Asia Real Estate Leaders (AREL) - Melbourne, Victoria, Australia Study Trip & Housing Dialogue (11 - 13 March 2025)

Written by Chuah Teong Geng, Christine
Manager, Research & Education

The REHDA Institute hosted the Asia Real Estate Leaders (AREL) – Melbourne, Victoria, Australia Study Trip & Housing Dialogue in partnership with Monash University from 11th to 13th March 2025. The tour brought together key industry leaders, including delegates from the Sarawak Housing and Real Estate Developers Association (SHEDA) and the Sabah Housing and Real Estate Developers Association (SHAREDA), to foster cross-border collaboration, innovation and strategic partnerships in real estate and housing development.

Ahead of the main event, a pre-tour was held at the Atria on Level 80 of the Ritz Carlton Melbourne, followed by an exclusive engagement dinner on 10th March 2025. Nearly 100 participants from Malaysia and Melbourne attended, kicking off high-level discussions and networking opportunities.

Pre-Tour: Insights Into Melbourne's Landmark West Side Place

Delegates explored West Side Place, a landmark A\$2.4 billion mixed-use development by Far East Consortium, redefining luxury living in Melbourne's CBD. One of the City's most ambitious projects, it features four skyscrapers, including Tower A (268.7m), which houses 600 apartments and the southern hemisphere's tallest Ritz-Carlton hotel.

Completed in 2023, West Side Place offers 2,895 premium residences, 4,500 sq. m. of retail space and 573 hotel suites, including The Ritz-Carlton Melbourne and the City's first Dorsett Hotel.

Group photo taken during a briefing at West Side Place.

ACCCIA Dinner: Forging Strategic Partnerships

Following the tour, the Associated Chinese Chamber of Commerce and Industries of Australia (ACCCIA) hosted an exclusive dinner at SOAZ22, bringing together business leaders, property developers and industry professionals.

Through strategic engagement, high-level dialogues and cross-border initiatives, ACCCIA supported businesses in navigating international markets and expanding in real estate, infrastructure and finance.

The dinner fostered discussions on market trends, investment opportunities and collaborations, further strengthening ties between industry leaders in Australia and the Asia-Pacific region.

From the left: Hong Rui Liu, President | WCEC Chairman and Chinese Associations, Alex Lim, Executive Chairma | Executive Director of Sunsuria Australia, YB Nga Kor Ming, Minister of Housing and Local Government and Dato' Jeffrey Ng Tiong Lip Chairman of REHDA Institute.

Day 1: Unveiling One of Australia's Largest Urban Renewal Developments

The tour began at Fishermans Bend, a 480-hectare urban renewal project linking Melbourne's CBD to Port Phillip Bay. By 2050, it aims to accommodate 80,000 residents and create 80,000 jobs, setting a global benchmark for sustainable urban planning.

Guided by the Fishermans Bend Framework, the project emphasises sustainability, connectivity and liveability, integrating green spaces, transport infrastructure and essential services. Key milestones include planning controls, policy initiatives and public consultation.

Bounded by the Yarra River, Williamstown Road, City Road and the Westgate Freeway, Fishermans Bend is transforming Melbourne's urban landscape through innovative planning.

Tania Quick, Director of Fishermans Bend Taskforce and Dato' Jeffrey Ng Tiong Lip.

The Canopy on Normanby: A Sustainable Mixed-Use Landmark

Gamuda Australia's Canopy on Normanby features 213 apartments, 14 retail spaces and 2,033 sq. m. of retail. Designed for sustainability, it boasts a 5-Star GreenStar rating and GreenRE Gold Certification, a Ground Source Heat Pump and biophilic design. Residents also enjoy access to the 3,000 sq. m. Johnson Park.

Located in the evolving Fishermans Bend precinct and backed by major investors like Melbourne University, Boeing and Uber, the area benefits from strong government support, infrastructure upgrades and flexible planning controls, ensuring long-term value.

Group photo taken after a guided tour at The Canopy on Normanby.

Melbourne Square: Redefining Southbank's Urban Landscape

Delegates explored Melbourne Square, a A$2.8 billion mixed-use precinct by Yarra Park City Pty Ltd, a joint venture between OSK Property and Employees Provident Fund, featuring six architecturally distinct towers set for completion by 2031.

The first phase, completed in 2021, delivered 1,054 apartments, retail spaces and a park. The second phase, BLVD, a 73-storey luxury tower with 591 apartments, pursued WELL Platinum Certification. Melbourne Square also features Victoria's first double-storey Woolworths, a 5-star Hilton hotel and extensive green spaces, setting a new benchmark for sustainable living.

