REHDA

MEDIA BRIEFING

PROPERTY INDUSTRY SURVEY 2H 2023 & MARKET OUTLOOK 2024

14 MARCH 2024

REHDA INSTITUTE

PRESENTED BY

Datuk NK Tong
REHDA President

BACKGROUND

- 152 REHDA members in Peninsular Malaysia participated in the survey.
- Survey conducted to assess market performance for 2nd Half 2023 and outlook for 2024.
- Survey conducted by REHDA Institute.

PART 1: 2H 2023

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1. LAUNCHES & SALES PERFORMANCE
2. PROPERTY TYPES & SELLING PRICES
3. UNSOLD UNITS
4. AFFORDABLE HOUSING
5. FINANCING
6. BUSINESS OPERATIONS

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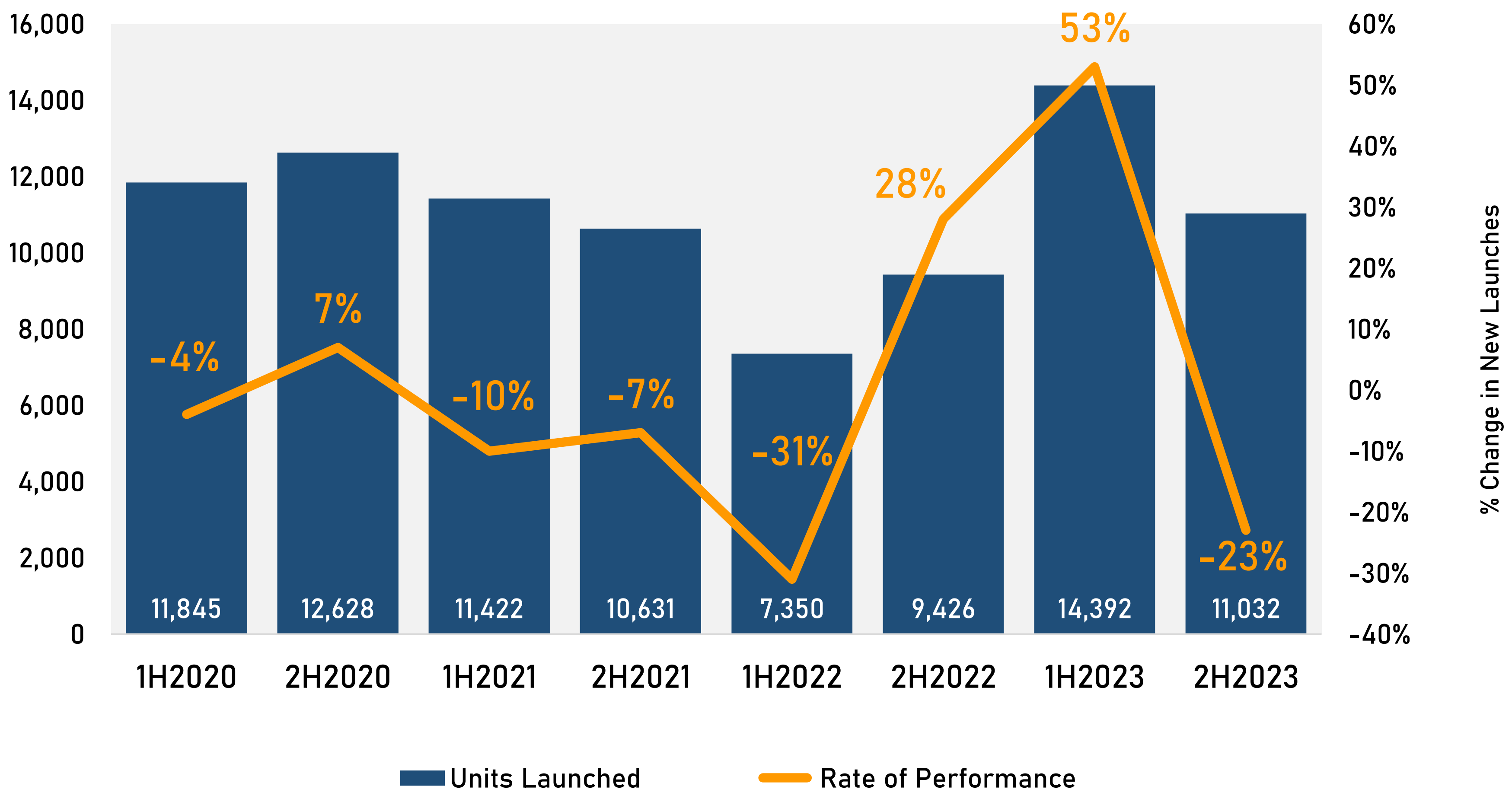
1. LAUNCHES & SALES PERFORMANCE

