



'It's the right time to invest'

Property and auto sales on the rise since June, say experts

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PETALING JAYA: Even as many consumers are cautious in purchasing high-ticket items in light of the Covid-19 pandemic, industry experts say sale of properties and cars have been rising since June.

Real Estate and Housing Developers Association (Rehda) Malaysia national council member Tony Khoo Boon Chuan said property sales had picked up since June, thanks to lower interest rates and the extension of the government's Home Ownership Campaign (HOC) until 2021.

"No doubt buyers are guarded when buying high-priced products.

"But others who are not affected financially also realise the time is here to buy or invest in a new property," he said in an interview.

Apart from the HOC's 10% discount on the selling price, Khoo said buyers also enjoy incentives such as stamp duty exemption, free legal fees and freebies such as home security and alarm systems, additional cabling, fittings and fixtures.

"There are so many choices with perks and benefits in the market now for buyers.

"This is indeed the right time to invest," he said.

HOC is a government initiative in 2019 aimed at supporting homebuyers, and it has been reintroduced in June under the Penjana economic revival plan.

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Tony Khoo Boon Chuan

Khoo noted that the government's exemption of real property gains tax for Malaysians for disposal of up to three properties had made it easy for property sales in the secondary market.

"This will certainly encourage a lot of investors and buyers who are looking to upgrade," he said.

In the automotive industry, both new and used cars have seen brisk sales in recent months, with foot traffic at showrooms having increased tremendously.

Malaysian Automotive Association (MAA) president Datuk Aishah Ahmad said new car sales improved to 42,000 in June, compared with 22,000 in May, following the government's announcement to remove the sales tax for certain categories of vehicles.

"Many car companies are offering lots of discounts and attractive hire purchase rates to entice customers," she said.

Although many car buyers are

still cautious, she said premium cars purchases did not see much problem.

In fact, Aishah said MAA had readjusted the forecast of Malaysia's total industry volume to 470,000 for this year, versus the earlier forecast of 400,000.

Federation of Motor and Credit Companies Association of Malaysia president Datuk Tony Khor Chong Boon agreed, adding that the used car market had also experienced tremendous growth in July.

"June sales were on par with full recovery following the recovery movement control order.

"July was very encouraging with 37,880 units sold, which is 25% higher than the same month last year," he said, adding that it was the highest monthly sales achieved in the last five years.

In contrast, he said used car sales only chalked up 303 units in April, when the usual monthly figure was between 30,000 and 35,000 units.

Khor said several factors contributed to the recent good vibes in the automotive industry, with measures introduced in the government's economic revival plan shown to work.

"The moratorium has allowed some to have more money to spend, while the sales tax exemption has stimulated sales.

"Some buyers choose to get a car due to concerns about physical distancing and hygiene in public transport," he said, adding that used cars

costing around RM30,000 were popular.

He noted that brisk sales of used cars resulted in a long waiting time for inspection at Puspakom, with a minimum wait time of at least five to seven days, and even 10 days or more at some locations.

When asked, Khor said it was hard to predict how long the good vibes would last because the real challenge would come when many borrowers are required to pay when the moratorium is lifted beginning October.

"To keep the market and economy stimulated, the government has to periodically come out with relevant measures and policies," he said.

Human resource executive CW Lim, who has been househunting for a few months, said he would make use of the discount and offers to buy a house in the Klang Valley.

"With the HOC, I'll be able to save tens of thousand in downpayment, stamp duty fees and legal fees that could take me years to save up.

"Since my job and industry is not affected much, I hope I will soon own a house through these offers," said the 30-year-old from Klang.

Clinic nurse Farisha Azman, 29, who has been commuting to work from Subang Jaya to Shah Alam daily using the train, said she was in the process of buying a new car.

"Not having to worry about distancing on the train gives me peace of mind," she said.