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**THE EQUATION MODEL OF
TRANSACTION PRICE FOR GREEN
BUILDING CERTIFICATE ON THE
CONDOMINIUM IN SELANGOR**

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ABSTRACT

These days, the real estate industry is developing green building condominium because of the rise of global environment issues. Green buildings development are reliable resources often associated with positive influences for quality of live and property value. People's expectations of their 'green' lives are on the rise, increasing the demand and interest in green building condominium. In Malaysia, it continues to gain momentum for its many benefits such as on the environment. However, the question that raised, can green building condominium effect the property market? Therefore, this research aims to underscore the issue of green building certificate that gives an impact to condominium prices and to recommend an equation model of the transaction price. The Green Building Index (GBI) certificate is used as a measure of green building condominium. Further, this research uses the transaction prices database of the transaction from Jabatan Penilaian dan Perkhidmatan Harta (JPPH). A survey of condominium property market in the real estate industry was conducted to gather their perception on the case study area to provide some evidence on Green Condominium Market. The survey were gathered from government valuer to ensure the case study selection. Others, SPSS software is used to analyse the data to determine whether there is the different value between green certificate condominium and non-green condominium using T-Test Analysis. This research also to analyse the relationship between green building certificates and condominium prices using Correlation Analysis. This research hopes to highlight the economic, environmental and social features of the condominium building. The empirical results show that green building certificates have significant and positive relationships with condominium properties. The results imply that eco-friendly green buildings increases the value of property and green buildings accredited buildings add value to real estate thus increasing property prices. The Equation Model is recommended using Multiple Regression Analysis.

Keywords: Malaysia, Condominium property, Prices, Green buildings, Green certificate, Property price, GBI scheme.

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

This research was conducted from September 2016 to June 2018. The write-up comprises six chapters. This introductory chapter introduces the main elements of the research, namely research background, problem statement, research aim and objectives, research question, scope and limitations of research, significance of research, significant of research, research process structure and research methodology. This chapter closes with an explanation of the thesis structure.

1.2 Research Background

The main change of the world's civilization is because of excessive development. The change includes social, health, economy and the natural environment (Elias & Lin, 2015; Liu, Low, & He, 2012). The unlimited human activities give negative impact to society and cause problems to the world's finance, economy, social aspects, and the environment. The development activity leads to environmental problems and other effects. The fact is development produces extreme energy production such as oil and gas industry. Other factors are overloaded transportation and which will cause air pollution.

According to Jayantha & Man, (2013) the building industry consumes approximately 50% of the total energy demand and contributes almost 50% of the Carbon Dioxide (CO²) emissions released to the environment. The building industry includes construction, operation and demolition which will contribute to CO² emissions. Furthermore, the United States of America reported that building development produce CO² emissions more than 38% as compared to 10% of the world's CO² emissions, specifically residential, commercial and industrial buildings. Therefore, it is proven that, air pollution has an incredible impact on health, environment and property damage.

Many studies have explored greenhouse gas emissions, especially CO² emissions which play a leading role in global warming (Miao, 2017). According to Bienert, Steixner, & Koch, (2009), in the Intergovernmental Panel on Climate Change (IPCC) Special