

## **BUILD THEN SELL MODELS FOR HOUSING INDUSTRY: A REVIEW**

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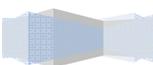
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### **Abstract**

Build Then Sell concept had been extensively discussed and debated by various parties in the Malaysian property development scene. The idea was originally mooted in the 1980s and since then various attempts to implement the system had met with dead ends. Nevertheless, owing to the persistence of the proponents of the concept, the system had recently gained ground by the '10-90' formula proposed by the Government. All the stakeholders in the property development industry are now actively working to chart the next course of actions to make the system a reality.

This paper investigates the Build then Sell models implemented in other countries, and the ones proposed by the respective parties in Malaysia. The rationale of studying the other countries' models is to learn from their time-tested Build Then Sell experience in their respective property development industries. Although some parties in this country claimed that Build Then Sell could lead to price increase, which in turn, could trigger unsustainable business climate in the industry, evidences from the other countries suggested otherwise. The opponents of the Build Then Sell could however, point out that the system in the other countries was applied on a different economic platform, with varying underlying economic fundamentals. Hence, it is important for all the relevant parties to study the Build Then Sell concept from a holistic point of view so that the nation could witness an improvement in the industry in the long run.

**Keywords:** Housing delivery system, build then sell.



# MODELLING INTERACTION OF LOCATION INFLUENCE WITH RENTAL VALUE ON COMMERCIAL PROPERTIES USING SPATIAL STATISTIC TECHNIQUES

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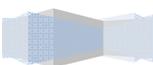
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## Abstract

The Multiple Regression Analysis (MRA) approach has been widely used to identify the location factor and perform value prediction of the property. However, this approach is subjective, choosing which measures to include in the model or in defining the measures itself. A possible alternative to this approach is to integrate the MRA with spatial statistic techniques to produce a better result. In this paper, the spatial relationship between the rental value of the commercial properties which is the shop house and location influence is explored using geographically weighted regression (GWR). GWR attempts to capture spatial variation by calibrating a multiple regression model fitted at each shop house in localities, weighting the location factors from the subject shop house which needs to be determined. GWR produces a set of parameter estimates and model statistics for the shop houses in the study area of Johor Bahru, Malaysia. It is evident that the GWR model provides useful information on rental value caused by surrounding factors. The GWR model was also compared with the traditional model, which is the ordinary least squares (OLS) model, to show the differences of the two models. The parameter estimates and model statistics of the GWR and OLS model were then mapped using visualisation tools, such as Geographic Information system (GIS). Consequently, the influence of site location, bank facilities, shopping complexes and others can be evaluated, tested, modelled, and readily visualised. In this study, the result shows that the bank provides a higher significant spatial variation towards the rental value of the shop house than the other influence factors. GWR is a useful tool that provides much more information on spatial relationships to assist in model development and further our understanding of spatial processes.

**Keywords :** Geographical Weighted Regression (GWR), Ordinary Least Squares (OLS), Geographic Information System (GIS), location, rental value, shop house.



# REAL ESTATE EDUCATION IN MALAYSIA: STUDENTS PERCEPTIONS AND INDUSTRY REQUIREMENTS

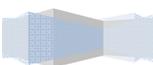
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## Abstract

During recent years, the issue of appropriacy and methods of real estate education has received an unprecedented level of attention, especially from academics and professionals. Universities are being challenged to rethink their course and programme offerings to bring them in line with the changing demands of the industry and globalization and the emergence of real estate market. It is imperative to bring about the assessments by students and industry to assist the academic in improving the current curriculum development and overall programme. The objectives of this study are threefold; firstly, to study the perceptions of the real estate professions and preferred future employment of the final year undergraduate students of Estate Management Programme at University of Malaya; secondly, to seek the graduates' perceptions on whether the programme has prepared them for a career in the real estate industry; and thirdly, to determine the extent to which University of Malaya's estate management graduates matched industry expectation. The main research method employed is by gathering quantitative data by separate literature-based questionnaire surveys on final year students, graduates and employers. The research found that majority of students preferred to enter into property management or facilities management despite being primed for careers in valuation. Graduates rated finance and building technology as most lacking in syllabus content and relevance respectively. The industry was of the opinion that graduates of the Estate Management course suffer from low leadership skills, skills to carry out tasks and inability to work with minimum supervision.

**Keywords:** Real Estate Education, Perception, Graduate Skills, Estate Management



## A CASE FOR PASSIVE ARCHITECTURE AS A GAIN IN FACILITIES MANAGEMENT

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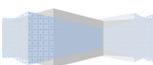
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### Abstract

The objective of this paper is to demonstrate that Passive Architecture gives significant Energy Savings Benefit that is advantage to Facility Management (FM). Passive Architecture is an assertion for energy conservation where building elements are passively designed and strategised for comfortable indoor conditions. Consequently, the building operation becomes less dependent from commercially supplied energy and offers Energy Savings Benefit. This idea was demonstrated using a computer simulation by comparing energy use in a living/dining area of a house with consideration of Passive Architecture (PA Case) and a version that disregards Passive Architecture design strategies (non-PA Case). The features of these cases were based on two actual houses with opposite characters in Bangi, Malaysia. The resultant indoor comfortable conditions in the two cases were compared against the standards. Whenever the PA Case did not need to use artificial lighting or mechanical cooling, it therefore, claimed Energy Savings Benefit. It was found that the living/dining area in the PA Case had effect for substantial monetary value of Energy Savings Benefit for one year, making Passive Architecture a significant cause. Passive Architecture is a fundamental action before using Energy Efficient equipment or applying Renewable Energy system whereby the latter is relatively expensive and the payback period takes a long time to materialise. By understanding the significance of Passive Architecture, FM professionals could further explore the idea in a wider context and be more effective in the building industry.

**Keywords:** Passive Architecture, Facilities Management and Energy Savings Benefit.



# IMPACT OF MACRO-ECONOMIC FACTORS ON HOUSE PRICES PERFORMANCE

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## Abstract

This paper is to examine the impact of macro economic factors on house price. In order to capture price variation in the individual attributes, a hedonic function derived from Multiple Regression Analysis it used to enable the estimation of changes in house price from one period to another. The output of the regression provide information on how much a change in a property attribute would affect the price of a property and estimate the predictive capability of pricing model incorporated in these factors. To capture the effect of house price movement and to examine the impact of macro economic factors on house prices, based on the literature, the researcher has identified six macro economic factors. The economic factors used in this analysis are Per Capita Income, Gross Domestic Product, Consumer Prices Index, Average Commercial Bank Lending Rate, Population Growth Rate, and Unemployment Rate. The period of the analysis is on a yearly basis from 1990 to 2006.

**Keywords:** House prices index, macro economic factors, predictive model of house price performance



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