



MEDIA BRIEFING

PROPERTY INDUSTRY SURVEY 2H 2022 & MARKET OUTLOOK 2023

22 FEBRUARY 2023

PRESENTED BY

Datuk NK Tong
REHDA President



BACKGROUND

- 136 REHDA members in Peninsular Malaysia participated in the survey.
- Survey conducted to assess market performance for 2nd Half 2022, outlook for 2023.
- Survey conducted by REHDA Institute and assisted by Sunway Institute for Global Strategy and Competitiveness (IGSC), Sunway University

PART 1: 2H 2022



LAUNCHES & SALES PERFORMANCE



PROPERTY TYPES & SELLING PRICES



UNSOLD UNITS



AFFORDABLE HOUSING



FINANCING



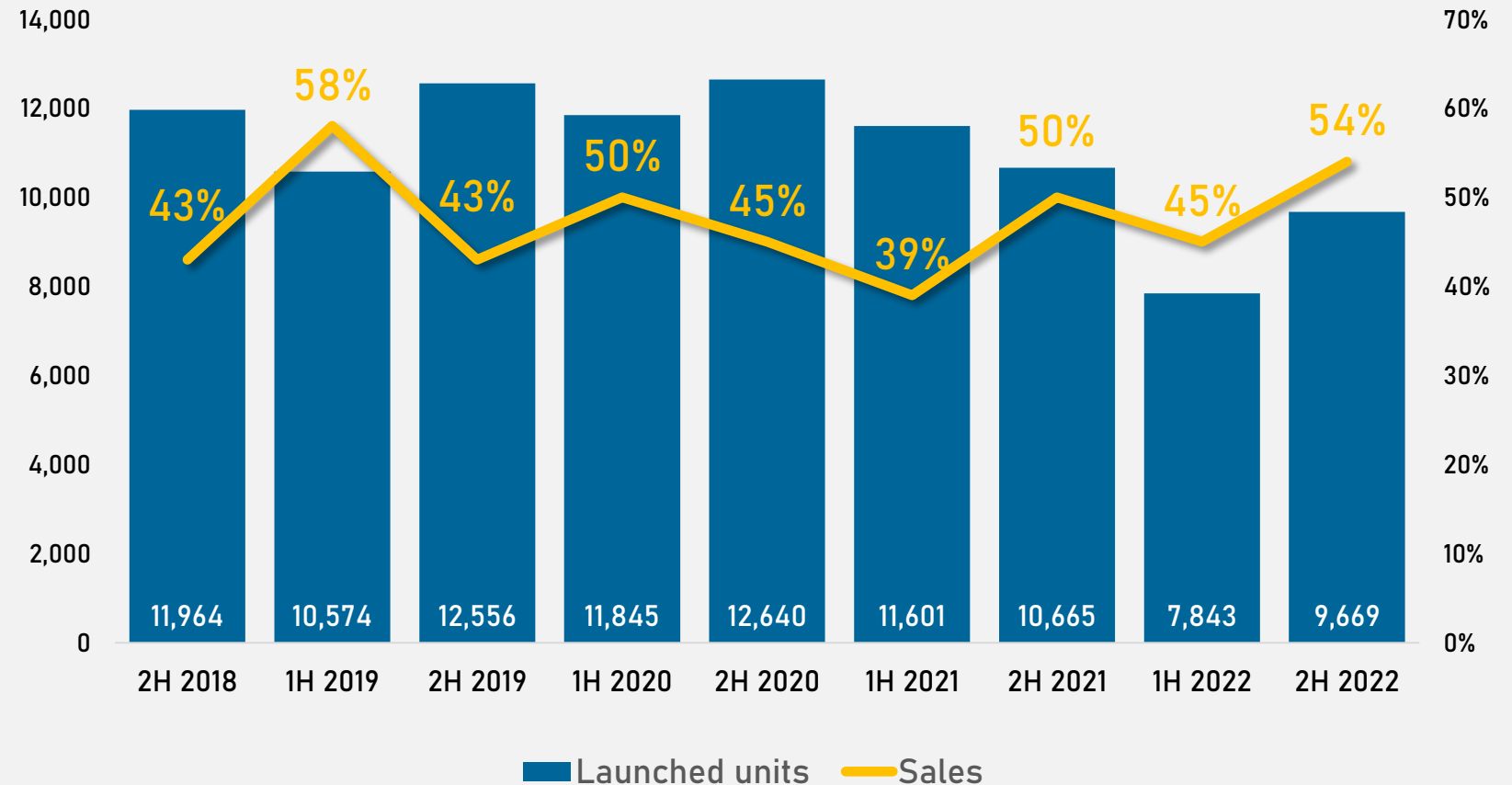
BUSINESS OPERATIONS

An aerial, isometric-style illustration of a residential development. The buildings are multi-story with red brick facades and grey roofs. A central courtyard features a swimming pool and a paved area. The overall scene is bright and clear, with a soft focus on the background.

1. LAUNCHES & SALES PERFORMANCE

OVERALL LAUNCHES & SALES PERFORMANCE

- 45 respondents (34%) launched their projects in 2H 2022. [1H 2022: 53 respondents (35%)]
- Launched units increased by 23%.
- Sales performance increased by 9 percentage points.



*Data does not reflect for all states in Malaysia

LAUNCHES: SALES PERFORMANCE BY PROPERTY TYPE

- 97% of launches were residential property. (Commercial property: 2%; Industrial property: 1%)
- 2-3 Storey Terrace and Serviced Apartments were the most sold properties in 2H 2022.

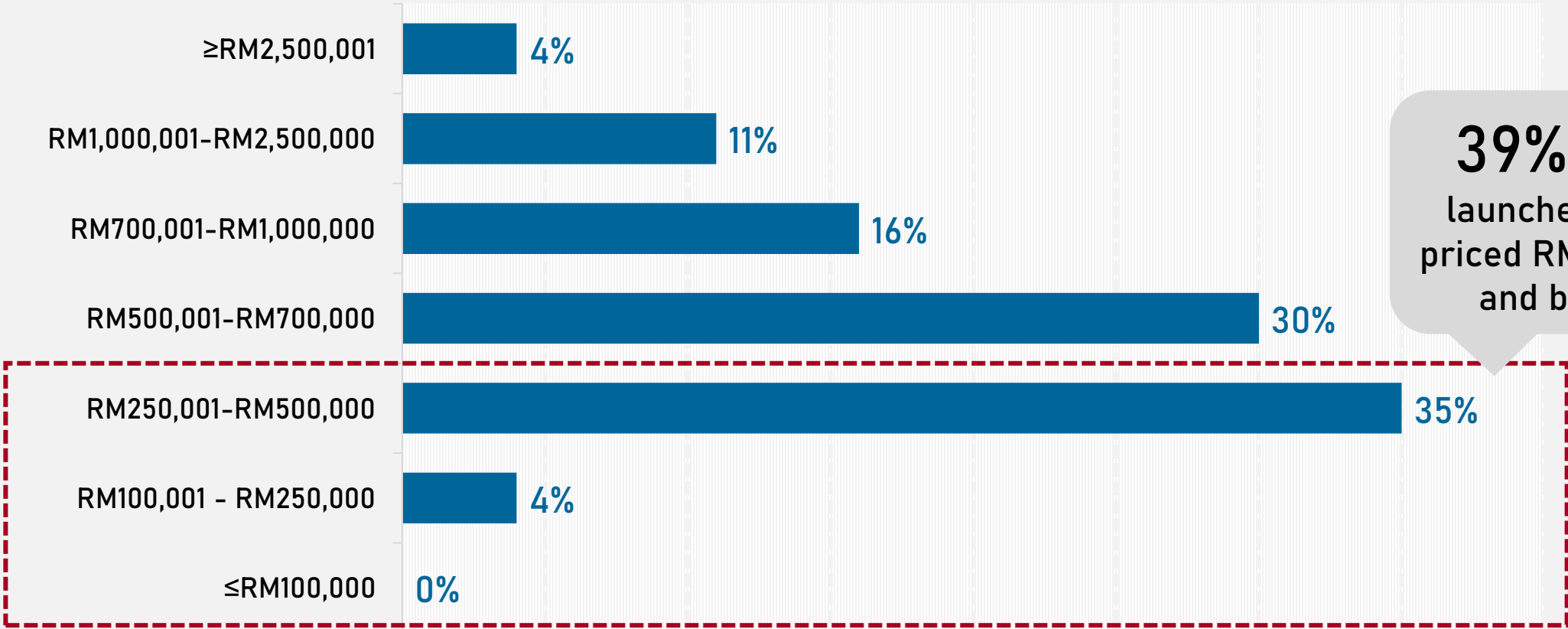
Property Type	1H 2022		2H 2022	
	Units Launched	Units Sold	Units Launched	Units Sold
Single-Storey Terrace	495	331	1,109	504
2-3 Storey Terrace	3,884	2,365	2,610	1,622
Semi-Detached/Cluster	467	202	753	532
Bungalow/Villa	23	4	145	280
Low-Cost House/Flat	154	59	72	63
Apartment/Condominium	369	126	1,748	507
Serviced Apartment	1,783	20	2,670	1,414
Townhouse	112	36	260	115
Commercial	474	367	243	152
Others	82	39	59	50
Total	7,843	3,549	9,669	5,239