Photo taken during a guided tour at Melbourne Square.

Sapphire by The Gardens: A Landmark of Luxury and Innovation

Delegates lunched at Sapphire by The Gardens, a A$600 million development in Melbourne's CBD featuring two glass towers connected by a sky bridge. Designed by Cox Architects and Fender Katsalidis, the 60-storey residential tower offers 325 luxury apartments with world-class amenities.

Adjacent is the 62-storey Shangri-La Melbourne, opening in 2026, with 500 rooms, a grand ballroom and skybridge dining. Recognised for architectural excellence, Sapphire by The Gardens epitomises urban luxury.

Artist's impression of Sapphire by The Gardens.

Bangs Street Redevelopment: A Model for Sustainable and Inclusive Housing (Social and Market Rental Housing)

The Bangs Street redevelopment in Prahran transformed outdated housing into 434 modern, energy-efficient homes, increasing social housing by 90%. Just 5km from the CBD, it enhances affordability and sustainability.

Delivered through Homes Victoria's Ground Lease Model, the land remains in public ownership, with not-for-profit partner Building Communities managing the site for 40 years. The project includes social and market rental housing, Specialist Disability Accommodation and eco-friendly features like solar panels and rainwater systems, ensuring long-term community well-being.

Photo taken during a guided tour at Bangs Street Redevelopment.

Senior Living: Exploring Three Premium Retirement Communities

Delegates visited three senior living communities, showcasing innovative retirement solutions:

- Pavilions, Blackburn Lake: A luxury retirement community preserving 80% of its 4.6-hectare site as bushland. Features smart home technology and 24/7 emergency response.

- St. Clare by VMCH: A $250 million precinct in Kew, blending heritage restoration with modern design. Offers premium amenities including a gym, pool, cinema and concierge services.

- Morgan Glen Iris: A premium assisted living community with tailored services, wellness programmes and smart home technology, providing a future-proof alternative to aged care.

These developments redefine senior living, offering security, luxury and tailored support to meet retirees' evolving needs.

Group photo taken after a guided tour at Pavilions, Blackburn Lake

Day 2: Housing Dialogue (Victoria & Malaysia)

The Housing Dialogue (Victoria & Malaysia) took place on 12th March 2025 at the Melbourne Marriott Hotel, attended by 180 delegates from Australia and Malaysia. Victoria was represented by the Honourable Natalie Suleyman, Minister for Small Business and Employment, Veterans and Youth for the Victoria Government, while YB Nga Kor Ming, Minister of Housing and Local Government and REHDA Institute Chairman, Dato' Jeffrey Ng Tiong Lip led Malaysia's delegation.

Professor Diego Ramirez of Monash University opened with a keynote on housing policies addressing global challenges like population growth, climate change and sustainability.

Minister Suleyman reaffirmed Victoria's commitment to 800,000 new homes over the next decade, ensuring infrastructure keeps pace. She highlighted investments in the Melbourne Airport Rail Link and expressed support for Malaysia's Housing Credit Guarantee Scheme, citing similarities with Victoria's homebuyer initiatives.

YB Nga discussed housing affordability and senior living, noting Malaysia's ageing population will rise from 8.3% in 2020 to 14.5% by 2040, yet only 2.1% of housing stock is senior-friendly. He highlighted Australia's success in senior living and Malaysia's intent to adopt similar models.

Dato' Jeffrey Ng pointed to Australia's Aged Care Bill 2024, effective July 2025, as a benchmark for Malaysia's elder care system.

Melbourne's urban planning, sustainable housing policies and real estate market offered valuable insights, fostering knowledge exchange and partnerships to improve housing in both Nations.

From the left: Victorian Minister Natalie Suleyman, Dato' Jeffrey Ng Tiong Lip and YB Nga Kor Ming

Key discussion topics during the Housing Dialogue include:

- Urban Renewal & Redevelopment Laws
- Strata Management
- Social & Affordable Housing
- Senior Living & Aged Care

The dialogue facilitated cross-border collaboration, equipping delegates with actionable strategies to drive housing innovation in their respective regions.

Group photo taken during Housing Dialogue (Victoria & Malaysia)

Exclusive Afternoon Tea at Melbourne Town Hall

The Day 2 tour ended with an exclusive Afternoon Tea Session hosted by Lord Mayor Nicholas Reece at Melbourne Town Hall. This distinguished gathering provided a valuable platform for Malaysian developers and the Lord Mayor of Melbourne to exchange insights on advancing sustainable urban development, urban resilience and fostering international collaboration.

