefore, increase of usable land is expensive as it incurs various cost such as cost of preparation, acquisition, legal cost, professional charges and so on.

At the same time, land has to be protected in the interest of public. Though private land ownership is allowed in free market economies, its use is restricted for the betterment of the mass society as it is a natural resource, which has to be managed and used properly to ensure its existence over generations for the well-being of the globe. On the other hand, it is restricted as the use of land by one should not disturb or violate right of others (Hettiarachchi, 2015). Therefore, government intervention is a must in securing land right through various land ownership and use controls by means of land registration, licenses, approvals, land zoning, building & planning regulations etc. It can be questioned as such mere regulation, procedures etc are adequate to monitor and manage land and landed property market. Simple answer is "not adequate". In fact, the market mechanism should be strengthened by means of scientific education on land and building market, increasing the availability and access to data and information for the market participants, establishing professionally qualified and accountable facilitations for the market operation etc. These actions may be more powerful tools for monitoring and management of valuable and scared land in the market.

Real Estate

Based on land, the term Real Estate has emerged. Real Estate constitutes land and everything attached to it and it is physically tangible. "Real Estate comprises of land and all things that are natural parts of land (i.e. trees, mineral etc.) as well as all things that are attached to it by people (i.e. buildings, improvements etc.)" (Shapiro *et al*, 2013; The Appraisal of Real Estate, 1980). This means that land can be improved and developed by adding values for various purposes subject to legal and planning compliances. If no improvement is done, land will remain as a natural resource on its own right. This implies that along with any attempt taken by the man to modify the natural land adding artificial feature(s) either in terms of physical, legal, or social, it becomes a real estate. Real estate can be categorized in terms of its use as Residential, Commercial, Industrial, Leisure, and Agricultural use etc.

Real estate is a unique product, which has distinct characteristics when compared with other economic commodities in the market. Real estate can be owned by public or private and its use allocation is restricted by government intervention as taxation and land use control. Key unique features of real estate are summarized below.

- Elasticity of supply. Unlike the land, properties/structures built on land can be increased.
- Each parcel of real estate is unique in its location and composition, it is physically immobile, and is durable. This feature is similar with the land. However, in many case uniqueness of each parcel of real estate can be monitored as it is decided by the man.
- Heterogeneity - each parcel of real estate is different in location, size, shape, specification and amenities etc.
- High cost of transfer. Transferring in physical is impossible.
- Special risk. It associates various types of risks such as physical risk, risk of liability, financial risk, economic risk, and so on.
- Lack of liquidity in the property market. This is an acute situation due to high transaction and entry cost, size of lots and their indivisibility, imperfect knowledge, lack of transactions, lack of central market place, and legal issues in terms of securing title. Yet, innovative real estate ownerships/tenure types, highly marketable real estate products and intensive marketing approaches etc may reduce the cost of transactions, increase the value and capacity of properties to be kept as a collateral, being hedged against the inflation and thereby increase the liquidity.
- Lack of transparency and published market data- unlike other markets, one key feature of the property market is that it has no free & easy access to data and information for property transactions. Even available data are neither updated nor transparent. Therefore, property market is considered as imperfect.
- Multiplicity of interest. Single real estate can generate different property interests. For instance, for a residential property, one can claim as a freeholder while another one can claim as leaseholder and at the same time some others can claim for different interests under some personal agreements from the same property.

- The motivation of ownership. This means that real estate can be owned for different purposes.

(Authors modified views of Isaac and Steley, 2000; Isaac and Enever, 2002)

Real Property

The above context leads to create a land tenure system. The land tenure is the way under which different types of land rights are secured. In legal perspective, the secured property is called as Real Property. "Real Property comprises all rights, interest and benefits inherent in the legal ownership of physical real estate. Specially, an estate in land is the degree, nature, or extent of interests that a person has in it" (Premathilaka, 2016; Ariyawansa, 2016; Shapiro *et al*, 2013; The Appraisal of Real Estate, 1980). Property ownership can be different types such as Freehold, Leasehold, Tenancy, or Right to use etc. Moreover, it can be public or private ownership. All types of property rights can be subject to government or private limitations. Government limitations can be taxation on land, land acquisition for public purpose and restriction on use etc, while private limitations can be easements, right of way, and party walls etc. (Premathilaka, 2016; Ariyawansa, 2016; Shapiro *et al*, 2013; Appraisal Institute 1996).