Majority units sold from Seremban & Johor Bahru



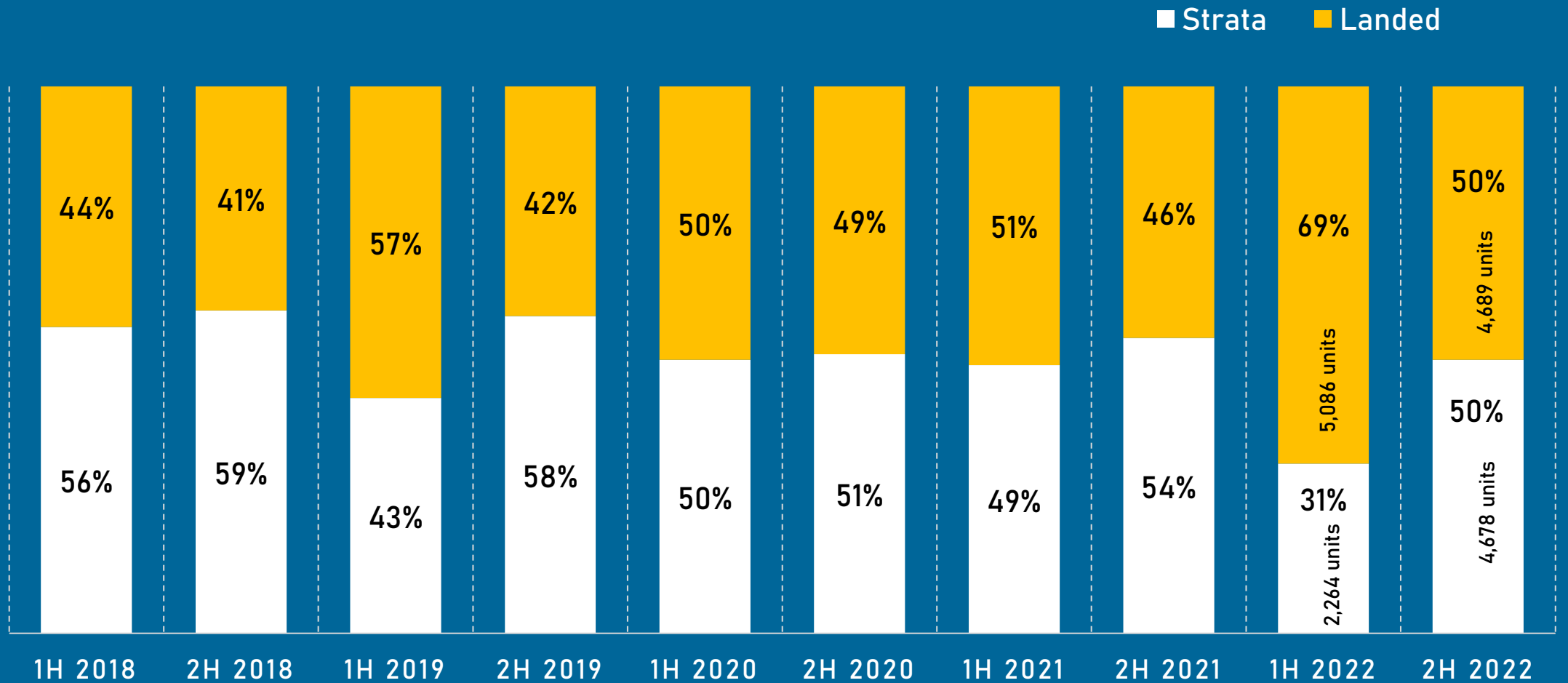
2. PROPERTY TYPES & SELLING PRICES

RESIDENTIAL LAUNCHES: MOST LAUNCHED SELLING PRICE



39% of the launches were priced RM500,000 and below.

RESIDENTIAL LAUNCHES: PROPERTY BREAKDOWN



RESIDENTIAL LAUNCHES: MOST LAUNCHED SELLING PRICE BY STATE

STATE	MOST LAUNCHED SELLING PRICE (2H 2022)	LOCATION
KELANTAN*	-	-
TERENGGANU*	-	-
MELAKA	RM 250,001 – RM 500,000	JASIN
PAHANG	RM 250,001 – RM 500,000	KUANTAN
KEDAH/PERLIS	RM 250,001 – RM 500,000	SUNGAI PETANI
N. SEMBILAN	RM 250,001 – RM 500,000	SEREMBAN
SELANGOR	RM 500,001 – RM 700,000	SEPANG
JOHOR	RM 500,001 – RM 700,000	JOHOR BAHRU
PENANG	RM 700,001 – RM 1,000,000	SEBERANG PERAI
PERAK	RM 700,001 – RM 1,000,000	IPOH
WPKL	RM 700,001 – RM 1,000,000	BANGSAR



