UNIVERSITI TEKNOLOGI MARA

RELATIONSHIPS OF QUALITY LEVEL OF BUILDING, LOCATIONAL, AND NEIGHBOURHOOD CHARACTERISTICS WITH HOUSE PRICES

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Thesis submitted in fulfillment
of the requirements for the degree of
**Doctor Philosophy
(Built Environment)**

Faculty of Architecture, Planning and Surveying

December 2018

ABSTRACT

The housing qualities were an integral part of property markets and they form part of an evaluation process that was elaborate and complex to be undertaken and most of the time were touched on the surface only. The housing characteristics qualities were needed to be identified as the standards and guidelines used for them were insufficient and this leads to an interesting research gap. The researcher has identified through the problem statements and literature review that ultimately, characteristics for three main aspects which were building, locational and neighbourhood were needed to be identified and measured its quality level. The researcher has utilized the literature review together with the Delphi Method to find and establishes the needed characteristics for the upcoming measurements. The Delphi Method that was applied with semi-structured interview and have 3 stages have extracted valuable views from various expert panels. An observation form was also produced resulting from the interviews conducted with the expert panels. The next process of the research involved with finding out the weightage of importance of the characteristics. The weightage of importance were carried out through the Analytical Hierarchy Process (AHP) that have the elements of Pairwise Comparison Scale to compare between characteristics. The result from the weightage were then combined together with an observational method. The research also utilizes geo-spatial information software utilizing the Geo-Information System (GIS). The geo-spatial software were used primarily in helping determining higher accuracy of radius and distance. The researcher has found out through the combination of both weightage of importance and the level of quality of houses then helps to produce the Building Locational Neighbourhood Quality Index (BLNQI). The BLNQI, together with usage of Regression Analysis, has been able to produce the findings of the higher the rate of the index, the higher the house prices being offered. The results also showed that some characteristics have significance in terms of their relationship such were location and access. This was proven through the help of validation from sampled houses in the residential area showing relationship between Building, Locational, and Neighbourhood Quality Index with house prices. Recommendations were given particularly to serve as guidelines to measure quality level, help in establishing BLNQI as common guideline, and serve as basis of prediction value towards establishing house prices in an empirical way.

ACKNOWLEDGEMENT

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CHAPTER ONE
BACKGROUND OF THE RESEARCH

1.1   Introduction

This chapter aims to give understanding towards the research conducted. It provides an overview of the topic area in the research, and its structure has been outlined. This chapter, besides describing and identifying issues from previous research, it also serves to give address to them and also to develop its aims and objectives. The significances of the research are highlighted and narrowed down. This chapter, in the end, will result in the full organisation of the research.

1.2   Problem Statement

As Malaysia is heading towards a developed nation by 2020, housing has become a serious issue with people living here in the country. This can be seen as improvements of economic power by the citizens, as properties supply were a finite amount, and demand keep increasing thus driving the prices of properties up. It can also be seen as people are seeing properties as part of social status, rather than as place to work and play (Wang, Brown, & Liu, 2015). Adeoye, (2016a) also stated in his research that the actions of various key stakeholders nowadays have become the catalyst towards the offering of houses with high prices. The researcher sees this in the sense that stakeholders such were the property developer have the power to offer houses with prices that were decided on their own, and also lacks the measurement needed to justify their offering. This was also highlighted by Hall & Greenman, (2013) that states that house occupants or buyers have to accept whatever prices being offered by property developers and take their word in terms of the quality provided. From these previous research conducted, the researcher sees that there is a gap in knowledge that needed to be covered and is worthwhile to conduct investigation into.

From house purchases also, it opens up opportunities of properties such were that its characteristics were more stable as compared to more volatile portfolios as stocks and shares. This condition is stated as the materiality of housing as an essential social measure as it is the forefront of social and economic opportunities (Asgari,