Group photo with Lord Mayor Nicholas Reece, taken during Afternoon Tea at Melbourne Town Hall.

Day 3: Monash University Clayton Campus Tour

Delegates visited Monash University's Clayton Campus, a globally renowned leader in sustainability and innovation. Spanning 100 hectares, it houses eight faculties and over 30,000 students.

Sustainability & Innovation Highlights:

- Chancellery Building – A sustainable hub for leadership and events, integrating energy-efficient features.
- Woodside Building – The world's largest Passive House-certified education facility and a COP26 top green building, operating as a net-zero carbon, all-electric space.
- New Horizons Research Centre – A 6 Star Green Star-rated research hub advancing sustainable materials, biomedical engineering and virtual environments.

The tour reinforced Monash's global leadership in green, sustainable infrastructure and innovation.

Group photo taken during a guided tour at Monash University

REHDA Institute
In Touch

Exploring a Sustainable Community in Melbourne's West

After an hour's drive, delegates arrived at Monument Estate by Resi Ventures—an award-winning, sustainable community in Plumpton. The project offers affordability, connectivity and premium amenities with easy access to highways, public transport, schools and shopping centres.

Designed for modern living, homes feature automation, security systems and high-speed broadband. The estate includes parklands, water features, walking and cycling paths and a state-of-the-art playground. A planned town centre, community hub and schools will further enhance its walkable neighbourhood.

With 500 homes and 1,250 residents, Monument Estate blends technology, lifestyle and sustainability, making it a prime investment in Melbourne's fast-growing northwest. Established in 2017, the A$235 million development offers premium land and house-and-land packages.

Group photo taken during guided tour at Monument Estate.

Group photo taken during guided tour at Monument Estate.

Altona Industrial Estate: A Sustainable, High-Connectivity Hub

The study trip concluded at Altona Industrial Estate, a 15-hectare industrial hub in Melbourne's inner west, strategically positioned near major transport links, the Port of Melbourne and the CBD. The estate includes five retained buildings and a master-planned redevelopment featuring four new warehouses and office spaces.

Designed for flexibility, it supports up to seven tenancies with diverse dock, canopy and loading options. Its prime location near major freeways and the upcoming West Gate Tunnel Project enhances logistics efficiency. Targeting a 5 Star Green Star rating, the estate aligns with Stockland's sustainability goals.

With premium infrastructure, modern amenities and strong workforce accessibility, Altona Industrial Estate is a future-ready hub for sustainable, high-performance businesses.

Group photo taken during a guided tour at Altona Industrial Estate.

Conclusion

The AREL 2025 Study Trip & Housing Dialogue was a unique platform for knowledge exchange, distinguished by the participation of key ministers from both Malaysia and Victoria, the strategic engagement with ACCCIA, and the in-depth discussions on urban renewal. With urban redevelopment being a key topic in Malaysia, the insights gained from Melbourne's large-scale projects provided valuable perspectives on innovative planning, sustainability, and infrastructure development. This event fostered strong cross-border partnerships and strategic collaborations, driving forward impactful real estate solutions in both regions.
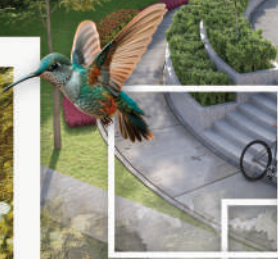
SURIA HEIGHTS
BANDAR SRI SENDAYAN

Artist's Impression

LIVE A LIFE,
UNRUSHED

Introducing Suria Heights,
an exciting new residential development strategically located in the prime area of Bandar Sri Sendayan. Spanning 116 acres of freehold land, Suria Heights is a secured enclave offering modern terraces, cluster homes, and semi-detached residences, all equipped with smart home features for enhanced convenience and connectivity.

At its heart lies a 4.6-acre lake park, providing serene spaces for relaxation, recreation, and family bonding. With outstanding connectivity to major highways, Suria Heights perfectly balances suburban tranquility, modern living, and sustainability.

| A Variety of Homes to Suit Every Lifestyle | Sustainable Living with Smart Home Features | Secured Enclave | Picturesque Lake Park | Strategic Location |

2-STOREY CLUSTER HOMES

35' x 70 - 80'

4 🛏   5 🛁

Nurturing Environments, Enriching Lives.