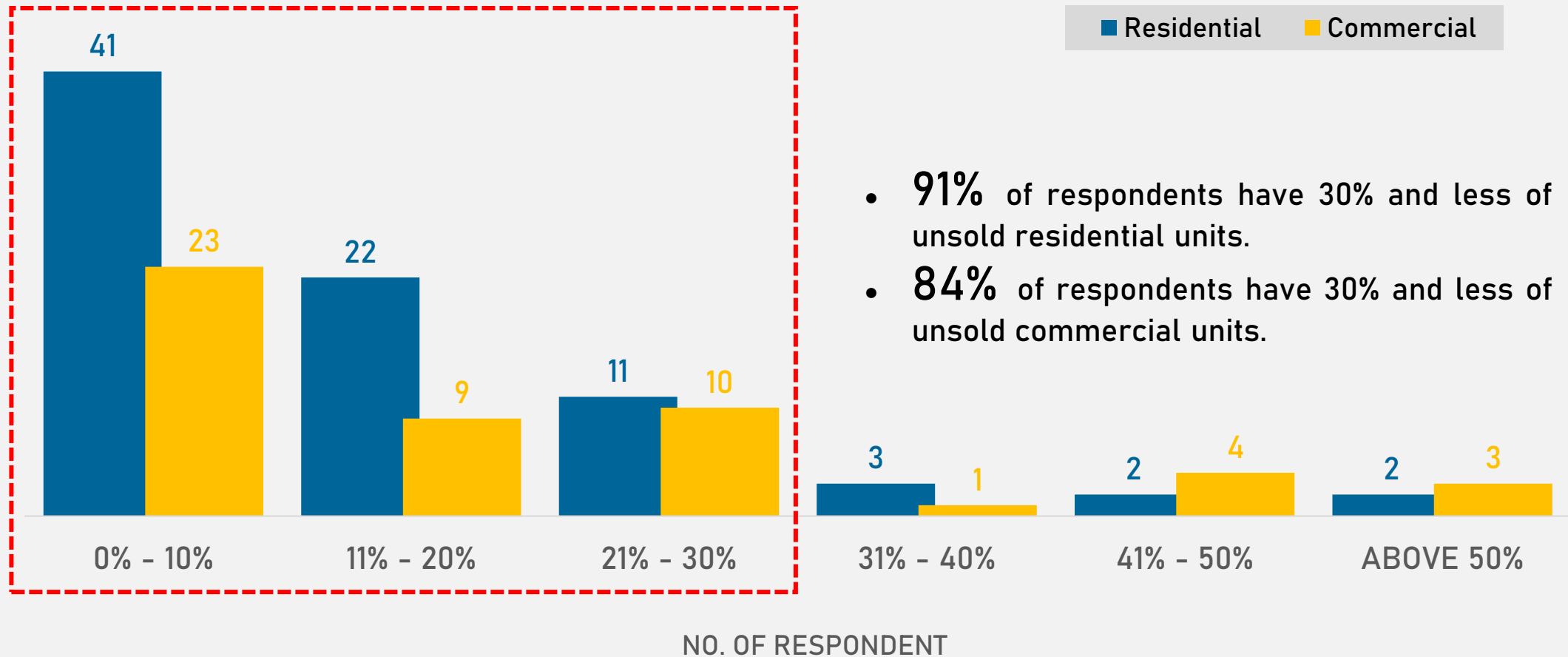
** No new project launched by Terengganu & Kelantan respondents in 2H 2022*



3. UNSOLD UNITS 2H 2022

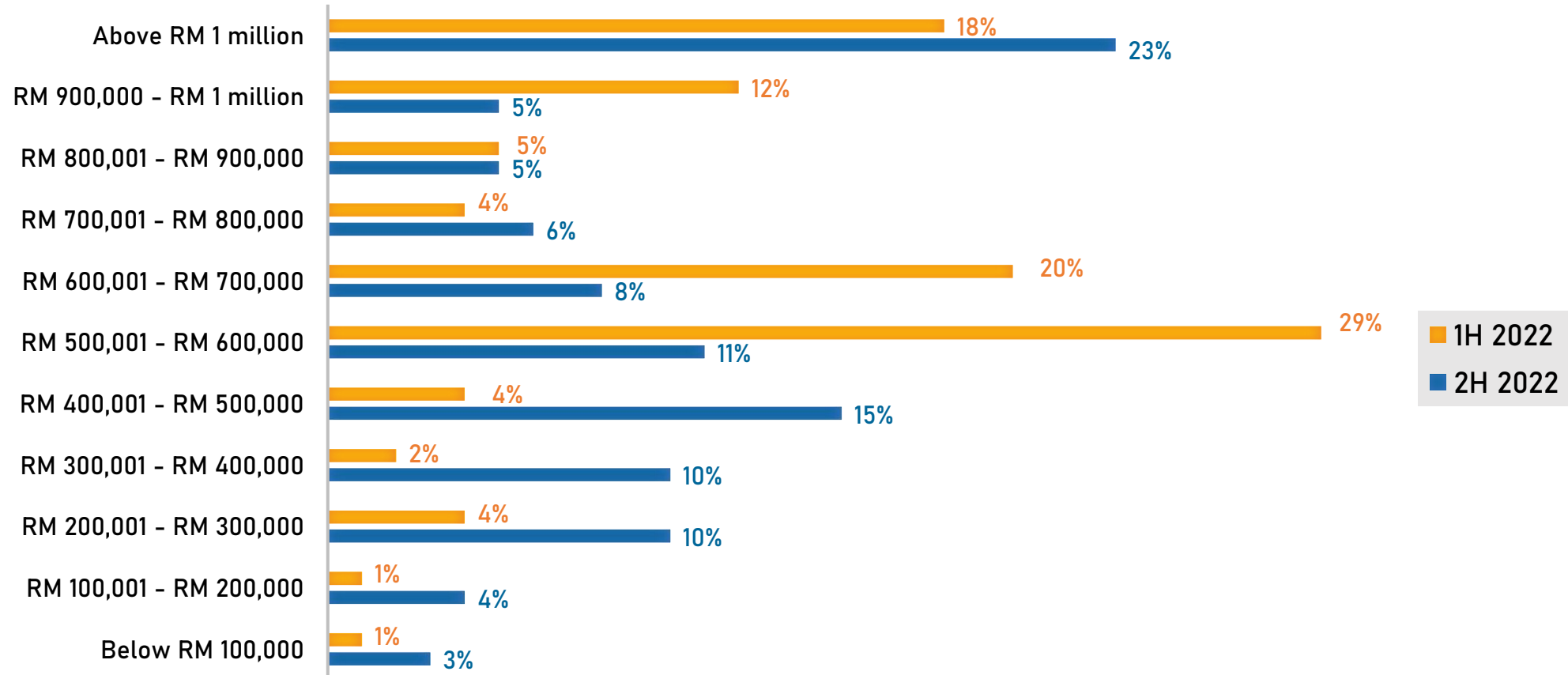
UNSOLD UNITS: RESIDENTIAL & COMMERCIAL

- 61% of respondents reported unsold residential units, while 38% of respondents reported unsold commercial units