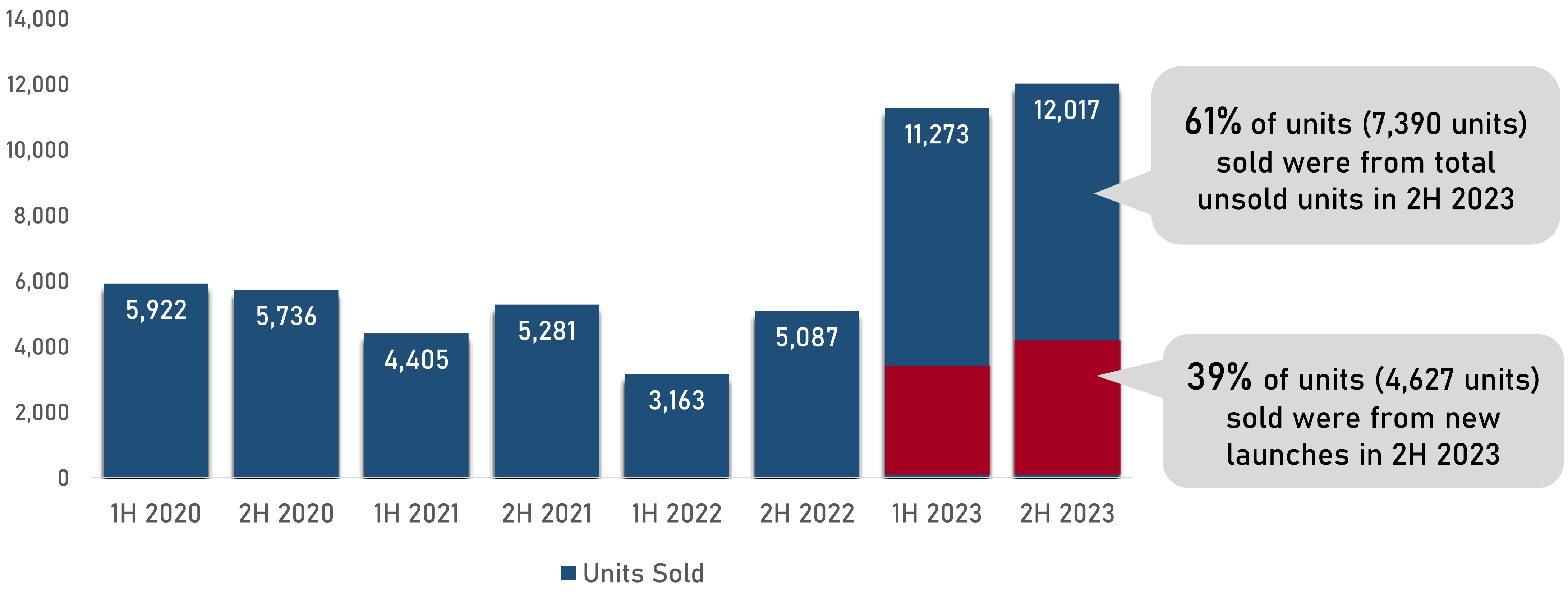
OVERALL RESIDENTIAL LAUNCHES

- 48 respondents (32%) launched their projects in 2H 2023. [1H 2023: 52 respondents (34%)]
- Launched units decreased by 23%.



** Data covers Peninsular Malaysia only.*

OVERALL SALES PERFORMANCE



** Data covers Peninsular Malaysia only.*
** Methodology in computing units sold has changed since 1H 2023 .*
** Sales performance included units sold from new launches, unsold units under construction and unsold completed units.*

LAUNCHES:
SALES PERFORMANCE BY PROPERTY TYPE

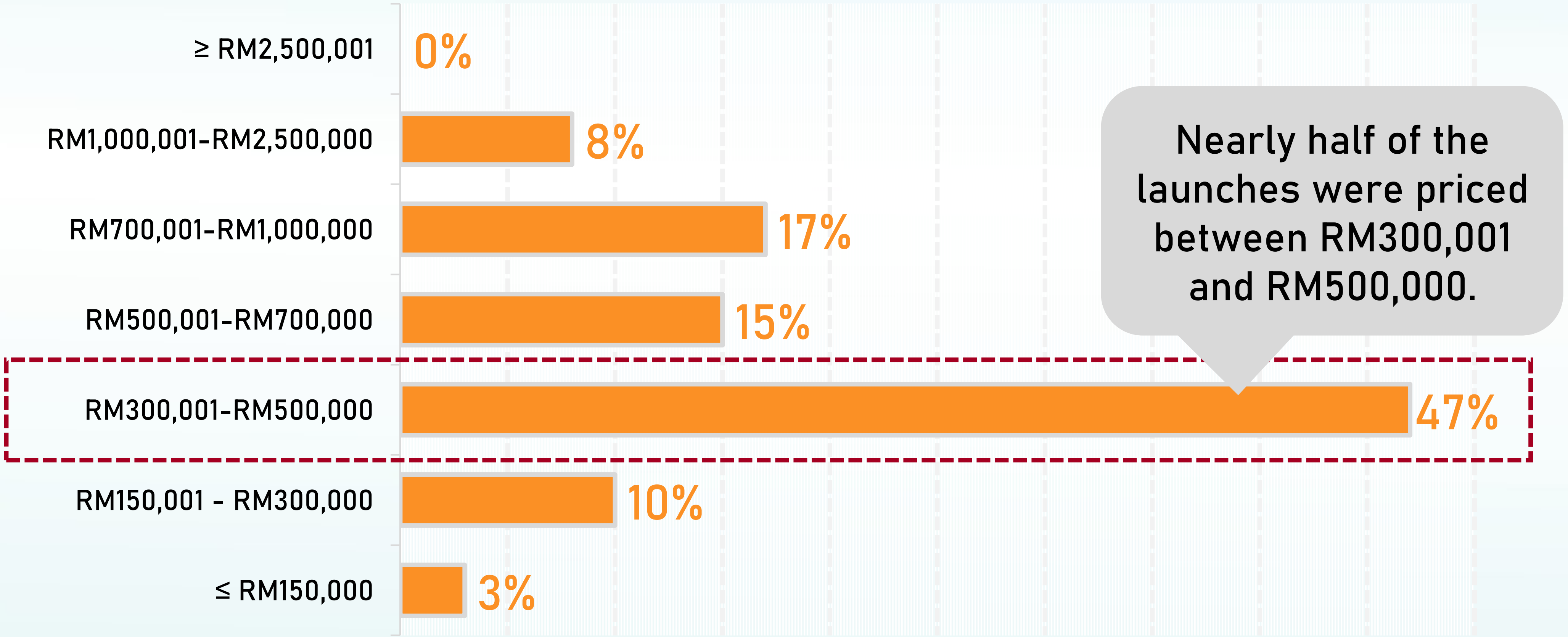
- Apartment/Condominium and Serviced Residence were the most sold properties in 2H 2023.

