

# **Economic Valuation of Urban Green Spaces Using the Hedonic Pricing Approach : The Parks of Kuala Lumpur**

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## **ABSTRACT**

Urban Green Space (UGS) is a part of urban modern cities living. UGS supports the life of urbanites. The significant of the UGS has been outlined in Sustainable Development Goals 11 and 15 (SDG11 and 15), Nevertheless, the social and environmental functions of UGS are always left out from decision making process, also known as market failure. This is due to the lack of understanding in economic benefit, in monetary value terms: This study managed to estimate the economic value of selected UGS, the public parks of Kuala Lumpur, namely Taman Metropolitan Kepong, Taman Persekutuan Bukit Kiara, Taman Tasik Permaisuri and Taman Rekreasi Bukit Jalil. By applying the Hedonic Pricing Approach, the study manage to estimate the economic value four public parks. The estimation was conducted by regressing the price of 599 properties surrounding the selected parks. Under the hedonic pricing approach, the economic value of the park could be estimated by the change of house pricing due to the change of its distance to the parks. The marginal implicit price estimates were reduction of 1 km of the distance from the house locations to the Taman Persekutuan Bukit Kiara and Taman Bukit Jalil will increase the price of the house by RM45,865 and RM67.292 respectively. The study proved that the existence of environmental attribute, in this case public park, influence the house price in the vicinity. Findings from the study supply the managing authority the knowledge on the economic benefit of UGS for park justifications.