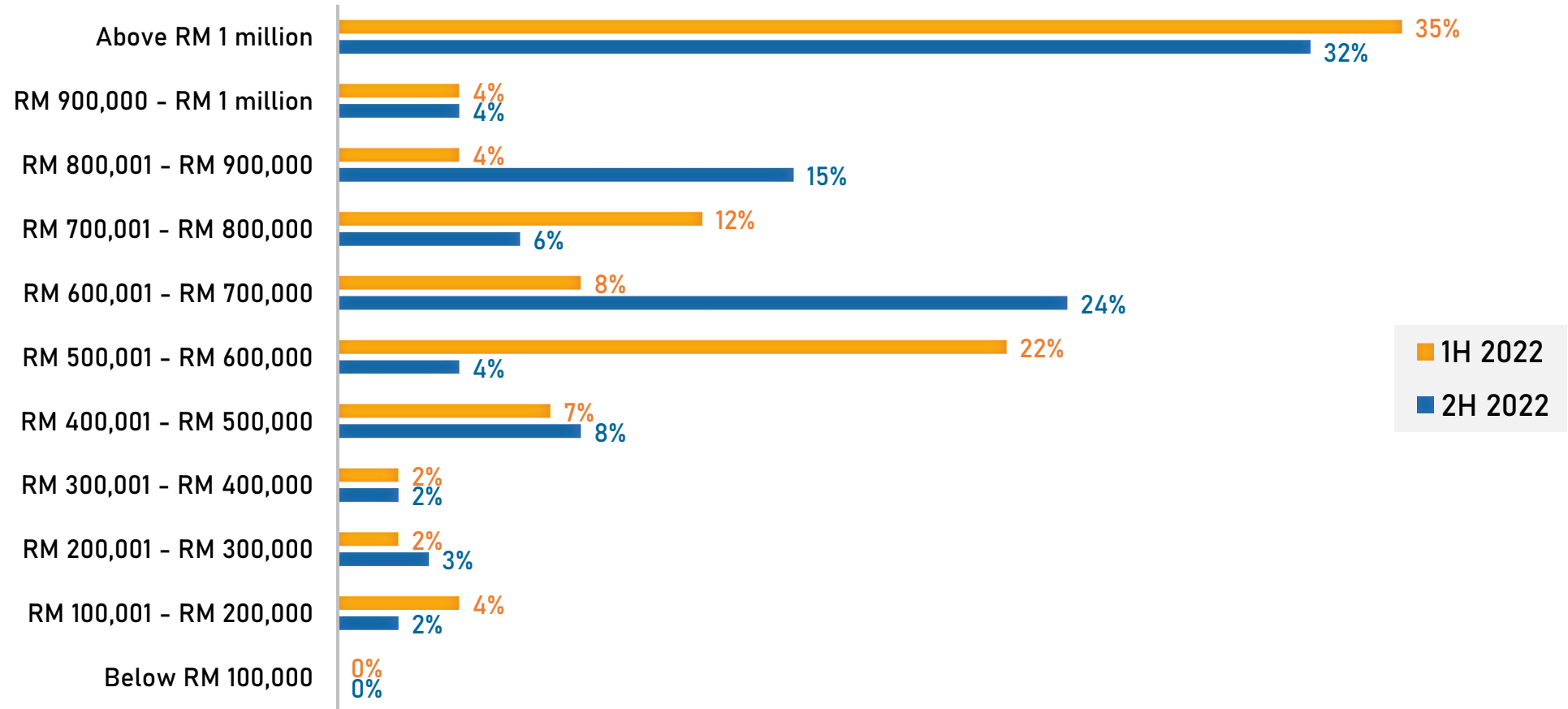


- 91% of respondents have 30% and less of unsold residential units.
- 84% of respondents have 30% and less of unsold commercial units.

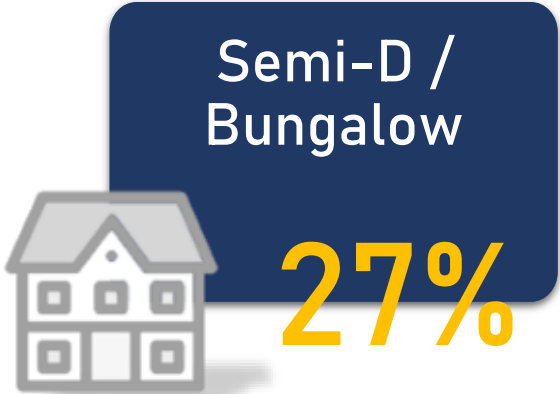
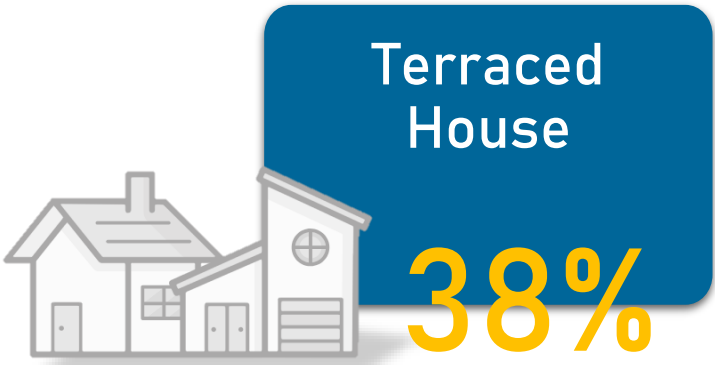
PRICE RANGE OF UNSOLD UNITS: RESIDENTIAL



PRICE RANGE OF UNSOLD UNITS: COMMERCIAL

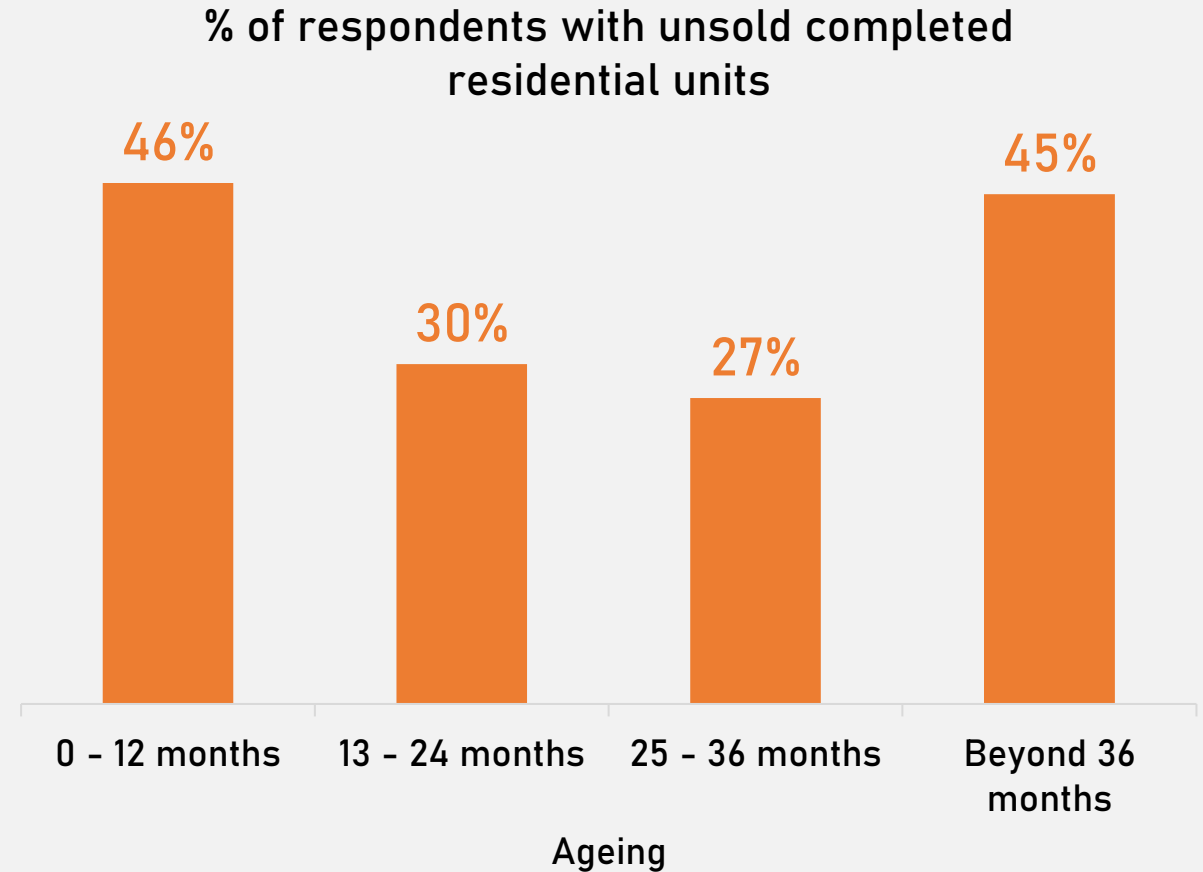
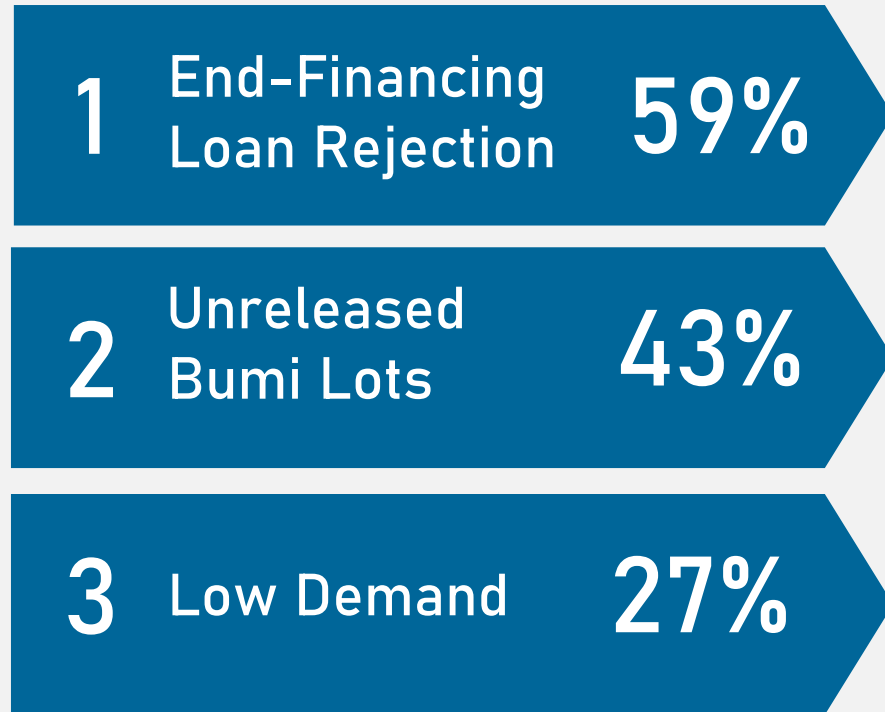


