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HOME OWNERSHIP CAMPAIGN

'REAL ESTATE MARKET HAS STABILISED'

Transaction volume and value up 0.6pc and 0.3pc, respectively, last year

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MALAYSIA'S real estate market stabilised last year, with the ongoing Home Ownership Campaign helping to spur residential property transactions, said Finance Minister Lim Guan Eng.

"Even though the property market has been facing a slump for the past few years, the volume and value of transactions increased 0.6 per cent to 313,710 and 0.3 per cent to RM140.33 billion,

respectively, last year," said Lim at the launch of Property Market 2018 report prepared by the Valuation and Property Services Department, here, yesterday.

"This must be compared with the 11.6 and 2.7 per cent drop, respectively, based on the National Property Information Centre (Napic) data in 2017. This is an encouraging development."

Napic is a unit of the Valuation and Property Services Department.

Lim said the slight increase in both transaction value and volume were the first in four years, and despite a bigger overhang of



Finance Minister Lim Guan Eng (centre) and Valuation and Property Services Department director-general Ahmad Zailan Azizuddin (right) at the launch of Property Market 2018 report in Kajang yesterday. With them is the National Property Information Centre director Md Badrul Hisham Awang.
PIC BY AZHAR RAMLI

residential and commercial real estate compared with 2017.

The residential sector saw 197,385 transactions worth RM68.75 billion last year, for an increase of 1.4 per cent in volume and 0.4 per cent in value.

Kuala Lumpur, Johor and Penang recorded an increase of 6.8, 7.8 and three per cent, respectively, while Selangor posted a marginal 0.4 per cent drop.

On the commercial front, 23,936 transactions valued at RM29.51 billion were recorded, which were an increase of eight and 16 per cent, respectively.

The shop sub-sector dominated

54 per cent of commercial property transactions and 36.4 per cent of the total value.

It recorded a positive movement of 5.1 per cent in volume and 11.5 per cent in value, compared with 2017.

Lim said the overall residential property overhang rose by 30.6 per cent to 32,313 units worth RM19.86 billion from 24,738 units last year.

"High-rise residential units make up the bulk of the overall unsold units at 43.4 per cent of the total," he said.

Unsold units under construction also increased by 30.9 per cent, or 80,984 units, compared

with the previous year.

On commercial properties, Napic data showed shop overhang rose 11.2 per cent to 5,055 units valued at RM4.08 billion.

Unsold units under construction rose to 7,233 units, up 22.8 per cent from 5,889 in 2017.

Shopping malls saw a dip in average occupancy rate at 79.3 per cent last year, compared with the previous year's 81.3 per cent, due to slow take-up rate in Selangor (-32,665 sq m) and Pahang (-10,831 sq m), among others.

Office lots occupancy also showed a marginal drop to 82.4 per cent from 83.3 per cent.