The CEO Series:
Economy & Business Forum 2025

Written by Chuah Teong Geng, Christine
Manager, Research & Education

The CEO Series: Economy & Business Forum 2025, hosted by the REHDA Institute on 16th January 2025 at Le Méridien Petaling Jaya, served as a key platform for fostering engagement between the Malaysian Government and various industry stakeholders. The event provided an avenue for policy discussions and industry feedback. YB Puan Lim Hui Ying, Deputy Finance Minister of Malaysia, congratulated the event for its role in promoting constructive dialogue. She highlighted the importance of industry feedback in shaping government policies.

The forum commenced with Dato' Jeffrey Ng Tiong Lip, Chairman of REHDA Institute, acknowledging Malaysia's economic resilience despite global geopolitical uncertainties. He emphasised that while past challenges persist, optimism remains for the Country's growth.

From the left: Dato' Jeffrey Ng Tiong Lip, Chairman of REHDA Institute and YB Puan Lim Hui Ying, Deputy Finance Minister of Malaysia.

The first session focused on Malaysia's role as ASEAN Chair 2025 and the economic and market outlook. Alan Tan, Group Chief Economist of Affin Group, discussed how external demand is expected to rise due to global merchandise trade, exports of electrical and electronics (E&E) products and tourism growth, while domestic demand remains strong, driven by an improving labour market, rising investment activities and stable household spending. Sarah Tan, Economist at Moody's Analytics Singapore, highlighted key risks and opportunities for 2025, noting that weak consumer confidence in China and uncertainty around Trump tariffs could pose risks, whereas a rebound in the global electronics cycle presents opportunities for manufacturers.

Following this, the Post-Budget 2025 Impact on Real Estate & Economy session examined Malaysia's strategic focus on logistics, manufacturing and green technologies. Peter Lenhardt, Chairman of EUROCHAM, highlighted how the expansion of free trade zones and digital logistics systems enhances global market connectivity, while investments in semiconductors and smart factories aim to establish Malaysia as a key manufacturing hub. Lee Heng Guie, Executive Director of the Socio-Economic Research Centre (SERC), characterised Malaysia's economic and property outlook as VUCA (Volatility, Uncertainty, Complexity and Ambiguity).

From the left: Peter Lenhardt, Lee Heng Guie, Datuk Seri Dr. Michael KC Yam, REHDA Institute Trustee, Sarah Tan and Alan Tan.

During the Ministerial Luncheon Keynote, YB Liew Chin Tong, Deputy Minister of Ministry of Investment, Trade and Industry (MITI), called for a paradigm shift in real estate development, outlining five key mindset shifts:

i.   Revitalising inner cities by transforming Kuala Lumpur into a 24-hour city with enhanced rail transport, research and development (R&D) centres and rental housing.

ii. Embracing rental housing as an investment model for government-linked companies (GLCs) and institutional investors.

iii. Developing secondary cities such as Greater Johor Bahru, Sarawak, Penang and Kulim into major economic hubs.

iv. Fostering integrated industrial parks to attract talent and create supply chains.

v.   Designing sustainable communities that cater to an ageing population, childcare access and carbon reduction goals.

YB Liew Chin Tong, Deputy Minister of Ministry of Investment, Trade and Industry (MITI), delivered the Ministerial Luncheon Keynote.

The financial aspect of real estate was explored in the session on Financial Services & Real Estate Investment, where the concept of the Single Family Office (SFO) was introduced as a bespoke management entity for high-net-worth families. Amarjeet Singh, ASEAN Tax Leader at EY Malaysia, detailed Malaysia's SFO tax incentives, including a 0% concessionary tax rate for 10 years, stamp duty exemptions and minimum investment requirements. CK Lau, Managing Director of Colliers (Hong Kong), provided insights into global investment trends, focusing on higher yield requirements, sustainable long-term capital appreciation and opportunities in Asia-Pacific real estate.

From left to right: Amarjeet Singh, CK Lau, Neil MacGregor and Datuk NK Tong, Group Managing Director of Bukit Kiara Properties, during the panel discussion.

The forum also addressed Digital Disruption in Construction & Real Estate, where Ivy Rayner, Managing Director (ASEAN) of Autodesk, highlighted Building Information Modelling (BIM) as the foundation of digital transformation, facilitating collaboration, data-driven decision-making and sustainability compliance. Georg Chmiel, Co-Founder & Chair of Juwai-IQI, explored barriers to AI adoption in real estate, citing lack of vision, skill gaps, high costs and privacy concerns as primary challenges.

Ivy Rayner during her presentation.

Georg Chmiel during his presentation.