Secured land ownership enhances productivity of land related investment. As such, it leads effectively to create the property market where sale, purchase, lease or renting of land is taken place for considerations. Particularly, private property right is becoming a key factor of development mostly in market based economies as it plays a vital role in the development of a country (Wakely, 2008; Byamugisha, 1999). It also causes positive impacts on economic growth, land productivity, property market efficiency, financial market and social wellbeing of the people etc. Proper and well managed property right system improves accesses to institutional credits, more investment in land, and higher productivity of land, higher output and income from lands thereby the higher land values (Wakely, 2008; 2012; Byamugisha 1999) and it increases the property liquidity in the market. Byamugisha says that "... The role played by private property rights in the economic developments of the western world has been powerfully documented by economic historians such as North and Thomas (1973) and Rosenberg and Bridzell (1986). Private property right emphasizes "...the ability of individuals and organizations to make enforceable claims to property and make contracts stick..." Byamugisha concluded by emphasizing that there is a significant positive association between secure property rights and economic growth (Byamugisha 1999). Private property right may lead to other property related problems as well. Regularity process is much more difficult when private property ownership is very high. Supply can't be increased by intervening the government when it is required. Concept of international property ownerships is other side of this problem. Local community may not happy with the offering of land right to other nations. Foreign money flowing into the local property market through property rights may create some other particular market problems such as artificial increase of local property prices.

Land & Property Market and its Role

Simply the property market is a mechanism through which property transactions are taken place. Buying and selling of land and buildings is the primary role of the real estate market. However, there are several associated market operations as prerequisites of

active property markets such as transactions of property finance, provision of infrastructure and facilities, and various services as complementary products of the real estate markets. All these markets are supposed to act collaboratively to make sure efficient and effective delivery of required space for different social activities.

As it is mentioned above, the common attributes of land are; each parcel of land is unique in its location, land is not physically mobile, it is durable, and its supply is finite. Land secured by tenure is considered as an economic commodity which can be exchanged between parties (buyers & sellers) for consideration. What is actually exchanged in the market is real property (property rights) not just a physical real estate itself. Land as economic commodity is demanded either for rent or outright consideration for its use as such it has ability of trading which leads to creation of property market.

Matured and efficient property market is the place where the real properties are traded between buyers & sellers through a price mechanism usually without undue restrictions (Ariyawansa, 2016.) Further, it is expected that buyers and sellers are prudent & knowledgeable and also act at arm length transaction. Generally, level of efficiency of any market is determined by its formation, price setting, standards & quality of products and the efficiency of its function. As against other efficient market, the property market has no particular place to be identified. Also contrary to the others, the property market is informal in nature, and it is less structured, and more diverse. In all aspects, the property market is regarded as unique. Moreover, transactions are more heterogeneous, and fewer in number. Also, buyers and sellers are randomly come together in determining prices which mostly happen through agents and almost of all transactions require professional opinion on potential likely price of a given property. Consequently, the market is inevitably more complex. As Peter Wyatt points out (in Appraisal Institute 2001 in Property Valuation 2013). “the market is never being considered as strongly efficient due to decentralized trading, the heterogeneity, and high cost of each unit of products, the high cost and lengthy process involved in property transaction...” Land has derived demand so volume of property market and its values depend on the affordability of income or extra profits made elsewhere in the economy to be transferred into property market of which performance in return influence the performance of the economy further. Moreover, many studies revealed that there is direct relationship between performance of the property market and that of the wider economy of a country (Wakely, 2008).

Almost all activities of people are directly or indirectly based on the land. It is generally an economic fact that people’s needs are continually increasing and its diversity and multiplicity leads to complexity of satisfaction. Also the property demand depends on four cornerstones namely Scarcity, Utility, Desirability and Purchasing power (Premathilaka, 2016). First two facts are land related and the second two customer related. If all four factors are not met accordingly, neither a property exchange is expected nor the market transactions is realized.