Property Type	1H 2023*			2H 2023*		
	Units Launched	Units Sold From New Launches	Units Sold From Total Unsold Units**	Units Launched	Units Sold From New Launches	Units Sold From Total Unsold Units**
Single-Storey Terrace	717	410	178	370	234	390
2-3 Storey Terrace	3,729	1,516	524	2,780	1,602	1,545
Semi-Detached/Cluster	762	212	351	915	203	415
Bungalow/Villa	123	39	45	58	24	52
Apartment/Condominium	7,183	1,303	2,446	3,426	1,655	2,252
Serviced Residence	1,223	293	3,395	2,949	879	2,614
Townhouse	553	151	210	534	30	122
Others	102	69	131	-	-	-
Total	14,392	3,993	7,280	11,032	4,627	7,390

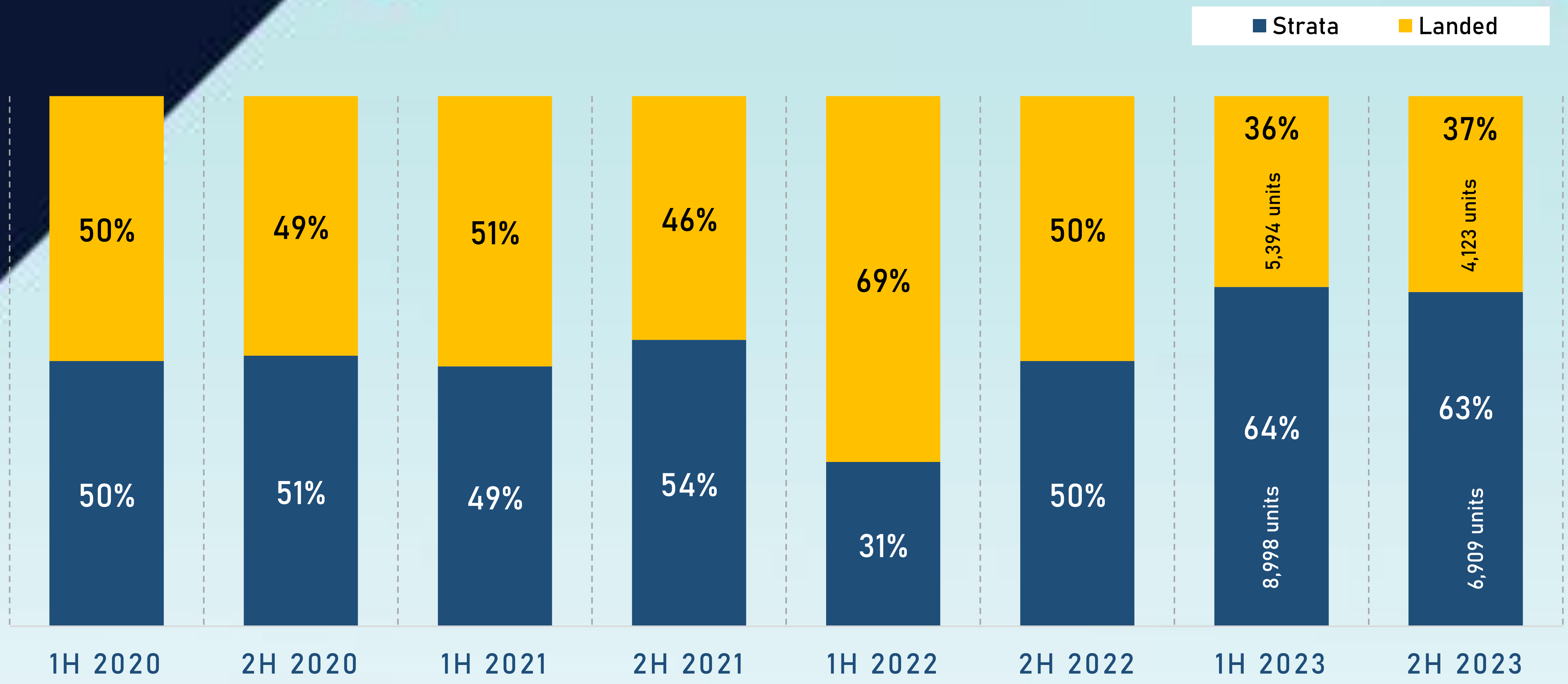
**Data covers Peninsular Malaysia only.*
***Total unsold units comprise unsold units under construction and unsold completed units only.*