The event also provided an international perspective on real estate markets, with Richard Temlett, Head of Research at Charter Keck Cramer (Australia), sharing insights on Build-to-Rent (BTR) investments from Australia, the UK and the USA. He emphasised that certainty in financing and favourable government policies are critical for successful BTR developments. Allan Sim, Executive Director at Knight Frank Malaysia, outlined Malaysia's 2025 market outlook, highlighting industrial growth in Negeri Sembilan and Johor, the impact of the Johor-Singapore Special Economic Zone and the continued attraction of foreign investment into Penang's E&E sector.

Insights from Vietnam's property market were shared by Neil MacGregor, Managing Director at Savills (Vietnam), who discussed how Vietnam's new land law improves market efficiency and liquidity, facilitates foreign property ownership and promotes transparent land allocation through auctions (for specific cases). Meanwhile, CK Lau examined challenges in Hong Kong's property market, noting concerns in the office, retail and investment sectors due to oversupply, weak absorption and economic uncertainty.

From the left: Richard Temlett, CK Lau, Datuk Sr. Charlie Chia Lui Meng, Director of UM Land, Dato' Jeffrey Ng Tiong Lip, Chairman of REHDA Institute, Neil MacGregor and Allan Sim.

The forum also featured a celebration of nine graduates from the Master of Real Estate Development (MRED) Programme, a collaboration between the REHDA Institute and Universiti Tunku Abdul Rahman (UTAR). This programme delivers education excellence by integrating both academic knowledge and practical industry insights (through guest lectures by experienced industry captains).

Group photo of YB Puan Lim Hui Ying, Deputy Finance Minister of Malaysia and the graduates of the Master of Real Estate Development programme.

The forum successfully provided a comprehensive outlook on Malaysia's economic and real estate landscape while fostering meaningful discussions on investment, technology and policy shifts for the future.

Group photo of YB Liew Chin Tong, Deputy Minister of Ministry of Investment, Trade and Industry (MITI) and participants.

Real Property Development Act (RPDA) – A Position Paper

Written by Pn Rusnani Abd Rahman,
Research Consultant, REHDA Institute

REHDA Institute has undertaken the initiative to prepare a position paper outlining the industry's stance on the proposed **Real Property Development Act (RPDA)**. This position paper was submitted to the **Minister of Housing and Local Government** in early 2025. Below is a summary of its key points.

Introduction

The **Housing Development (Control & Licensing) Act 1966 (Act 118)** is being amended to provide for the control and licensing of the business of real property development in Peninsular Malaysia, to be cited as the **Real Property Development (Control & Licensing) Act**, hereinafter referred to as RPDA. This essentially subjects all types of real property development to the purview of the Act with the Minister having the powers to make exemptions to any real property development or type of real property from all or any of the provisions of the Act through an order published in the Gazette. To this effect, we were given to understand through public industry forum and private engagement that exemptions may include Industrial, Educational, Healthcare, Hospitality (e.g. hotels, resorts), Special Purpose (e.g. amusement parks) and REITs.

The scope of RPDA will span across various land use categories including
- building – residential, commercial, waqf; and
- agriculture (with accommodation).

The motivation for regulating non housing development activities can be categorised into three broad factors as follows:
i.   To provide protection for homebuyers, who could be owner occupiers or investors;
ii. To monitor project progress to avoid incidents of delays and abandonment;
iii. To facilitate collection of development data.

Industry Position

1. The industry **OBJECTS** to blanket and immediate legislation of non-residential property developments.

- We understand the Ministry's concern on delays / abandonment in mixed developments with housing components and acknowledge the need to monitor project progress in such cases so as not to affect corresponding homebuyers.

- However, regulatory measures should not be applied indiscriminately across the board but should be targeted directly at the problem at hand.
- KPKT shall focus and channel its resources towards housing and shall not envelope into another sphere of non-residential development.
- The existing Act 118 shall be enforced to address housing abandonment. New laws lead to over regulation but when enforcement continues to lack, it is meaningless and counterproductive to regulate non-residential development as this will not eliminate abandonment.
- Existing Sale and Purchase Agreement (SPA) of commercial / non-residential properties are legal contracts with ample recourse for buyers.
- We agree that mixed developments incorporating housing components should be licensed with the proviso it is done so solely for purpose of project monitoring only.
- The non-residential components of such mixed developments shall not be subject to standard SPAs, subscribed payment schedule and other provisions not related to project monitoring.

2. We are **in full support of** big data for the real property industry, but we **OPPOSE** to using Act 118 as a mean to facilitate data collection.

