



First-time buyers to boost property market

➤ More purchases expected next year due to govt initiatives

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PETALING JAYA: More Malaysians are expected to buy houses for the first time next year, leading to a slight improvement in the performance of the property sector.

According to a technical study and a survey conducted by two separate bodies, the uptick was largely due to the government's initiatives to help first-time home buyers.

The property market has seen a rebound since the end of 2018 after a decline since 2012, Malaysian Institute of Estate Agents chief executive

officer Soma Sundram Krishnasamy said yesterday.

"The signs are showing a stabilising market for the property sector where the first half (1H) of 2019 was better than 1H2018.

"With the Home Ownership Campaign initiated by the government, we are of the view that the sector is on a recovery mode but at a slower pace."

The study reaffirms a survey conducted by Juwai IQI, one of the largest real estate groups in Southeast Asia.

It found that 64.7% of 386 local real estate agents who were surveyed believed that first-time buyers would increase the number of

transactions in the coming year.

"Local upgrade buyers are expected to purchase more property in the coming year by 61.2% of respondents, local investors by 65% of respondents, and foreign buyers by 79.7% of respondents," the Juwai IQI group executive director Khashif Ansari said in a statement.

Siva Shanker, CEO of Real Estate Agency at Rahim & Co International, echoed the positive sentiment.

He said the Home Ownership Campaign initiative contributed to the rising number of local first-time buyers.

Siva pointed out that Bank Negara Malaysia has set aside one-third of its net income to help first-time buyers qualify for a housing loan.

However, he warned local first-time buyers to not purchase properties that are above their means.

"Buying property would be the best investment but do not try to buy property that you cannot afford.

"Don't try to buy your dream house on your first purchase," he told *theSun*.

He advised first-time buyers to trade up, that is purchase higher priced property over time.

"Do not listen to so-called dubious property guru with suspect credentials who advise you to buy property for investment which you can't afford to pay the mortgage.

"For a first-time buyer, it is better to buy a smaller home.

"You can always sell it or buy a more expensive and bigger house when your salary increases."