2. PROPERTY TYPES & SELLING PRICES

RESIDENTIAL LAUNCHES: AVERAGE SELLING PRICE



RESIDENTIAL LAUNCHES: PROPERTY TYPE



RESIDENTIAL LAUNCHES:
MOST LAUNCHED SELLING PRICE BY STATE

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STATE	MOST LAUNCHED SELLING PRICE (2H 2023)	LOCATION
TERENGGANU(1)	-	-
KEDAH/PERLIS(1)	-	-
KELANTAN	RM150,000 AND BELOW	PASIR MAS
PAHANG	RM150,001-RM300,000	KUANTAN
WPKL	RM150,001-RM300,000	SETAPAK(2)
MELAKA	RM300,001-RM500,000	MELAKA TENGAH
PERAK	RM300,001-RM500,000	KINTA
SELANGOR	RM300,001-RM500,000	KAJANG(3)
JOHOR	RM300,001-RM500,000	JOHOR BHARU(4)
PENANG	RM300,001-RM500,000	BALIK PULAU(5)
N. SEMBILAN	RM300,001-RM500,000	KUALA PILAH

(1) No new project launched by Terengganu and Kedah/Perlis respondents in 2H 2023.
(2) One apartment project in Setapak (604 units with an average price of RM 300,000).
(3) One serviced residence project in Kajang (716 units with an average price of RM 380,000).
(4) One 2-3 storey terrace project in Pasir Gudang (344 units with an average price of RM450,000) and one apartment project in Johor Bahru (1,040 units with an average price of RM350,000).
(5) One apartment project in Balik Pulau (342 units with an average price of RM350,000).

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3. UNSOLD UNITS 2H 2023

UNSOLD COMPLETED UNITS: RESIDENTIAL

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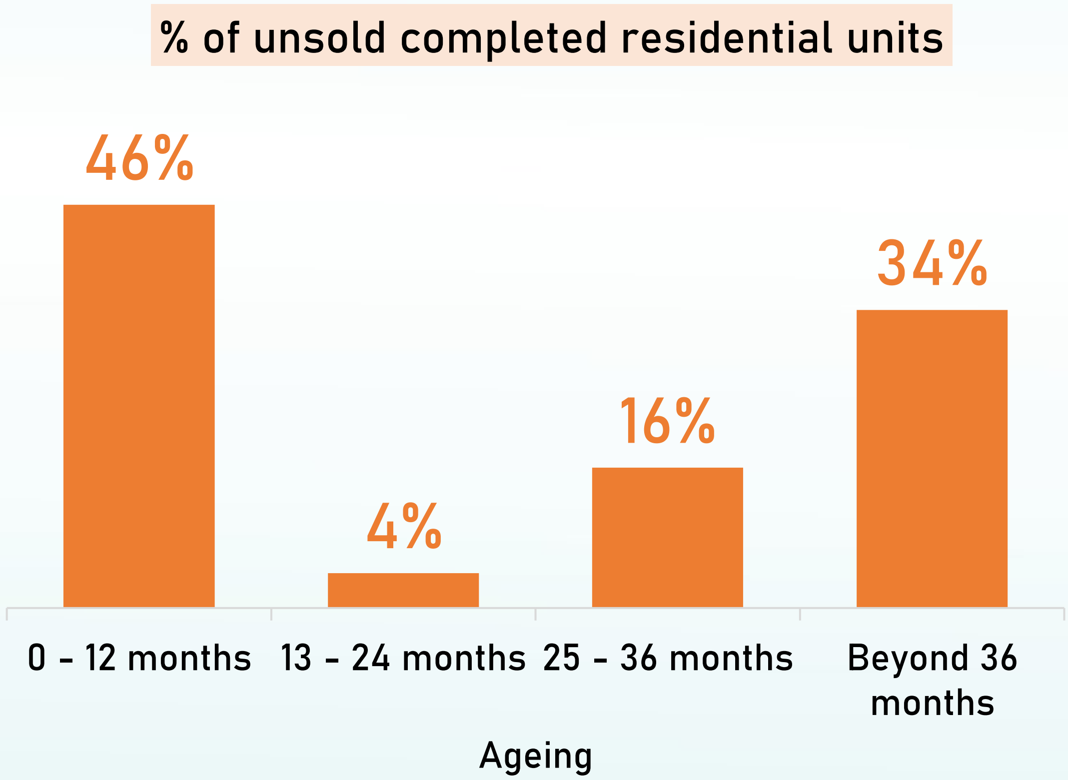
- 52% of respondents reported unsold completed residential units as at 31 December 2023.