- Existing legislative provisions under the Valuation and Property Services Rules 1999 already mandate property data collection and dissemination, with NAPIC responsible for managing property information. Data on property development is also accessible at Local Authorities, eliminating the need for duplication or additional reporting to KPKT.
- Instead of using RPDA, enforcing current regulations and improving inter-agency coordination is the most efficient approach, ensuring no extra regulatory burden on the industry. Any additional data needs can be addressed through policy direction.

A Look at Other Markets

Most countries regulate housing development, but few impose controls on non-residential development, where buyers are typically investors or businesses. However, Singapore and Dubai have regulatory frameworks for non-residential property transactions.

- Dubai requires developers to be licensed and mandates escrow accounts for off-plan projects under the Real Estate Developments Law No. 8 of 2007. Standardised sales contracts must be approved by master developer and the Dubai Land Department. However, there are only about 100 developers in Dubai.

- In Singapore, all commercial transactions are subject to the Sale of Commercial Properties Act 1979 and Regulations. Together with the Conveyancing and Law of Property Act 1886, both Acts provide controls over sales contracts and payment terms.

In contrast, Hong Kong, Australia, and many other countries do not regulate non-residential developments, favouring market-driven approaches with minimal bureaucracy. Emulating such practices could enhance Malaysia's industry competitiveness and ease of doing business.

Table 1: Regulation of Non-Residential Property Developers in Other Cities/ Countries

City / Country	Dubai	Singapore	Hong Kong	Australia	Others
Licensing / Compliance	✓	✗	✗	✗	✗
SPA Control	✓	✓	✗	✗	✗
Scheduled Progress Payment	✓	✓	✗	✗	✗
Escrow Accounts	✓	✓	✗	✗	✗
Legislation	✓	✓	✗	✗	✗

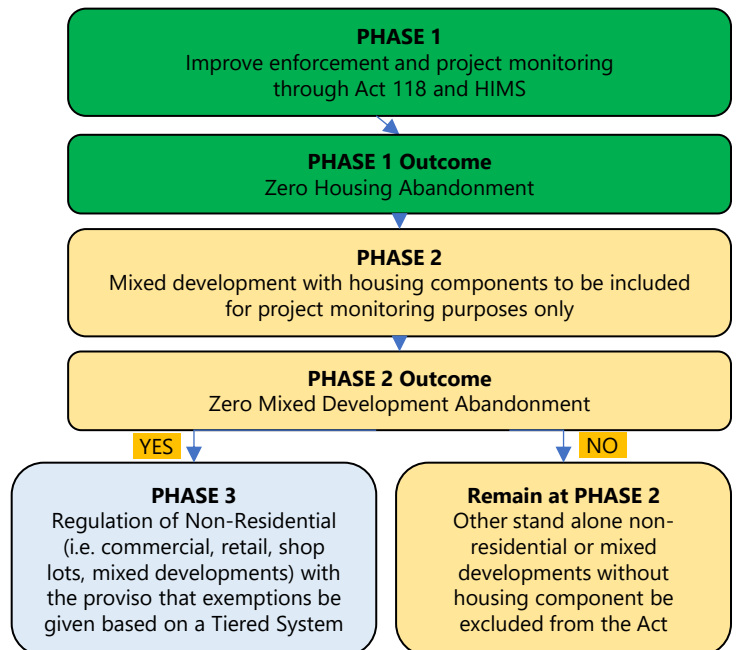*Source: RI Research*

Proposals

1. REHDA Institute proposes implementing RPDA in three phases:

Phase 1 - Eliminating housing abandonment by focusing on housing and the full implementation of Housing Integrated Management System (HIMS).

Phase 2 - Licensing of mixed developments with housing components for monitoring purposes only to ensure zero abandonment of such developments.

Phase 3 - Licensing of non-residential developments, with exemptions granted to developers with good track records, assessed through a comprehensive Tier System.

Figure 1: Proposed Phasing of RPDA Implementation

PHASE 1
Improve enforcement and project monitoring through Act 118 and HIMS

PHASE 1 Outcome
Zero Housing Abandonment

PHASE 2
Mixed development with housing components to be included for project monitoring purposes only

PHASE 2 Outcome
Zero Mixed Development Abandonment

YES

NO

PHASE 3
Regulation of Non-Residential (i.e. commercial, retail, shop lots, mixed developments) with the proviso that exemptions be given based on a Tiered System

Remain at PHASE 2
Other stand alone non-residential or mixed developments without housing component be excluded from the Act

Source: RI Research

2. A proposed industry-wide Tier System to rate developers into 4 tiers based on:
- Corporate credit rating - quantitative
- Development track record and project types – qualitative

Proposed Tiering System & Exemptions
Tier 1: Licensing but with exemptions from all other RPDA provisions (market driven)
Tier 2: Licensing but with relaxation to SPA (market driven SPA)
Tier 3: Licensing but with relaxation to schedule of progress payments
Tier 4: Licensing and subject to full provisions of the Act

3. Non-residential development data collation should continue to be via integration of existing data sources and legislation without adding regulatory burdens on developers. There is already a National Property Information Centre (NAPIC) established under the Valuers, Appraisers, Estate Agents and Property Management Act (Act 242). All relevant Authorities must facilitate data sharing. Any additional data needed can be obtained through policy direction, ensuring an efficient, cost-effective approach to building a comprehensive property data system.