On the other hand, changing of demographic setting in society results major impact on property market. Demographic variables are the data that describes the composition of a population, such as age, race, gender, income, migration patterns and population

growth and so on (Ariyawansa, 2009). Demographic changes may gradually convert rural areas into small urban areas, small urban areas into large urban areas and large urban areas into cosmopolitan cities where property markets are inevitably much more complex. Hence, demographic information and statistics are highly significant factors that affect how real estate is priced and what types of properties are in demand. Major shifts in the demographic profile of a nation can have a large impact on real estate trends for several decades, for instance impact of population ageing on real estate will be considerable in all over the world (Ariyawansa, 2008; Perera, 2008).

In a demographic change, migration of people is one of the major influence on real estate as people are moving from one place to other for various reasons such as education, employments, health, better facilities, political reasons, socio-cultural and environmental reasons (Ariyawansa, 2009). On the other hand, the purpose of migration may be in different forms such as permanent or temporary. If temporary it may be for short term or long term, multiple visits or single visit. Individual visits or groups such as families or teams. Accordingly, it is the responsibility of the property market to provide required space for different migrants at required quality and quantity at an affordable price. In this connection pricing may be a very crucial factor for the promotion of migrants for cities as an economic development strategy. If real estate prices are not affordable, such cities may not be attractive to tourists, students, investors etc.

When considered the demographic profiles of a country, it is evident that internal migration of a country is a continued process which is particularly a result of urbanization, employment availability, good education & health and overall it is due to an expectation for high standards of living patterns, economic prosperity and social wellbeing. Therefore, more the migration takes place in urban areas, higher the demand for land and landed properties. Reason is that people want a place to accommodate with other related services, facilities and infrastructure. Consequence of higher demand for land in urban areas is that existing large lands are subdivided into smaller plots in compliance with planning regulations to meet the increased demand. Accordingly, subdivision of land for sale has become an established business venture particularly in suburban areas. For instance, in Colombo suburbs and outskirts, many land sales have been successfully carried out by real estate companies during the last few decades for instance Home Land Ltd, Prime Land Ltd, The Finance Ltd, Blue Mountain Ltd... are some of the key players.

Even though the land market operations made by reputed companies in the country, due to some irregularities, informalities as well as immaturities of the market system, the land market in Colombo is evident as an unaffordable high priced land and property market. It has happened through simple market processes. Firstly, those who needed land used to seek land sellers in and around the locality where they wish to settle with their families. Similarly, investors who are to invest in businesses of services, facilities and infrastructure also tend to look for lands in and around people's settlements. Consequently, demand for land has happened to increase paving the way for more and more subdivisions. Along with this market experience, individuals who have small plots of land also tend to sell their land at similar or more price without incurring the cost of preparation as much as those companies spent. This way such individuals could earn huge income as a capital gain of their lands. Another adverse impact of land sale experience

in Colombo is that those who have saving, may be black money or foreign earnings, buy lands as an investment motive hoping to enjoy capital gain through selling the land in future at a higher price as the land price is being rapidly increased. These process increases the land speculation and thereby reduction of the land supply for development. All these ultimately determine unprecedented higher price for land and buildings in Colombo.

One can simply justify the higher land price (the determination of higher price) as correct phenomenon pointing out the fact that the land is limited in supply and due to higher demand determination of higher price is in line with the theory. It is true to a certain extent. However, the views of the general public and small and medium sector investors are different as they are suffering from the affordability issue of land and property in the city of Colombo. They are having some views as the “land market price is artificial” and “land sellers are earning extraordinary profits” etc. This process will increase more marginalize citizen in the city with no lands or defeating from the land market battle. It is a booming ramous/grievance that the original city dweller may overcome in numbers as well as political and economic power by newly wealthier migrants to the city. Another growing concern is that professionally qualified valuers’ including the Government Chief Valuer’s opinion on land value is being challenged and wealthier individuals and firms are prepared to buy land and property at higher prices than the professionally estimated land values in Colombo. In this junction, it is worthwhile to examine whether the price formation of the land market in Colombo is a MYTH or a REALITY.

