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PropertyGuru: Interest in subsale homes surpasses primary properties in 1H19

The Malaysian Reserve, Malaysia



REHDA

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by FARA AISYAH

MALAYSIANS are more keen on buying subsale homes compared to primary properties, based on the PropertyGuru Consumer Sentiment Survey for the first half of 2019 (1H19).

The survey, which was based on 958 online respondents, revealed that interest in the primary market for the first six months dropped to 37% from 53% in 1H18.

On the other hand, the interest in subsale properties rose to 62% from 47% the prior year.

"Today, 48% of Malaysians are looking for both new and subsale properties, with 14% exclusively targeting properties in the secondary market.

"This may underscore the growing disparity between new project launches and actual demand, whether in terms of pricing, location or other considerations," PropertyGuru Malaysia country manager Sheldon Fernandez said.

He added that the shift in preferences for subsale properties predates the Home Ownership Campaign (HOC), with exclusive interest in the primary market among the respondents falling to 39% in 2H18.

"Location is the driving factor behind these changes with purchasers prioritising older projects in central and more mature townships. Another factor which may play a role is immediacy, as subsale properties are available for home seekers to move into right away," Fernandez said.

In terms of current residence, the



Pic by Hussein Shaharuddin

Location is the driving factor behind the preference for subsale properties, as purchasers are prioritising older projects in central and more mature townships

survey noted that 52% of the respondents are located in the Klang Valley.

Of the percentage, 12% reside in Petaling Jaya (PJ), 10% each in Shah Alam and Subang Jaya, 8% in Kuala Lumpur (KL) city centre, 7% each in Cheras and Puchong, 6% in Ampang and 5% in Damansara.

These patterns are reflected in purchasing intentions, with 62% of the respondents targeting properties in the Klang Valley.

Meanwhile, PJ, Subang Jaya, Damansara, Shah Alam, Cheras, KL city centre, Puchong, Bangsar, Ampang and Mont Kiara are the top 10 locations

with high buying interests.

The survey revealed that the percentage of respondents interested in buying locally declined from 57% in 2H17 to 48% in 2H18, with a possible correlation to the uncertainty surrounding Malaysia's 14th General Election in May that year.

The figure had since returned to pre-election levels of 54%, it said.

In addition, overall positive perceptions of the real estate climate in the country have steadily risen over the past few years, from a low of 25% in 1H15 to 43% in 2H18.

The survey also noted that satisfac-

tion declined marginally to 41% this year despite the long-term trendline still being on the upswing.

"As a whole, with the introduction of initiatives such as the HOC, which has already been extended to Dec 31, 2019, with proposals to broaden its purview to next year, as well as to the secondary market and even international purchasers, sentiment is on the mend.

"However, danger points such as pricing and financing should be addressed for the market to achieve sustainability in the long term, rather than relying on interventions such as the HOC," Fernandez added.



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SUMMARIES

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