



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

WISMA REHDA, KELANA JAYA, PETALING JAYA

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MEDIA BRIEFING – REHDA PROPERTY INDUSTRY SURVEY 2H 2018

Findings from the REHDA Property Industry Survey 2H 2018 noted a slight increase in residential launches compared to 1H 2018 (2H 2018: 96%; 1H 2018: 95%), despite marginal decreases in overall launches and sales performance. Majority of the 121 respondents are neutral towards the economic and business outlook as well as the property industry outlook for 2019.

Launches

11,463 residential units were launched in 2H 2018 as opposed to 13,233 units in the previous half, with apartment/condominium taking the lead as the most unit launched followed by 2-3 storey terrace houses. 52% of the units launched were priced at RM500,000 and below, compared to 65% in 1H 2018.

Sales Performance

An 8% reduction was recorded for sales performance, with the most of it being residential units at 5,066 units (1H 2018: 6,510 residential units). Similar to launches, apartment/condominium and 2-3 storey terrace categories were the top performers, with 2,023 units and 1,793 units sold respectively. Most of the apartment/condominium units sold were in Bukit Kerinchi and Cheras while Setia Alam and Serendah made up the most popular locations for 2-3 storey terrace units. A majority of buyers are still first-timers buying for self-dwelling, followed by purchasing for family members.

Affordable Housing

Respondents with affordable housing components were recorded at 45%, compared to 47% in 1H 2018. The respondents' top three wish list to encourage provision of affordable housing were reduction of development charges, lower land conversion premium and higher plot ratio.

Unsold Units

Respondents with unsold units have decreased to 62% (1H 2018: 75%; 2H 2017: 66%; 1H 2017: 72%), whereby 39 respondents recorded less than 20% unsold stock and 21 respondents with between 21% - 30%. 15 respondents reported to have more than 30% unsold units, compared to 29 respondents in 1H 2018.

As in the previous period, end-financing is still cited as the main reason for unsold units, where 90% respondents reported as such. Other reasons include unreleased Bumiputera units and low demand or interest.

Business Operations

For 2H 2018, respondents reported that overall costs of doing business have increased by 10%. 87% respondents remarked that they were affected by the current economic scenario as compared to 93% in 1H 2018. Cited as the top three components affecting cash flow were compliance cost, material and labour cost and land cost, which were the same as 1H 2018.

Future Launches and Outlook for 1H and 2H 2019

41% respondents expressed plans to launch 8,991 units in 1H 2019, comprising 3,637 strata units and 5,210 landed units. However, 78% respondents or 39 of them anticipated their sales performance to be 50% and below within that period. Most states planned to launch projects within the RM250,001 – RM500,000 range, except for Penang and Selangor with planned launches of RM500,001 – RM700,000 units mostly in Seberang Perai, Shah Alam and Sepang.

Overall, the economic and business as well as property industry outlook remained neutral in 1H 2019, but developers are more optimistic towards the industry's performance and growth in 2H 2019.

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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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