TYPES OF UNSOLD UNITS: RESIDENTIAL & COMMERCIAL



UNSOLD UNITS: RESIDENTIAL

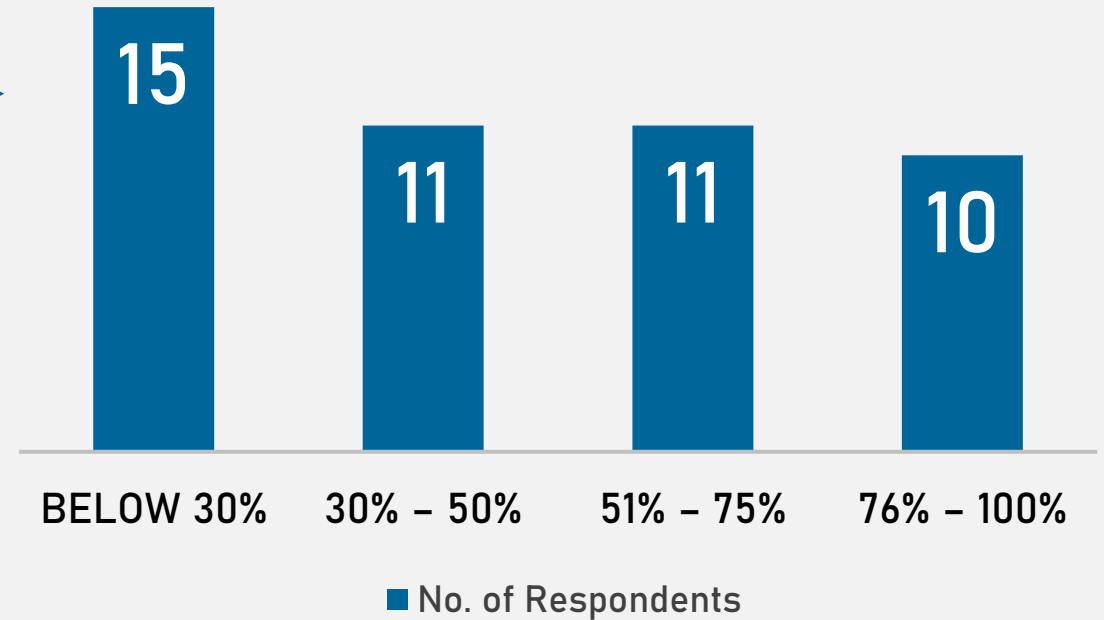
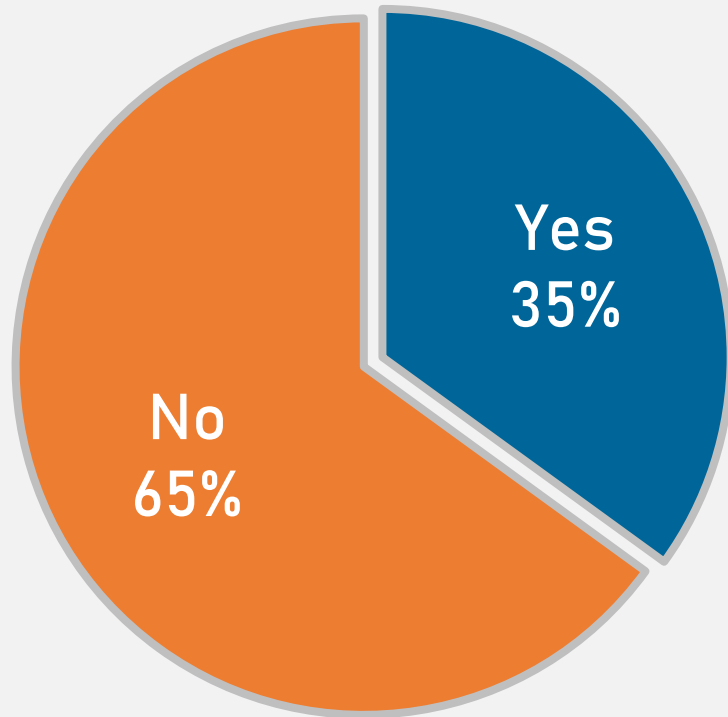
TOP REASONS FOR UNSOLD UNITS



A hand is shown holding a white, stylized house-shaped cutout. Below the cutout, four stacks of coins are arranged on a wooden surface. The background is a blurred green, suggesting an outdoor setting. The text "4. AFFORDABLE HOUSING" is overlaid in the center of the image.

4. AFFORDABLE HOUSING

AFFORDABLE HOUSING PROVISION



35% of respondents stated presence of affordable housing component in their projects in 2H 2022.

