

- [Front Page](#)
- [Search](#)
- [Economy](#)
- [Commodities](#)
- [Currencies](#)
- [General News](#)
- [Bonds](#)
- [Politics](#)
- [Leisure](#)
- [Sport](#)
- [Stocks](#)
- [Bank & Finance](#)
- [Agro and Food](#)
- [Consumer products](#)
- [Industries](#)
- [Property & Construction](#)
- [Energy](#)
- [Service](#)
- [Telecom & Technology](#)
- [Non-listed companies](#)
- [Subscribe](#)
- [Advertise with Business Day!](#)

● [Did you know that Business Day in 2004 has been a Thai biz-news leader for 10 years?](#)

**Test drive a BMW today!**

■ [Energy](#) 06 Jul 05 20:59

## ● Fuel prices push up costs at local highrises

Business Day

The fuel price crisis is pushing up the operating costs of highrise buildings in Bangkok. Whilst some landlords are expected to simply push this burden on to tenants, others are seeking ways to reduce costs through energy saving, according to real estate services and investment management firm Jones Lang LaSalle.

Suphin Mechcuchep, managing director of Jones Lang LaSalle, says, "The rising prices of both benzene and diesel are negatively affecting highrise building operators as the costs of building operation and maintenance are increasing."

Statistics collected from office buildings indicate that the cost of building operation and maintenance is escalating in response to the fuel price hikes and is likely to rise further as the diesel price subsidy has been lifted. Electricity cost alone has already increased by 8 percent.

The increasing building operating cost will initially have a direct impact on landlords. Should the landlords fail to tackle the issue, the cost will then become a tenants' burden.

Landlords would typically increase rental rates, which include fees for management of facilities and common areas. However, Jones Lang LaSalle believes that most landlords would avoid any significant increase in rents. They want to keep their buildings competitive, which, in turn, will help maintain existing tenants and attract new ones.

"Jones Lang LaSalle has recently introduced additional energy-saving measures in the buildings for which we are acting as property managers. "These measures include a behavioural change in the way machinery and electrical equipment related to the building operation are utilised and operated, ie, avoiding heavy use during peak load hours when the power price rate is higher. Regular maintenance of related machinery and equipment is strictly monitored to ensure their maximum efficiency. Temperature controlled by an air-conditioning system is increased by one or two degrees Celsius," Suphin said.

Jones Lang LaSalle acts as property manager for a portfolio of highrise buildings totalling over one million sqm of space, equivalent to a consumption of at least 20 million kilowatts of electricity per month. With the additional energy-saving efforts that have been introduced, the electricity consumption is expected to decrease by approximately one million kilowatts/month or 5 percent, accounting for three million baht in electricity charges.

Jones Lang LaSalle is the world's leading real estate services and money management firm. It operates across more than 100 markets around the world. The company provides comprehensive integrated expertise, including management services, implementation services and investment management services on a local, regional and global level to owners, occupiers and investors.

● [Front Page](#)    [Printer-friendly version](#)    [Mail to friend](#)

### The Insider

**Which way will the oil price have gone by mid August?**

- Up!
- Down!
- Roughly unchanged.

### Second Passport?

Travel visa-free to most of the world!  
[www.mckenzie-legal-services.com](http://www.mckenzie-legal-services.com)

### Business Know-How

Subscribe to  
**BUSINESS DAY**  
 - can you afford not to?



[Index](#)

Webservice