

# **Impact of Environmental, Social and Governance (ESG) on the Performance of Real Estate Firms**

The increased role that environmental, social and corporate governance (ESG) factors play in influencing investment decisions presents key challenges to the property industry. However, debates still arise regarding there ESG can improve real estate firms' performance. The purpose of this project is to provide quantitative analysis on the impact of ESG factors on reale state firms's performance.

Expectation:

- Comprehensive Literature Review on the impact of ESG on the performance of real estate investment, including rent price, valuation price, stock performance, etc.
- Collecting data on ESG rating and listed real estate firms' performance from SNL database and/or Bloomberg Professional.
- Quantitative analysis on the relationship between performance (including stock return, and risk adjusted stock return) and ESG rating.

Suggested Literature:

Cajias, M., F. Fuerst, P. McAllister, and A. Nanda. 2014. Do Responsible Real Estate Companies Outperform Their Peers? *International Journal of Strategic Property Management* 18: 11–27.

Newell, G., & Lee, C. L. (2012). Influence of the corporate social responsibility factors and financial factors on REIT performance in Australia. *Journal of Property Investment & Finance*.

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