Pricing for Land and Property

Price is an amount paid or agreed to pay for a property by a potential buyer in the market. The price is different from value as the price is what is actually paid or prepared to pay, while the value is a likely price that would be agreed by buyer and the seller (Isaac and Steley, 2000). Value is market driven and is an objective opinion of a valuer with regard to a particular property in the market. “Value is an estimate of the price that would be achieved if the property were to be sold in the market” (RICS, 2004). As per Richard Ratcliff “valuation is a prediction of human behavior under uncertainty” (Kummerow, 2010). Conversely, the price is what is actually asked for. “Price is the actual observable money exchanged when a property is exchanged (Premathilaka, 2016; Real estate Appraisal, 2006). As the real estate is unique in nature and property interests are different, it commands an individual estimate of value to guide buyers in every event of sale so that the price can be arrived at through negotiation on rational basis.

On the other hand, as per the Neo-classical economic theory, there are three factors that contribute to the economy and its wealth. Those are people, money and land. Generally, all of these are scarce in supply, hence all have value. Comparatively, the land is finite in supply and inherently has unique characteristics rather than others. Thus, land is given more concern in resource allocation for different uses. Land can be owned by both private & the public. In resource allocation, decision for resource allocation by public is based on the need of society, but private resource allocation is based on the economic demand. The public owner aims to get value for money at a least cost. But the private owner wants to get highest and best use to achieve the highest return based on economic demand. In this context, Supply and Demand Pricing Theory comes into play.

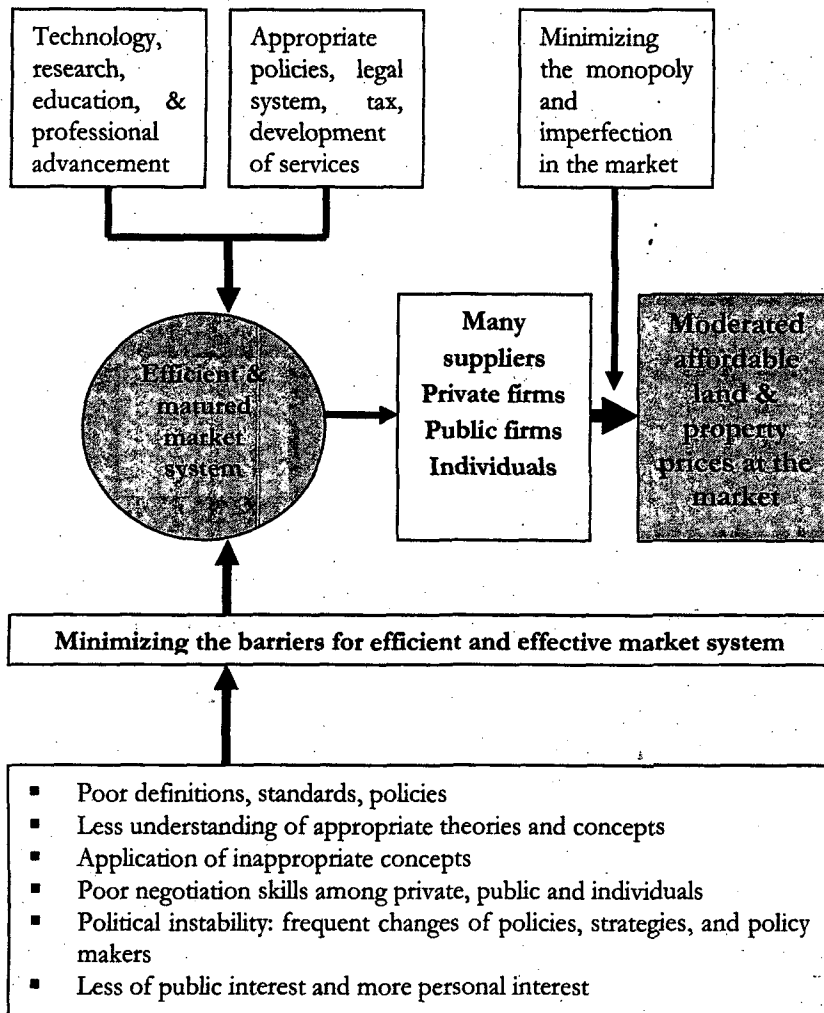
As per the theory, price is an outcome of intersection between supply and demand. The intersection matches the quantity of demand and supply at which market equilibrium takes place. While the demand constant, if supply is increased, then the price will decrease. Likewise, both factors can be changed depending on the degree of elasticity of supply and demand; then the price will be adjusted accordingly.

