



**PROGRAMME OF ESTATE MANAGEMENT
COLLEGE OF BUILT ENVIRONMENT,
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**FACTORS AFFECTING GREEN OFFICE BUILDING VALUE IN KUALA
LUMPUR**

**An academic report submitted in partial fulfillment of the requirement
for the award of Bachelor in Estate Management (Hons)**

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ABSTRACT

In Malaysia, there is currently a noticeable increase in the number of green structures, particularly green offices. This trend is driven by the perception that green buildings are more valuable than conventional buildings, with higher rental rates being seen in Kuala Lumpur in particular. However, there is a significant research gap regarding the specific factors that have a significant influence on the value of green office buildings. Therefore, this study aims to close this gap by identifying the factors that impact the value of green office buildings in Kuala Lumpur and investigating the main factors that influence the value of green office buildings in Kuala Lumpur. Three participants who are registered valuers and assistant valuer from Ian Scott International (M) Sdn Bhd, IM Global Property Consultants Sdn Bhd, and Intra Harta Consultants Sdn Bhd were subjected to semi-structured face-to-face and online interviews. All of the participant are the valuer that working in Kuala Lumpur, these valuers being chosen as the participant because they have an experience in valuing green office buildings specific in Kuala Lumpur and they have wide knowledge regarding the market condition in Kuala Lumpur. The selection of the green office building in Kuala Lumpur was based on careful consideration of various factors. The decision was influenced by data obtained from the GBI database, which revealed a multitude of office buildings in Kuala Lumpur, Putrajaya, and Cyberjaya. However, when comparing the values assigned to these locations, it was evident that Kuala Lumpur surpassed both Putrajaya and Cyberjaya in terms of its higher value. Hence, Kuala Lumpur emerged as the preferred choice for the green office building. Then, the data collected were analyzed using content analysis. The research findings revealed four factors which are demographic location, indoor environmental quality, social and environmental benefits, and cost savings that influence the value of green office buildings, with two factors standing out as the most significant. These findings are expected to provide valuable insights to all stakeholders involved in green office building investments in Kuala Lumpur, particularly investors who are urged to consider these factors before engaging in such developments.

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CHAPTER 1

RESEARCH BACKGROUND

1.1 Background of Study

Malaysia is one of the developing countries especially in Asia. In many developing nations around the world, the usage of innovative and modern technology has been put into practise, notably for brand-new and high end stratified buildings. The usage of current technology and the idea of a green environment have now been integrated. In Malaysia, one of the main sectors is development, however it also contributes to pollution, including water and air pollution (Dwaikat & Ali, 2018). Therefore, environmentally friendly concepts such as sustainable development can reduce the negative effects on the environment, society and economy of the surrounding developing area (Dwaikat & Ali, 2018).

Besides, according to Dwaikat and Ali (2018), green buildings and sustainable construction are two phrases that have become interchangeable as a result of the sustainable development idea. According to their findings, energy and water efficiency, reduced use of natural resources, as well as enhanced health and the environment, are major features of a green building, which is the construction industry's answer to sustainability criteria.

The green building is one of the concept that has been introduced in Malaysia in order to give the modern and healthy lifestyle to the occupant of the building. The purpose of green building is to achieve outstanding water and energy efficiency, as well as the long-term sustainability of the building components. Green office building concept has emerged largely in Malaysia where most of the building is in Kuala Lumpur, the capital city of Malaysia. Green office buildings, also known as sustainable