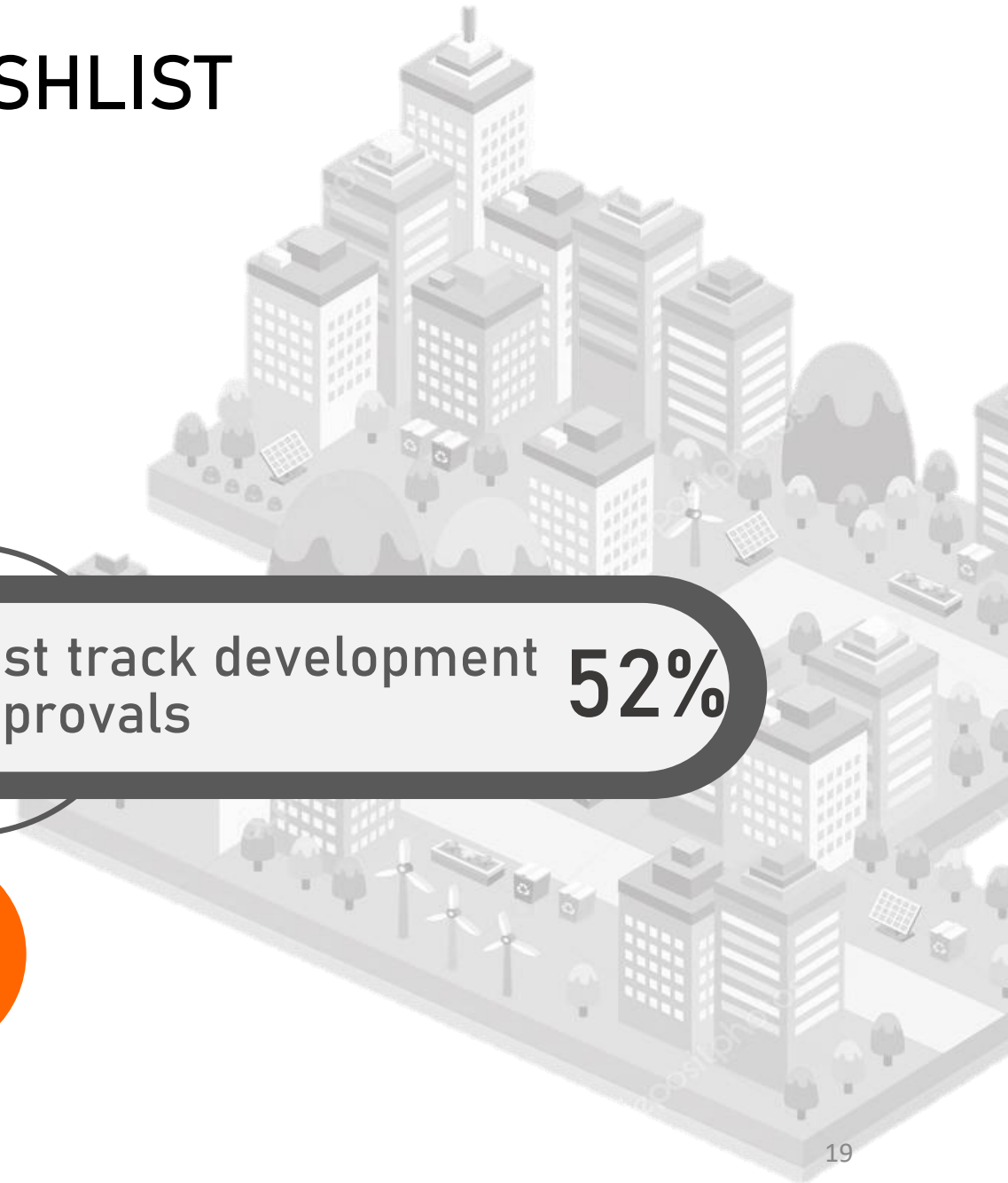
AFFORDABLE HOUSING WISHLIST

Top 3 Incentives

1 Reduction of development charges **67%**

2 Fast track development approvals **52%**

3 Lower land conversion premium **50%**

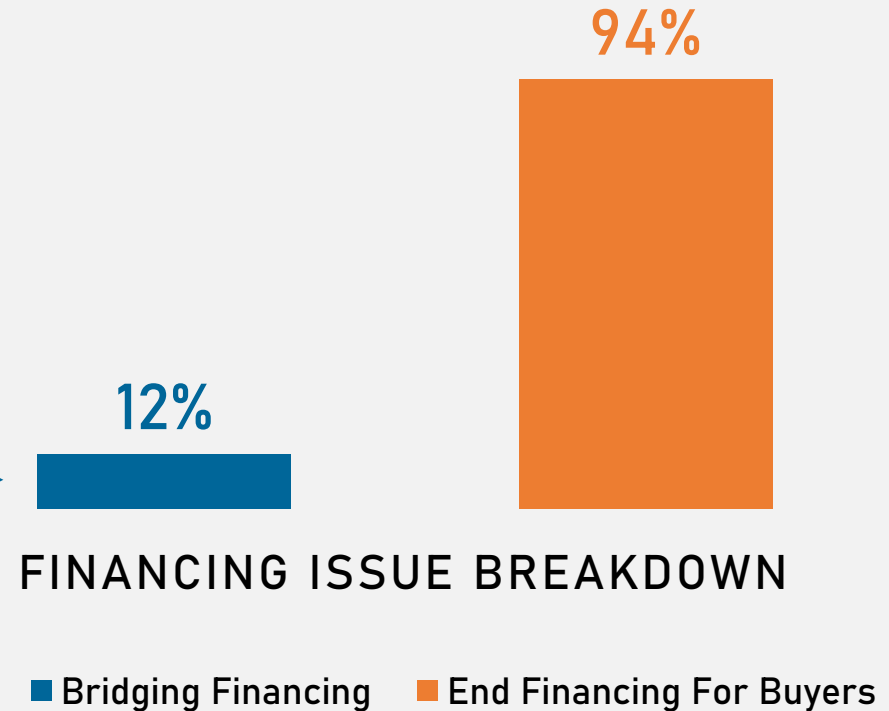
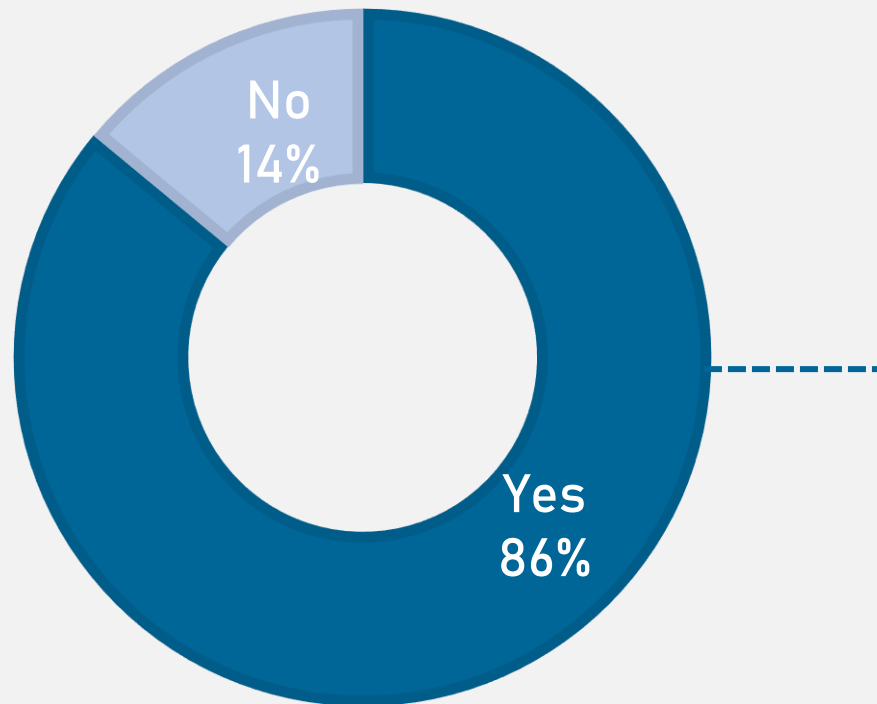


5. FINANCING



FINANCING ISSUES

86% of respondents faced financing problems for buyers and/or projects



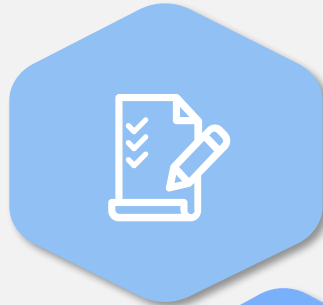
94% of respondents faced end-financing issues for buyers in 2H 2022.