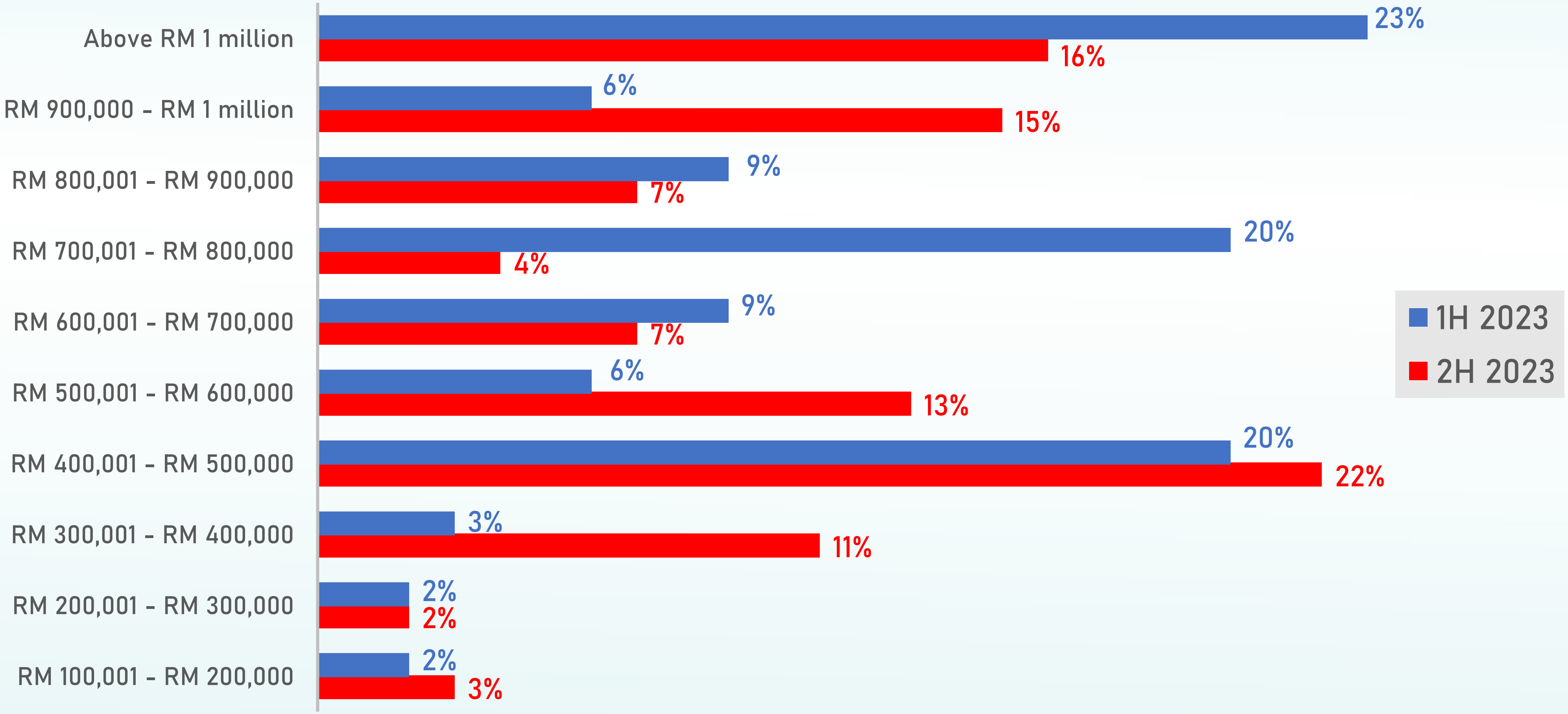
TOP REASONS FOR UNSOLD COMPLETED RESIDENTIAL UNITS

1	End-Financing Loan Rejection	65%
2	High Pricing	41%
3	Low Demand/ Interest	39%

* Respondents can select more than one answer.

