

Headline	Residential vacancy rate would be a better gauge		
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## Residential vacancy rate would be a better gauge

SEVERAL organisations, including the National Property Information Centre (NAPIC), published the property Stock and Status Q3 2018 data in January. The data showed that the number of unsold homes in Malaysia had reached a new high of 30,115 homes valued at RM19.54bil. This figure refers to unsold homes nine months from the issuance of the certificate of completion and compliance (CCC) and exclude residential properties built on commercial land, such as

serviced apartment and small-office home-office (SoHo) units.

A property consulting firm also reported on Feb 19, 2019 that at the end of the third quarter of 2018, Malaysia's overhang stood at 43,219 units worth RM29.47bil, including serviced apartments and SoHo units. These numbers represent only the property overhang and are not about market supply.

The real ratio that represents a supply and demand situation should be the residential vacancy

rate (RVR). Unfortunately, we don't use the RVR in Malaysia and I believe it is time for Napic to provide information based on this.

RVR is the percentage of all units in a certain market that are unoccupied during a particular time. Vacancy rate is calculated by multiplying the number of vacant units by 100 and then dividing that by the total number of units in the building.

Napic should provide RVR on the national, state, city or location

basis just like other developed countries like the United States, Singapore and Australia. This would enable developers, banks, property consultants, home buyers and investors to understand the current demand and supply situation better.

Napic should compile and publish the RVR on a quarterly basis for the public to analyse.

**SEE KOK LOONG**  
Petaling Jaya