FINANCING ISSUES

Bridging Finance Issues

Higher sales
required before
drawdown

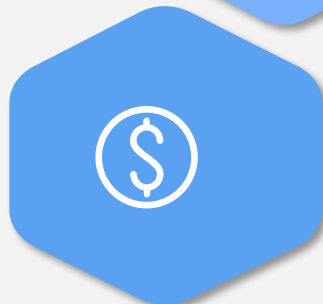
Average percentage of higher
sales required : **46%**



Bank requesting
more documents



Bank capping
loan amount
unreasonably



TOP 3 FACTORS

End Financing Loan Rejection



Ineligibility of
buyers' income

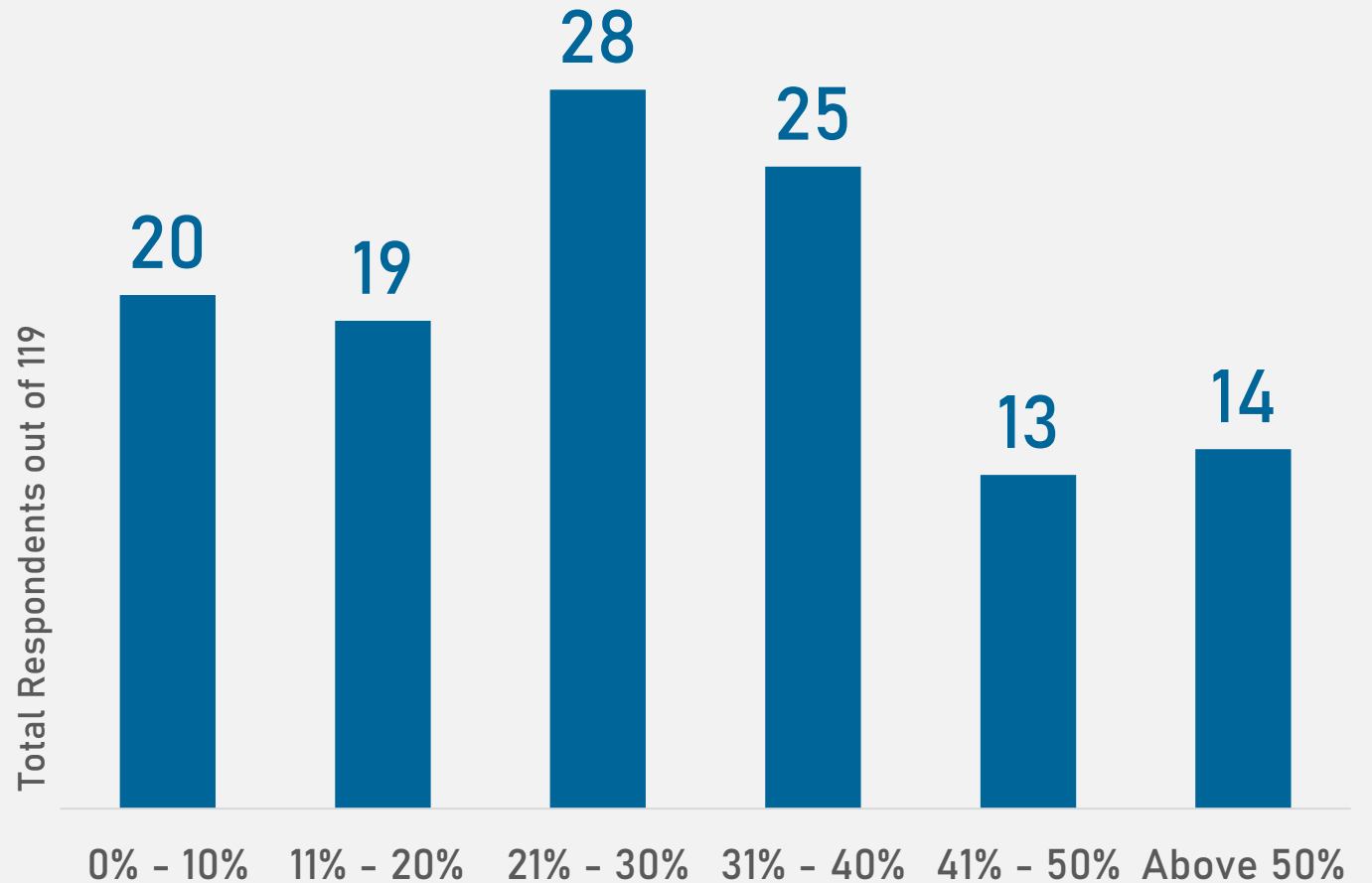


Lower margin of
financing



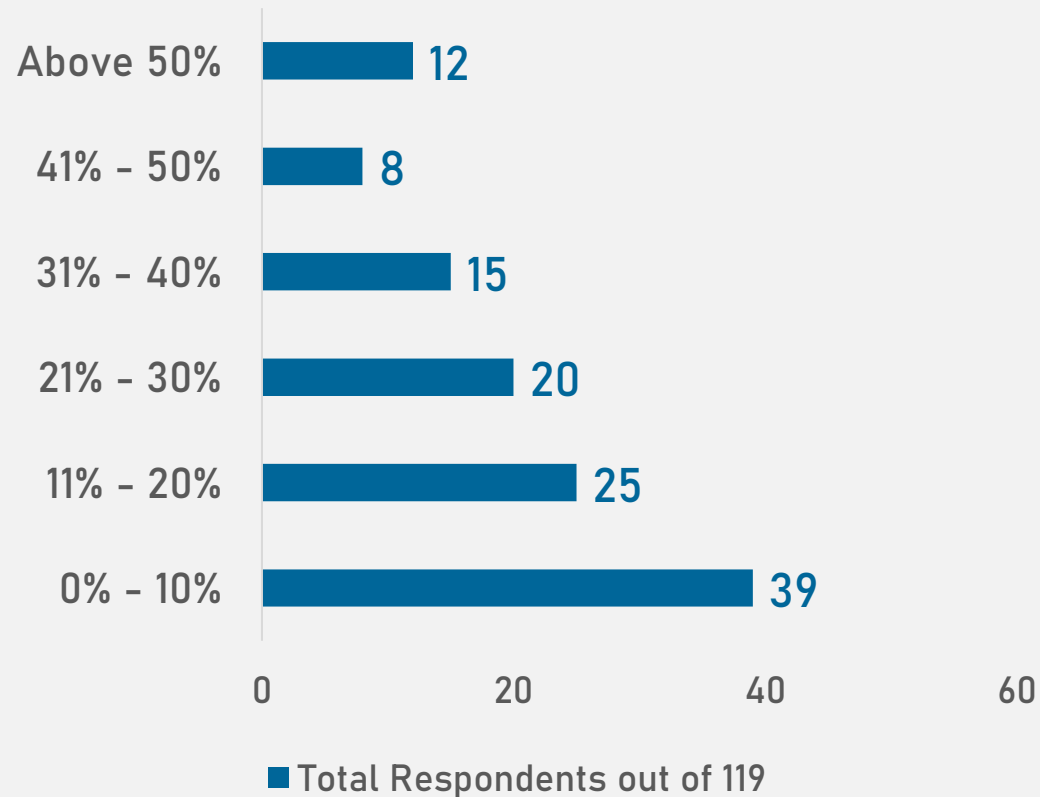