However, as the real estate is unique in nature, this equation does not necessarily work out as explained. Real estate is limited in supply, but use can be changed to meet market demand. Nevertheless, such change of uses is still subject to legal and government intervention in the form of land use controls and taxation. Real estate itself is also unique in terms of location, inherent characteristics, and user requirements etc. Yet again, supply of land cannot be simply increased as potential real estate development can be limited due to physical, legal, political, financial, and planning restrictions. Moreover, Property market is imperfect due to the lack of information and data for sales evidence; thus the operation of real estate market becomes more complicated. Even under the situation explained above, property market price is determined as per the supply and demand pricing theory, though perfect equilibrium may not be achieved in any circumstance. Researchers, scholars have discussed this matter globally and stressed about the state intervention as a feasible strategy on the matter. Following model (Figure 01) has been proposed by Ariyawansa (2008) in his book "Issues in Property Development..." as to support in seeking solutions for the property price formation issue.

Irrational Land Price Formation and its Consequence

Though the land price is supposed to be decided by market forces, currently it is questioned whether it is rational. There are many experiences and evidence to support this argument. Professional and general public are heavily discussing this issue at a rate ever than before. Therefore, it is an obligation to look into this suspicious price mechanism prevailed in the market and its consequences. If land price is determined not in line with the market forces or in compliance with pricing theory, the market become distorted and becomes more imperfect then may not prudent to follow to read its shape & pace in future. If market system becomes stagnant, property sellers get dominant power to decide price. This may influence other small market players to follow. When such determined prices become established, actual price mechanism is naturally ignored and buyers will begin to consider the distorted price is as the actual. The worst case in this mechanism is that even the professionals particularly valuers may be directly or indirectly influenced by this distortion. Sometime, they may compel to justify this as so called market price corollary is creating it as the market norm which consequently leads the market become more & more distorted & imperfect further leading to establish the irrational price formations in the market. This of course a kind of vicious circle. Finally, what happen is sellers enjoy super profits or higher capital gains surrendering peculiarly wealthier buyers while marginalizing genuine land buyers from the market. Some of them are forced to push out towards periphery or even beyond due to unaffordability of land prices. Some others may remain in the city suffering severe difficulties of this market distortion.

Figure: 01 Overall public participation for moderated (affordable) land and property prices



Source: Ariyawansa, 2008, p.113

Therefore, the main concern in this study is to see whether the existing property market in Colombo actually operates in line with the theory of Demand and Supply. If it happens so, why an extraordinary land price escalation is evident particularly in new land subdivision for sale. It is expected that the buyers and sellers in the property market are prudent and knowledgeable and acting at arm's length transactions to decide the price. Is it the actual practice that we experience in pricing of land?

Of course, land subdivisions involve various cost of development to make land suit for sale. At the time purchasing large land for development, it still has to incur cost for planning approvals, development, marketing, timing, funding, and profit. However, considering all, it can be argued and questioned whether the price determined by land sellers is based on rational basis reflecting market forces. Following statistics indicate

that asking prices in land subdivisions around Colombo are very high compared with the market comparable available at the same period of sale.

Table 01: Land Price Evidence from Colombo

No.	Location	Price prevails per perch Rs.	Price in sale per perch Rs.	Duration
1	Temple Road, Maharagama	550,000 – 650,000	750,000 – 850,000	January – May 2016
2	Kalalgoda Road, Pannipitiya	450,000 – 550,000	650,000 – 700,000	April – September 2016
3	Makuluduwa, Piliyandala	300,000 – 400,000	450,000 – 550,000	August 2015 – March 2016
4	Hunupitiya, Wattala	400,000 – 500,000	650,000 – 750,000	June – October 2016
5	Cinnamon Garden Colombo 7	7 – 9 million	11 – 13 million	Late 2015 – 2016
6	Marine drive, Colombo 4	7 – 8 million	10 – 12 million	2015 – 2016
7	Nawala, Koswattha area	1.5 – 2 million	2.5 – 3.5 million	2015 – 2016
8	Battaramulla Diyawannawa	2 – 3 million	3 – 4 million	2015 – 2016

Source: Authors' field survey data, 2016.