Laws without enforcement is counter-productive. Before introducing new provisions that may add bureaucracy and compliance costs, existing laws should be fully enforced to support industry competitiveness and ease of doing business.

## Snapshot: Property Industry Survey (PIS) 2H 2024 & Market Outlook 2025

Written by Syuhada Saharizan
Senior Executive, Research & Education

The REHDA Property Industry Survey (PIS) for 2H 2024 and the Market Outlook 2025 were conducted by REHDA Institute from December 2024 to January 2025 among REHDA members in Peninsular Malaysia, with participation from 177 members.

Residential Launches and Sales Performance

37% of respondents launched their projects in the second half of 2024 (1H 2024: 34%), totaling 13,611 units, a decline from 14,653 units in the first half of the year.
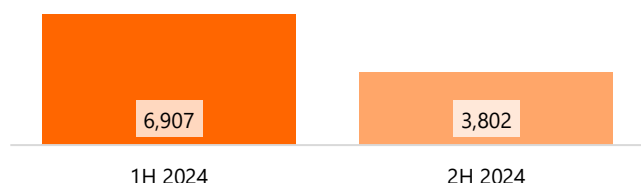
Chart 1: Overall Units Launched

1H 2024	2H 2024
14,653	13,611
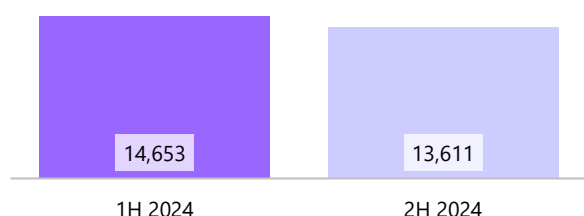
Source: REHDA Institute Research

In the second half of 2024, sales performance recorded a total of 3,802 units sold, with a take-up rate of 28%, (1H 2024: 47%).
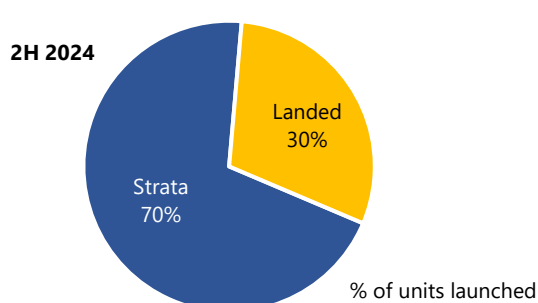
Chart 2: Overall Units Sold

1H 2024	2H 2024
6,907	3,802

Source: REHDA Institute Research

Strata units dominated new residential launches in 2H 2024, totaling 9,486 units, a 7% increase from the previous half (1H 2024: 8,900 units).

Chart 3: Units Launched – Property Category

2H 2024

Landed 30%
Strata 70%

% of units launched

Source: REHDA Institute Research

By property type, Apartments / Condominiums recorded the highest number of units launched and sold in both the first and second halves of 2024.
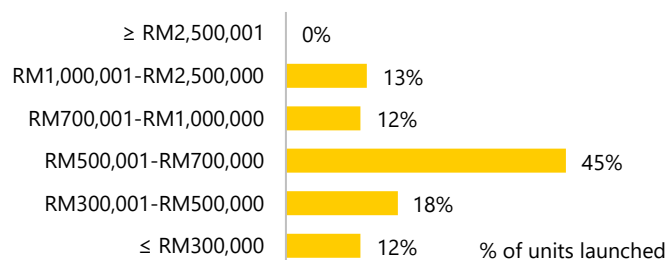
Table 1: Top 3 Units Launched & Units Sold - Property Type

Period	1H 2024	2H 2024
Units Launched	1. Apartment / Condominium 2. 2-3 Storey Terrace 3. Serviced Residence	1. Apartment / Condominium 2. Serviced Residence 3. 2-3 Storey Terrace
Units Sold	1. Apartment / Condominium 2. 2-3 Storey Terrace 3. Single-storey Terrace	1. Apartment / Condominium 2. Serviced Residence 3. 2-3 Storey Terrace

Source: REHDA Institute Research

Of the total units launched in 2H 2024, 45% were priced between RM500,000 and RM700,000. In contrast, 1H 2024 saw a higher proportion (54%) of units priced between RM300,001 and RM500,000. Notably, in the second half of 2024, no new launches were recorded for units priced at RM2,500,001 and above.