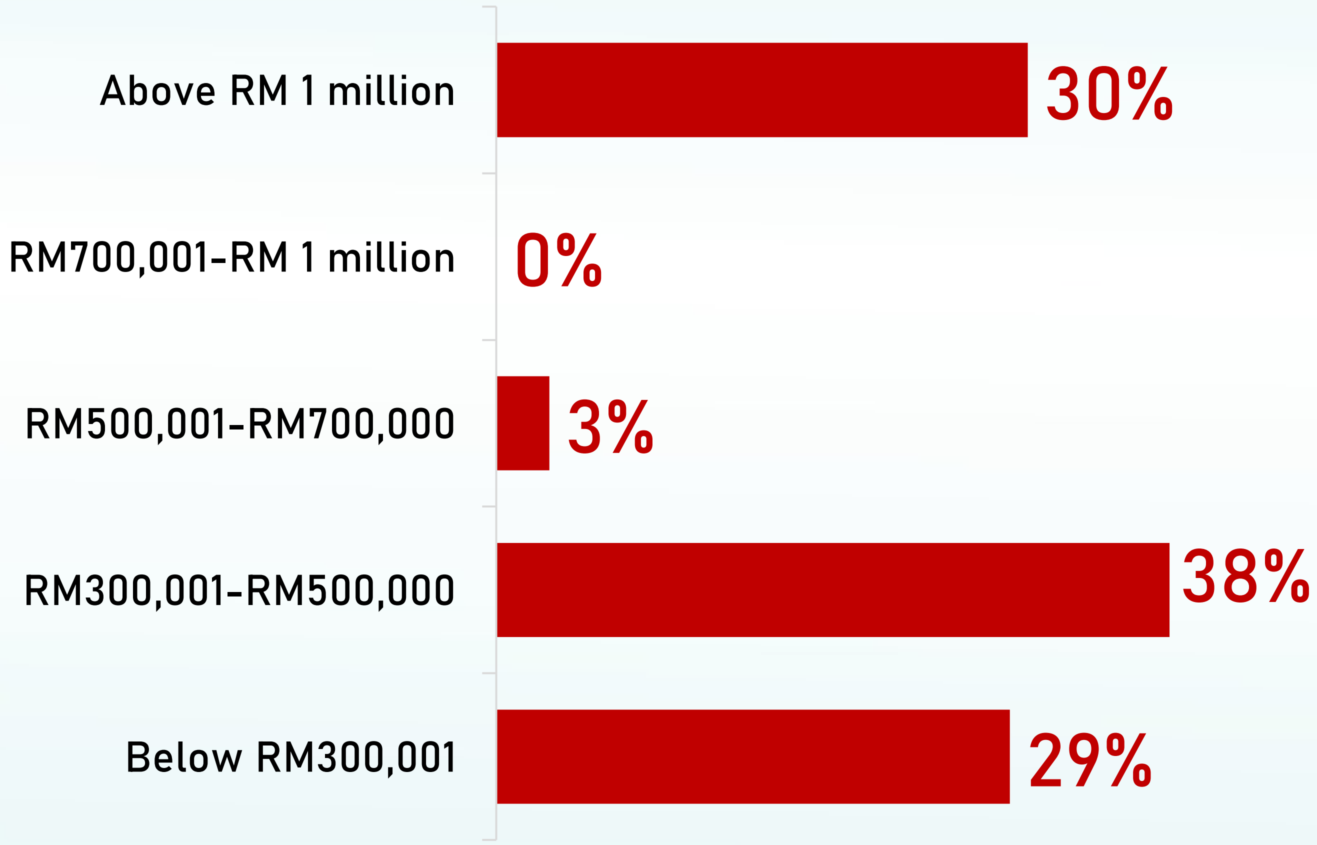


PRICE RANGE OF UNSOLD COMPLETED UNITS:
RESIDENTIAL



PRICE RANGE OF UNSOLD COMPLETED UNITS:

BUMI LOT



31% of unsold completed Bumi Lots **aged more than 36 months.**

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TOP 3 TYPES OF UNSOLD UNITS:

UNSOLD COMPLETED UNITS

Serviced Residences	Condominium	2-3 Storey Terraced House
37%	22%	12%

UNSOLD UNITS UNDER CONSTRUCTION

Serviced Residences	2-3 Storey Terraced House	Condominium
40%	29%	17%

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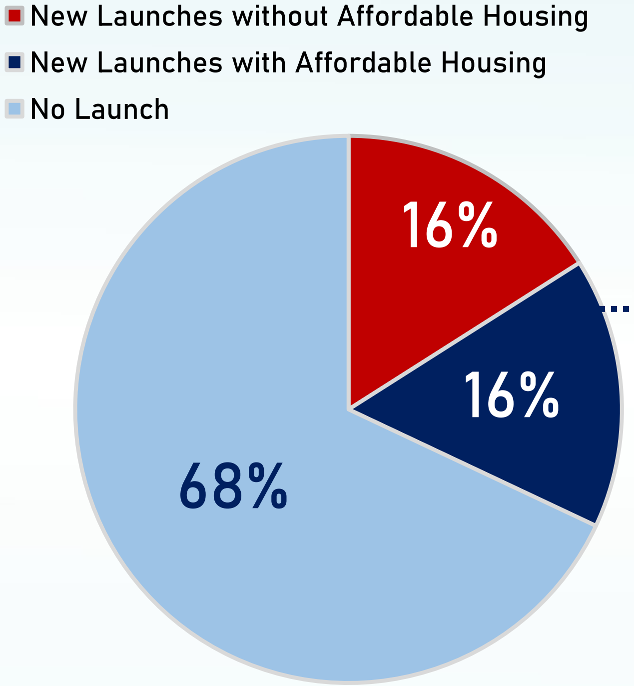
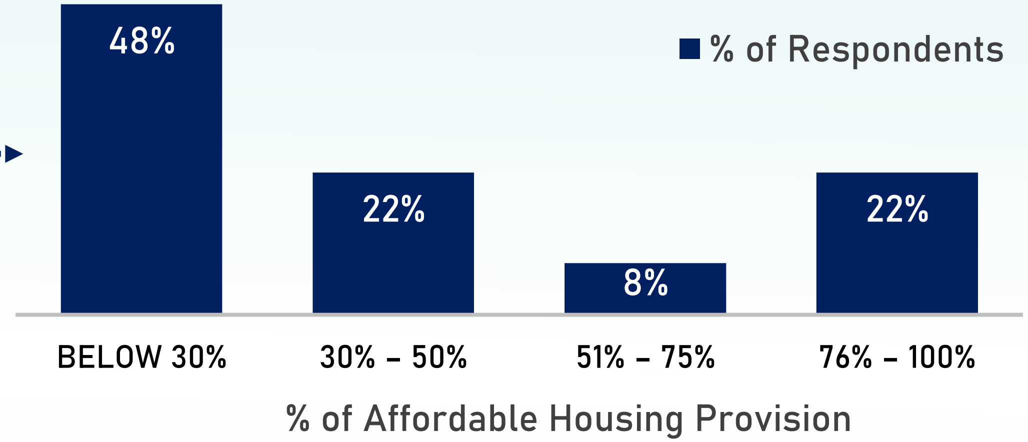
4. AFFORDABLE HOUSING

AFFORDABLE HOUSING PROVISION (2H 2023)





16% of respondents stated presence of affordable housing component in their projects in 2H 2023.

