



Persatuan Pemaju Hartanah Dan Perumahan Malaysia  
马来西亚房地产发展商会  
Real Estate And Housing Developers' Association Malaysia  
"Towards Sustainable Development"  
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## **MEDIA RELEASE**

**WISMA REHDA, KELANA JAYA, PETALING JAYA**

**WEDNESDAY, 14 SEPTEMBER 2016**

### **MEDIA BRIEFING - REHDA PROPERTY INDUSTRY SURVEY 1H 2016**

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REHDA Malaysia continued to undertake its property industry survey to assess the property market performance in 1H 2016 as well as the outlook for 2H 2016.

The survey, participated by REHDA members from all 12 states across Peninsular Malaysia, revealed that the number of respondents with project launches as well as units launched in H1 2016 has reduced significantly compared to 2H 2015. Reduction was particularly evident Kedah, Perak, Kuala Lumpur, Pahang, Selangor and Melaka.

Residential properties continued to lead new launches albeit at a much reduced volume while commercial units experienced a decreased of 30%. The residential market continued to be driven by domestic buyers, mostly purchasing for own occupation or upgrading.

#### **Sales Performance**

Sales performance experienced a significant decrease from 52% in 2H 2015 to 39% in 1H 2016. 2-3 storey terrace sales dominated the market share by more than half out of the total sales reported.

#### **Launches**

Half of the residential units launched were priced below RM500,000 with launches of below RM200,000 properties on the hike. All states were retaining their prices except Melaka.

While 2H 2015 saw strata launches overtaking landed properties by 1%, landed residential properties have taken back its dominance on property launches in 1H 2016. Launches of landed properties were mainly in Selangor and Johor.

#### **Unsold Units**

Overall, the situation of unsold units was still manageable despite the decreased in sales performance. However, the number of affected respondents with unsold units of 30% and below has increased (2H 2015:68%, 1H 2016:74%).

End financing and loan rejection remained a major problem to nearly 70% of the respondents and it has spread to affect almost all price range.

Respondents also reported that the various cooling measures introduced since 2010 have also affected sales to slow down.

## **Business Operations**

The survey showed that the developers continued to undertake cost cutting measures to counter the rising cost of doing business, which remained at up to 10%.

Amongst the measures implemented by developers to help boost sales were:

- Creative Marketing Strategies
- Aggressive Participation in Exhibition
- Review Selling Price
- Financing/Easy Payment Scheme

## **Affordable Housing Projects**

Provision of affordable housing continues to remain a challenge with respondents reporting non-feasibility due to high land price as well as the increased overall cost of doing business being the major challenges.

## **Future Launches and Outlook 2H 2016 and 1H 2017**

Slightly less than half of the respondents reported launches for 2H 2016, of which, 48% were targeting only below 50% sales in the first 6 months of launch.

Prices of future launches are expected to maintain except for Melaka which will see prices reverting back to the RM200,001-RM500,00 price range.

Generally, the survey respondents anticipated the level of optimism to improve in H2 2016 with further improvements in H1 2017.

### **Issued by:**

The Communications, Public Relations & Publication Committee,  
REAL ESTATE AND HOUSING DEVELOPERS' ASSOCIATION MALAYSIA (REHDA)

### **About REHDA Malaysia**

*REHDA Malaysia is an association of real estate and housing developers founded in 1970. It is recognised as the leading voice in advocacy and governance of the real estate and housing industry. Members of REHDA have built more than 4 million units housing units to date, and contributed in excess of RM20 billion annually to Malaysia's GDP, impacting at least 140 upstream and downstream industries.*

### **About the REHDA Property Industry Survey**

*The REHDA Property Industry Survey is a half-yearly report conducted by REHDA, covering topics related to the property market, unearthing challenges and gleaning feedback from members on pertinent industry issues and policies during the review period.*

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