Adverse credit
history

% LOAN REJECTION OVER SALES: RESIDENTIAL

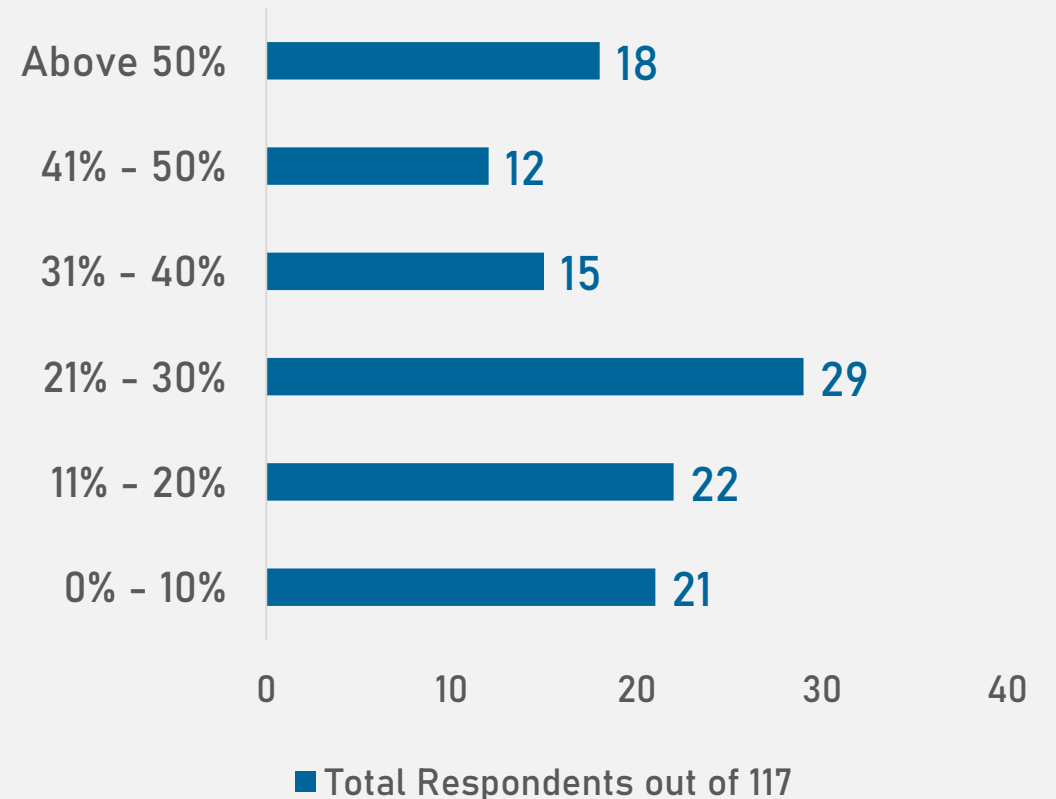


% LOAN REJECTION OVER SALES: RESIDENTIAL

Due to lower margin offered

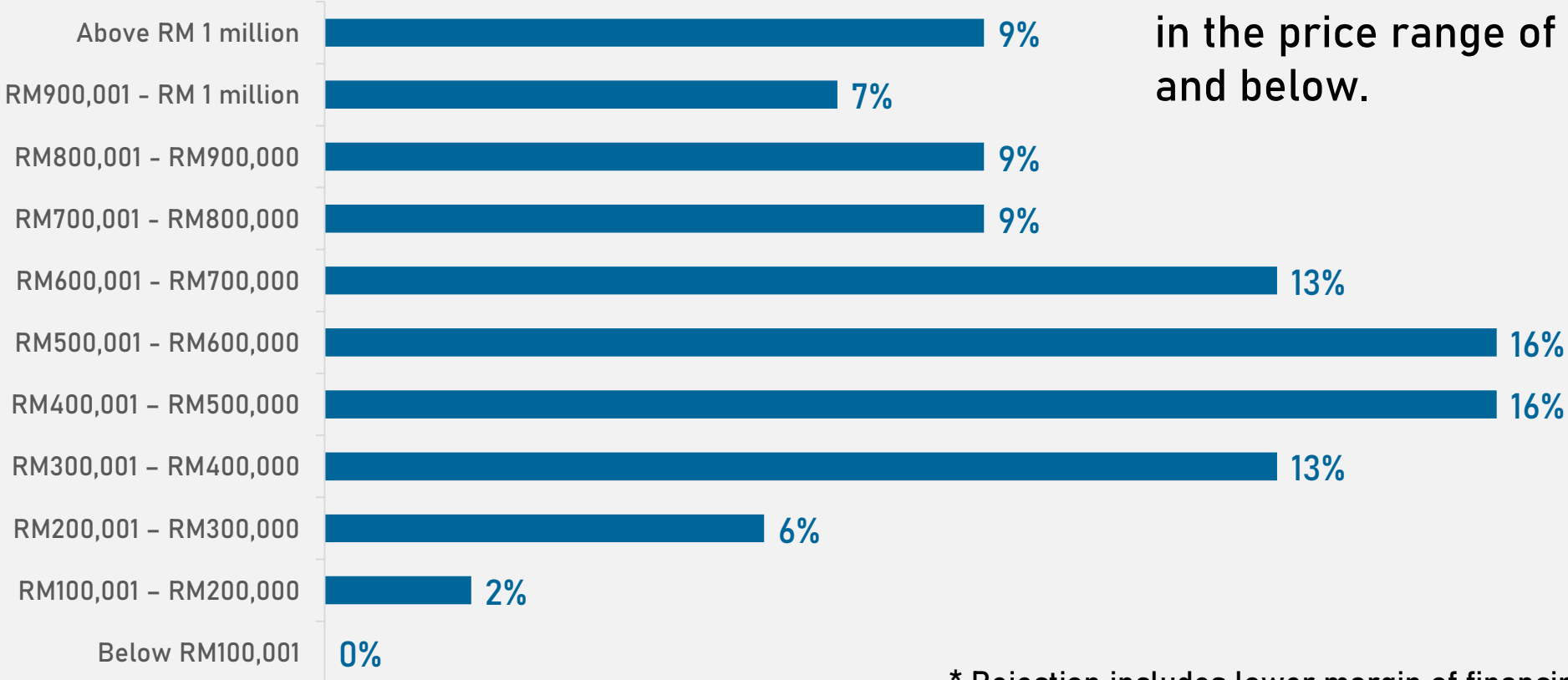


Due to ineligibility of buyers' income



LOAN REJECTION PRICE RANGE

66% of the loan rejection were in the price range of RM700,000 and below.



* Rejection includes lower margin of financing