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# More goodies expected at Mapex 2019 as developers address overhang situation

*Developers participating in Mapex 2019 can offer more than 10% discount as the expo addresses the property sector at a very crucial juncture*

by FARA AISYAH

SOME 180 developers participating in the government-backed home sales expo next month are expected to dish out more exciting goodies than the minimum 10% discount on their unsold properties, to clear inventories which have been hurting the sector.

Developers participating in the Malaysia Property Expo 2019 (Mapex 2019) could offer more than 10% discount, as the expo addresses the property sector at a very crucial juncture where unsold homes have reached a record high of 30,115 units nationwide to date.

Laurelcap Sdn Bhd property valuer Kit Au Yong said it will not trouble the property firms to dish out more than 10% discount, as the cam-



(From left) KPKT Deputy Minister Datuk Raja Kamarul Bahrin Shah, Finance Minister Lim Guan Eng and Rehda president Datuk Soam Heng Choon during a recent media briefing on Mapex 2019. The expo is expected to see 180 developers showcasing over 20,000 units of overhang properties

paign's objective is to assist the developers to manage the overhang situation, besides to meet the demand for housing especially in the affordable segment.

"I am sure there will be quite a substantial numbers of unit managed to be sold as I

foresee more goodies being thrown in, either from the developers or even possibly from the government in terms of incentives," he told *The Malaysian Reserve*.

"You can certainly see that the Ministry of Housing and Local Government (KPKT)

has been engaging with stakeholders, especially developers, to provide housing needs to the people and at the same time managing the market condition, in particular the overhang situation," he added.

From the total 30,115 unsold homes, some 17,971 units are

priced below RM500,000, while the remaining 12,144 are units between RM500,000 and RM1 million.

Meanwhile, Institute for Democracy and Economic Affairs senior fellow Dr Carmelo Ferlito said developers will have to slash selling prices during the expo, to help themselves and the industry.

"Of course, prices and discounts cannot be decided or imposed by the government, but the developers will have to cut prices in line with the difficult situation experienced by the property market in general.

"If I was a potential buyer, I would use the expo as an occasion to understand better what the market is offering, collect material for reflections and for orienting a decision that will be most probably taken after the expo, after meditating upon the collected information," he said.

Last week, KPKT National Housing Department DG Jayaselan Navaratnam said the ministry has allowed developers to give additional rebates to home buyers.

"Along with what the Real Estate and Housing Develop-

pers' Association (Rehda) had agreed to give — the 10% discount — we are also allowing Rehda members and developers to give freebies, for example free kitchen cabinets.

"We are also legalising the free legal fees since they are not allowed to advertise the 'free legal fees' before this.

"Some developers would also like to provide additional, movable items in their units. These are among the things which were allowed in 1998, so we are allowing the same methodology to be worked out for this year," he said.

The developers participating in the Home Ownership Campaign are also allowed to advertise the freebies throughout the year.

The Mapex 2019 will be held at the Kuala Lumpur Convention Centre from March 1-3, held in conjunction with the government's "Home Ownership Campaign" from January-June 2019.

A joint effort by KPKT and Rehda, the expo is expected to see 180 developers showcasing over 20,000 units of overhang properties worth RM22.5 billion with attractive discounts or packages for homebuyers.