

THE INVESTIGATION ON THE EXISTENCE OF FLOOR PREMIUM
IN CONDOMINIUM MARKET BASED ON THE COASTAL AMENI-
TIES.

AZ YASMIEN SUFEA BINTI AZMILA

2022494298



SCHOOL OF GEOMATICS SCIENCE AND NATURAL RESOURCES
COLLEGE OF BUILT ENVIRONMENT
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AZ YASMIEN SUFEA BINTI AZMILA

2022494298



**Thesis submitted to the Universiti Teknologi MARA Malaysia
in partial fulfilment for the award of the degree of the
Bachelor of Surveying Science and Geomatics (Honours)**

JULY 2024

DECLARATION

I declare that the work on this project/dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA (UiTM). This project/dissertation is original and it is the result of my work, unless otherwise indicated or acknowledged as referenced work.

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Name of Student : Az Yasmien Sufea binti Azmila
Student's ID No : 2022494298
Project/Dissertation Title : The Investigation on The Existence of Floor Premium in Condominium Market Based on The Coastal Amenities.
Signature and Date :

Approved by:

I certify that I have examined the student's work and found that they are in accordance with the rules and regulations of the School and University and fulfils the requirements for the award of the degree of Bachelor of Surveying Science and Geomatics (Honours).

Name of Supervisor : Siti Maryam binti Abdul Wahab
Signature and Date :

ABSTRACT

Condominiums, are a popular housing option, especially in urban areas due to the density of population that increases from time to time. The idea is that properties located on higher floors of a building may command higher prices than those on lower floors due to better views, reduced noise, or increased privacy. However, premium prices based on floor level have received less attention in Malaysia, while the demand for condominium housing is very high and the price premium is capitalized based on the intangible value of the coastal nowadays. The aim is to establish the spatial model that coastal amenities may capitalized to condominium prices, based on their floor level. This studied focus on the areas in Batu Feringgi and Georgetown, Penang to investigate the respective issues. The objectives are organized to identify the coastal amenities preference in the condominium market, investigate the spatial correlation of condominium price with floor level, and determine the floor level premium based on coastal amenities value. The best models that have been determined in this study were spatial error model based on the satisfactory explanatory power through the R^2 value, 0.708059 and 0.514203. This study also finds that unit level for premium in Batu Feringghi is more significant, 47.61% than Georgetown, 37.09%. The findings of this study have provided a comprehensive and factual measure of the impact of coastal amenities on condominium prices, which will be indispensable for any real estate investor looking to make informed decisions.

Keywords: Ordinary Least Square, Spatial Lag Model, Spatial Error Model, condominium price, coastal amenities, floor level premium, Penang

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