Category	Price Range	% of respondents
A	RM 150,000 to RM 200,000	35%
B	RM 200,001 to RM 300,000	48%
C	RM 300,001 to RM 400,000	17%
D	RM 400,001 to RM 500,000	22%

The most common category

* Respondents can select more than one answer.

AFFORDABLE HOUSING WISHLIST
Top 3 Incentives

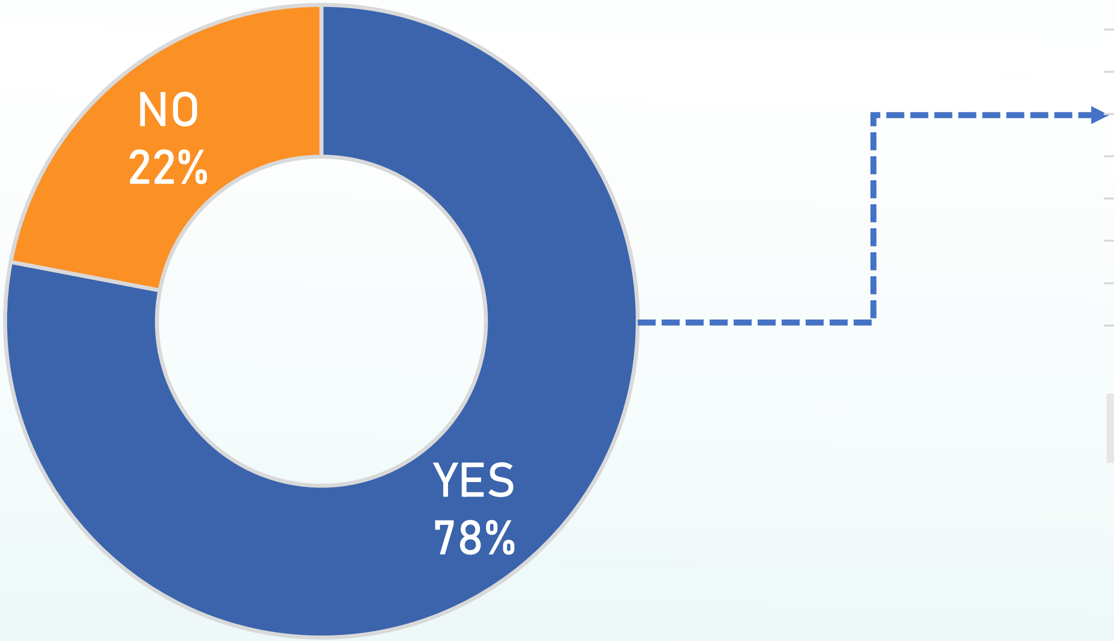
1. Reduction of development charges — 80%
2. Lower land conversion premium — 54%
3. Exemption of utilities contribution charges — 52%

* Respondents can select more than one answer.

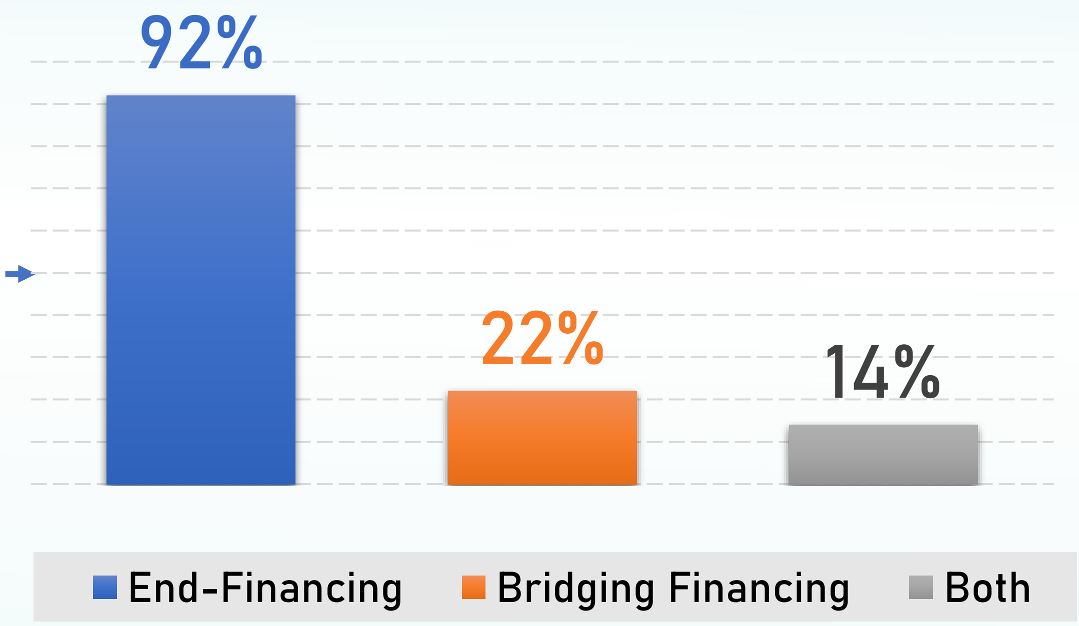
5. FINANCING

FINANCING ISSUES

78% of respondents faced financing issues.