When considered above tables, it is clearly visible a colossal gap between the existing prices and new asking prices. It is well accepted the fact that the asking prices of new land subdivisions are invariably higher than what is existing in the market as there is distinct value additions made by developers through improvements & development which in returns has to be reflected in new market prices of land subdivisions. However, such an increase must be within justifiable range anything beyond which is questionable by prudent buyers. Therefore, our question is how this much of increase can be justified on equitable & rational basis in a given market circumstance. Accordingly, it must be examined through pragmatic approach to find out potential reasons to prevail such a scenario. Therefore, followings reasons can be forwarded as questions to be researched not for simple answers.

- a) Is it because of buyers' lack of knowledge, lack of prudence, excitement to buy, or fear of losing opportunity due to land scarcity?
- b) Is it all about ignorance of buyers about how they should react for?
- c) Is it because the sellers' market where buyers become victim over sellers' power to decide the price?
- d) Is it lack of Government interventions?
- e) Is it due to giving up of duty of real estate professionals?
- f) Is it because lack of good governance and accountability of relevant agencies?
- g) Is it all about property market imperfectness?
- h) Is this because of immaturity of market system in the country?
- i) Is it because the country is still in stage of developing (irrespective of lower-middle income status)

Also a broader and globally debatable theme on land market can be noted as to whether the land should be managed or controlled by market as it does in other commodity markets.

As far as the land and property market in Colombo and country is concerned, some market related issues in buyer's point of view can be pointed out as follows.

- a) If you want to buy a house, do you have a reliable way or access to information of availability of houses?
- b) How do you find or decide whether the available land or house is the property suitable to your needs?
- c) How do you know it is a problem free property?
- d) Do you really think of the cost and benefits, conveniences and inconveniences etc in connection with the property? If you know those, how do you know whether your knowledge is correct?
- e) Can you keep trust on the market and institutions and people who are prepared to help you?
- f) If you or your colleague or one who is known to you has purchased a house recently, are you or your colleague happy or unhappy? If happy, is it 100%?
- g) What is the degree of confidence that you have in recommending a land or property seller or an agent to you relations or to your colleague for an urgent purchase of a property?
- h) Do you really believe that opinions on Value of properties determined by professional Valuers are reflecting true market behaviours and are justifiable enough to rely upon?

Potential Solutions

In this context, sustainable solution must be sought for. Few suggestions are put forward for further discussions as follows.

a) Introduction of Land Pricing Model

Type of cost in land sub divisions is identified as,

- Purchasing Cost
- Planning Approval cost
- Development cost
- Finance cost
- Profit
- Transaction cost. This is an unclear and shaded to be discussed. General discussion with stakeholders reveals that it includes all cost even with bribes to officials and whatever cost which does not fall within the other formal items may add in here.

If all cost is rounded to 100% of price determined, what should be the percentage of each cost category as against the asking price set by the seller? Or otherwise, Percentage of each cost category can be based on purchasing price of the entire land. In this case, they have to disclose actual price of land purchase which will ensure,

- actual stamp duty for the government

- actual market reflection of land sale evidence
- Transference of sales
- Justify the Rational of Price setting
- Improved perfectness of property market.

b) Establishment of Regulatory Mechanism

It should not just be an authorizer to force the developer or market but be the facilitator, guider, regulator, and monitor of the land subdivision and price setting to bring win-win scenario in the market. Also, they should carry out market research, data base management, information drive, professional input providing, and pushing the market forward in profitable and equitable manner to make market forces active and thereby creating sustainable property market is a reality.

c) Land and Property Market Education

Instead of formal education programmes, it is needed to think of know and awareness of land and property market among general public the mass society. This is about the factor affecting to the cost, price etc, regulations and barriers, current and future conditions of available properties etc, sellers, developers, agents and so on. This information should be endorsed by an authorized body.

d) Need of Professionalism in Land and Property Market Operations

Land and property as sensitive, valuable, multi-faceted component components, all the decision makers and assistant in the process should be professionally qualified. All of these actors should undergo continuous training and development to make sure their professional service.

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