School of Architecture, Engineering, Land & Environmental Sciences

Department of Real Estate

How the sustainability characteristics of the real estate properties affect their prices?

Master Thesis of

Valentina Kontakki

MSc in Real Estate

Pafos, October 2020

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Submitted to the School of Architecture, Engineering, Land & Environmental Sciences in part of the requirements for obtaining my Master degree in Real Estate

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MSc in Real Estate

Master Thesis

How the sustainability characteristics of the real estate properties affect their prices?

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Abstract

The cities in the past used to be created and developed by slow and smooth rate, while today are created and developed in very short time, they expand become one of the most important sources of many environmental problems. Investment in environmental technologies can ensure that over time many environmental impact will decrease.

We have the technology to survive, but we also need the ecological consciousness of all of us that will help in the timely implementation of the changes to ensure a guaranteed future.

We must urgently reduce greenhouse gas emissions, adapt our buildings so that we can survive in them during intense weather and increase the adaptability of our societies to ensure their survival through the upcoming changes.

Today we have buildings with sustainability characteristics and the governments are trying to implement this through legislation and to apply that characteristics for all new buildings. The scope is in the next 10 years to have buildings with zero energy consumption.

In this paper I try to study how those evolutionary sustainable characteristics are affecting the property prices globally. The study aims at an in-depth review of the literature related to the values of sustainable properties and the description of the evidence that affects them.

In this paper I try to examine the link between property prices and sustainability characteristics and how these characteristics make significant changes on property prices. More specifically I examine the market prices and the rental prices, if there are some changes noticed because of the sustainable characteristics a building may have, and if there is any which are those characteristics which affect more those prices. Generally, the role of the sustainable design in the real estate price.

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