



Headline	Property market transactions drop 11.5pc in 2016
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Property market transactions drop 11.5% in 2016

THE property market recorded 320,000 transactions worth RM145.41 billion in 2016, a decline of 11.5% against the previous year.

In a statement yesterday, the Valuation and Property Services Department said the residential sub-sector continued to drive the overall market with a 63.4% contribution in volume and 45.1% in value, while affordable houses continued to be in demand with more than 65% of the residential transactions recorded for properties costing within RM300,000 and below.

As the market continued to soften, the number of newly launched houses declined to nearly 53,000 units, down by 9.8%, compared to more than 58,000 units in 2015, it added.

Meanwhile, sales performance was also lower at 31.4% compared to 42.1% in 2015.

The slow market absorption also led to an increase in

the overhang, the statement said, adding that the numbers grew to 14,792 units, worth RM8.56 billion, up 43.8% in volume and 70.7% in value against 2015.

"I must emphasise that this is a pertinent issue that must be addressed by all parties, particularly the local authorities and property developers.

"Both must exercise due diligence before arriving at a development decision to avoid an oversupply situation," DG Dr Rahah Ismail was quoted as saying in the statement.

In the office and retail sector, vacancies continued to increase with both Kuala Lumpur and Selangor recording 2.74 million sq m of vacant office space, an increase of 16% compared to 2015.

Vacant retail space also increased to 2.7 million sq m, up 11.9% against 2015. — *Bernama*