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Rehda sells RM14.65b worth of properties during HOC, surpassing sales target

The Malaysian Reserve, Malaysia



REHDA

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Properties between RM500,000 and RM750,000 made up the bulk of the sales with 7,704 units

by FARA AISYAH

THE Real Estate and Housing Developers Association Malaysia (Rehda) has sold RM14.65 billion worth of properties during the Home Ownership Campaign (HOC).

According to Rehda, 19,784 units have been sold as at Sept 13 this year.

Rehda said the sales figure has surpassed its minimum RM3 billion sales target for the campaign.

This figure excluded units below RM300,000 and properties above RM2.5 million.

Rehda president Datuk Soam Heng Choon said the recorded figures were actual sales achieved by developers, from buyers whose loans were approved with stamp duty exemptions.

"In terms of value, a big chunk of it is for properties below RM1 million, while the remaining is RM1 million to RM2.5 million. The biggest demand is actually for properties between RM500,000 and RM750,000.

"Selangor tops the sales volume with 8,269 units, which does not surprise us. The housing demand in Selangor and Kuala Lumpur (KL) should be the in the top," Soam said at the Rehda Property Industry Survey for the first half of 2019 (IH19) briefing in Petaling Jaya yesterday.

Properties between RM500,000 to RM750,000 made up the bulk of the sales with 7,704 units, followed by properties between RM300,000 and



Soam says, the total sales performance went up 58% from 43% recorded in 2H18, with Selangor topping the sales volume with 8,269 units

RM500,000 (4,967 units), RM750,000 and RM1 million (3,968 units), RM1 million and RM1.5 million (2,410 units), RM1.5 million and RM2 million (450 units), and RM2 million and RM2.5 million (285 units).

The majority of the sold out properties were serviced apartments with 7,080 units, double-storey terrace (5,877 units), condominium (3,132 units), semi-detached homes (990 units), apartment (931 units), SOHO (698 units), and townhouses (496 units) among others.

KL is the second state with highest sales volume of 4,775 units, followed

by Johor (2,026 units), Penang (1,401 units), Melaka (1,394 units), Negri Sembilan (991 units), Perak (516 units), Kedah/Perlis (361 units), Pahang (48 units), Terengganu (nine units) and Kelantan (four units).

The HOC sales was contributed mainly by Rehda's members, while 1,002 developers or non-members of Rehda contributed about 5% to the figure.

Meanwhile, the survey revealed that there was a reduction in the number of launches, while there was a 15% spike in sales performance.

"Total sales performance went up 58% from 43% recorded in 2H18, with the majority being residential at 6,062 units.

"The top performers were two- and three-storey terrace houses mainly from Bandar Sri Sendayan in Negri Sembilan and Durian Tunggal, Melaka at 2,745 units and serviced apartments from Wangsa Maju and Petaling Jaya at 1,732 units," Rehda noted in the survey based on 144 respondents.

Most buyers for the transacted sales were first-time purchasers, mainly for the purpose of self-dwelling, followed

by buying for family members and for investment.

Rehda added that there was an increase of the number of respondents with unsold units at 73% from 62% in 1H18, with a majority of them reporting to have less than 30% unsold stocks.

The total of unsold units stood at 5,875 units, higher than 5,054 units in 2H18.

About 34% of the unsold homes were in the semi-detached/bungalow category, terrace house (28%) and apartment/condominium/serviced apartments (24%).

About 88% of respondents reported having problems with end-financing issues, which Rehda said is the top reason for unsold units, followed by unreleased Bumiputera units and low demand/interest.

According to data from Bank Negara Malaysia, approved mortgages hit a near five-year high in July at RM11.12 billion, largely driven by sales from the HOC and an accommodative monetary policy.

The last time loans approved for purchase of residential property breached the RM11 billion mark was in December 2014 with RM11.37 billion worth of mortgages approved.

Loans approved for purchase of homes in July rose 21.3% year-on-year (YoY) from RM9.17 billion recorded last year. On a month-on-month (MoM) basis, the figure was 15.4% higher than the RM9.64 billion posted in May 2019.

Demand was also strong, with RM25.07 billion worth of loans applied for purchase of residential property in July — up 2.6% YoY from RM24.43 billion last year, and higher by 18.3% MoM than RM21.19 billion recorded in June 2019.



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SUMMARIES

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