Financing Issues Breakdown



Majority of respondents faced end-financing issues in 2H 2023.

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FINANCING ISSUES: TOP 3 FACTORS

End-Financing Loan Rejection

Lower margin of financing

Ineligibility of buyers' income

Adverse credit history

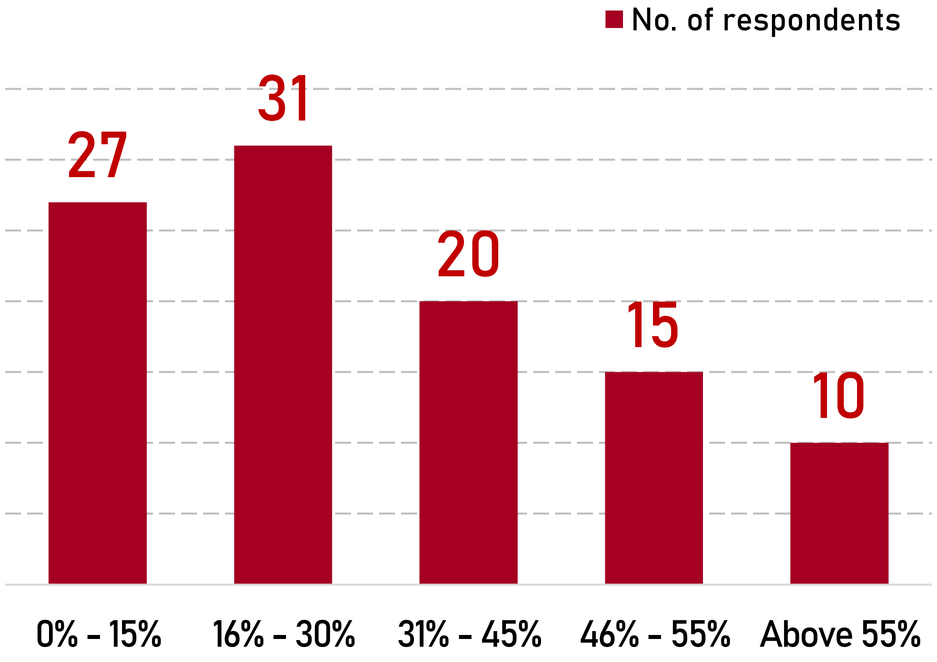
Bridging Finance Issues

Higher sales required before drawdown (10% - 50%)

Bank requesting more documents

Bank capping loan amount unreasonably

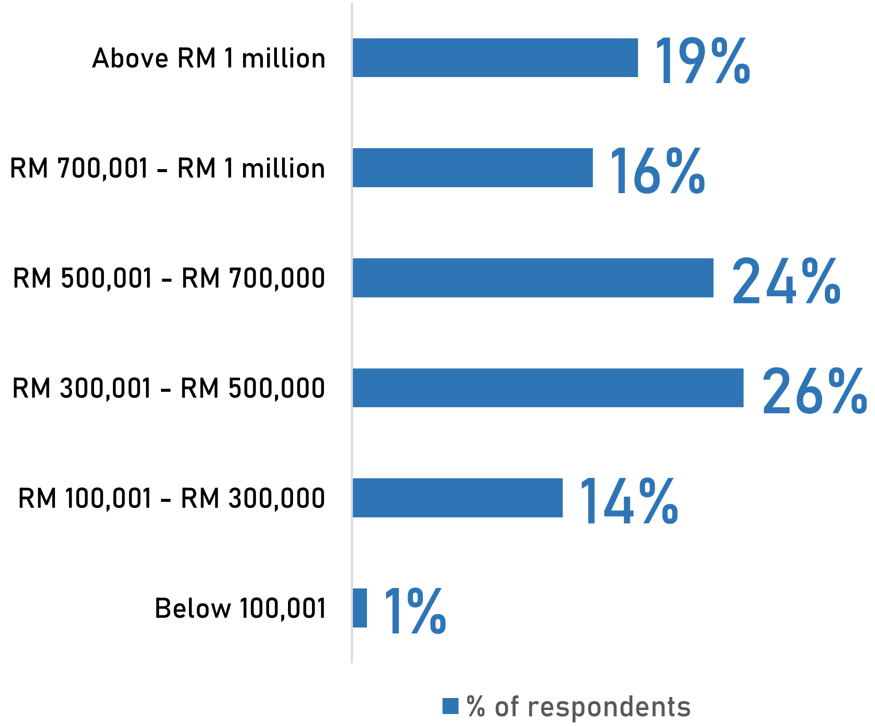
% LOAN REJECTION OVER SALES: RESIDENTIAL



% of Loan Rejection over Sales

* Only 103 respondents answered this question.

LOAN REJECTION PRICE RANGE



Average loan rejection over sales: 36%

*Rejection includes lower margin of financing.
*Respondents can select more than one answer.