DEPARTMENT OF ESTATE MANAGEMENT
FACULTY OF ARCHITECTURE, PLANNING AND SURVEYING
UNIVERSITI TEKNOLOGI MARA

MACROECONOMICS DETERMINANT OF RENTAL FOR PURPOSE-BUILT OFFICE BUILDING

A project report submitted in partial fulfillment
of the requirements for the award of the
Degree of Estate Management (Hons)

NUR AIN BINTI AHMAD TERMIZI
2008333813
SEMESTER JULY 2010 - NOVEMBER 2010

STUDENT'S DECLARATION

Title of Academic Project:

MACROECONOMICS DETERMINANT OF RENTAL FOR PURPOSE-BUILT OFFICE BUILDINGS

I declare that this report is the result of my own research, unless otherwise indicated or acknowledged as referenced work

In the event that my report be found to violate the conditions mention above, I voluntarily waive the right conferment of degree and agree be subjected to the disciplinary rules and regulations of Universiti Teknologi MARA

Signature : ....

Author Name : NUR AIN BINTI AHMAD TERMIZI

Declaration Date : 13 / 10 / 2010

ACKNOWLEDGEMENT

Alhamdulillah, I have completed writing this thesis but of course with the help and support from fantastic peoples around me. First and foremost, I wish to express my heartfelt gratitude to my advisor, Prof. Dr. Abdul Hadi Nawawi for his professional guidance and support in academic and in real life. I am very indebted to his patience and invaluable advices that inspired me to see things positively and felt honored with his confidence and trust on my ability.

I would like to take this opportunity to convey my appreciation to INSTITUT PENILAIAN NEGARA (INSPEN). for giving me a chance to collect the data and information by providing all the journals and workpapers. Furthermore, their library staff was so kind hearted to find me the sort of book required. They are so helpfull. Thanks again and may Allah bless them. My sincere thanks to all my friends and colleagues for their cheerfulness and fun. Thank you for the great moments that we have shared together especially Amin, Fiza, Hana and all my coursemates in Department of Estate Management. Only we know the ups and downs in this so called 'Graduate Life'.

Last but not least, a special thank to my family for their continuous support and encouragement especially to my parents, Ahmad Termizi & Rozimah Mustapha. I wish to dedicate this thesis to my father cum thesis editor who has faith in me in every decision that I made in my life. Besides, my siblings who always be my side whenever i need them to have strong faith in me. I also want to acknowledge my bestfriend, Zarith for her eternal presence and support to lift up my spirit and filling my days with smile and laughter. To those who indirectly contributed in this academic project, your kindness means a lot to me. Thank you very much.

ABSTRACT

The purpose of this research is to study regarding the Macroeconomics determinants of rental for purpose built office in Golden Triangle area in Kuala Lumpur. The dependent and independent variable is study in order to get the relationship of macroeconomics and rental of the purpose built office. The rental from the Property Market Report has defined clearly year by year from 1980-2009. The main aim of this research is to identify the macroeconomics factors that contribute to the increase and decrease of office rental in locality. Author was choosing Kuala Lumpur Golden Triangle was choose as a case study because it is comprises the Class A and B office space along Jalan Ampang, Jalan Raja Chulan, Bukit Bintang, Jalan Sultan Ismail and within KLCC area .This research was answered the objective of the study in order to investigate the significance of macroeconomics determinant with the rental in property market. The variables were tested by using the Pearson Correlation and Multiple Regression Analysis. Analysis on the secondary data is done through the extracted of economic indicator and rental detail in Property Market. The findings of this study showed several macroeconomics variables is significant with the rental of purpose-built office. The finding is divided according the classes of office. From the correlation the determinant factor is similarly significance with the office rental. The determinants are changes in supply and demand, Base Lending Rate, population loan, changes in sevice sector and occupancy rate. While Multiple Regression Analysis reveals the significance variables to class A office is occupancy, demand and loan while class B office is significance with the demand, occupancy rate and GDP.

CONTENTS