Chart 4: Units Launched - Average Selling Price

Price Range	% of units launched
≥ RM2,500,001	0%
RM1,000,001-RM2,500,000	13%
RM700,001-RM1,000,000	12%
RM500,001-RM700,000	45%
RM300,001-RM500,000	18%
≤ RM300,000	12%

Source: REHDA Institute Research

The RM500,001 to RM700,000 price range dominated new residential launches across most States in Peninsular Malaysia, while Kelantan and Perlis saw no new project launches in 2H 2024.

Table 2: Most Launched Selling Price – State

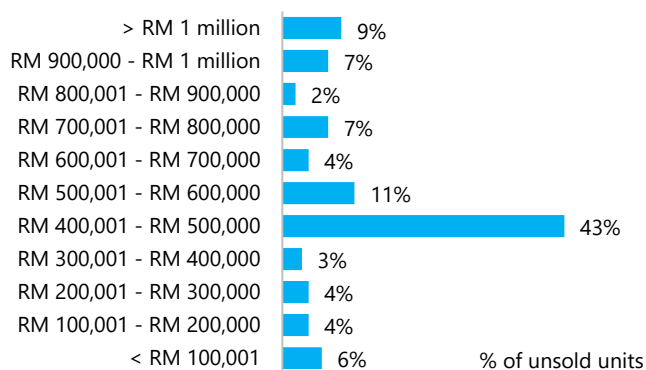| State	Most Launched Selling Price	Location
Kedah	≤ RM300,000	Kuala Muda
Terengganu	RM300,001-RM500,000	Kerteh
Pahang	RM300,001-RM500,000	Kuantan
Melaka	RM300,001-RM500,000	Jasin
Perak	RM500,001-RM700,000	Ipoh
Johor	RM500,001-RM700,000	Pasir Gudang
N. Sembilan	RM500,001-RM700,000	Seremban
WPKL	RM500,001-RM700,000	Sungai Besi
Selangor	RM500,001-RM700,000	Subang Jaya
Penang	RM1,000,001-RM2,500,000	Georgetown

Source: REHDA Institute Research

Unsold Completed Residential Units

As of 31st December 2024, 41% of respondents reported unsold completed residential units, with nearly half (43%) of these units falling within the RM400,000 to RM500,000 price range.
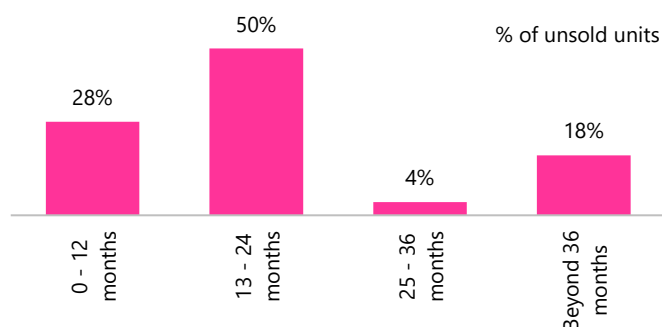
Chart 5: Unsold Completed Residential Units – Price Range

- > RM 1 million: 9%
- RM 900,000 - RM 1 million: 7%
- RM 800,001 - RM 900,000: 2%
- RM 700,001 - RM 800,000: 7%
- RM 600,001 - RM 700,000: 4%
- RM 500,001 - RM 600,000: 11%
- RM 400,001 - RM 500,000: 43%
- RM 300,001 - RM 400,000: 3%
- RM 200,001 - RM 300,000: 4%
- RM 100,001 - RM 200,000: 4%
- < RM 100,001: 6%

% of unsold units

Source: REHDA Institute Research

In terms of aging, 50% of the unsold completed residential units are between 13 and 24 months old.

**Chart 6: Unsold Completed Residential Units – Ageing**

% of unsold units

- 0 - 12 months: 28%
- 13 - 24 months: 50%
- 25 - 36 months: 4%
- Beyond 36 months: 18%

Source: REHDA Institute Research

Serviced residences recorded the highest number of unsold completed residential units, followed by single storey terraces and condominiums.

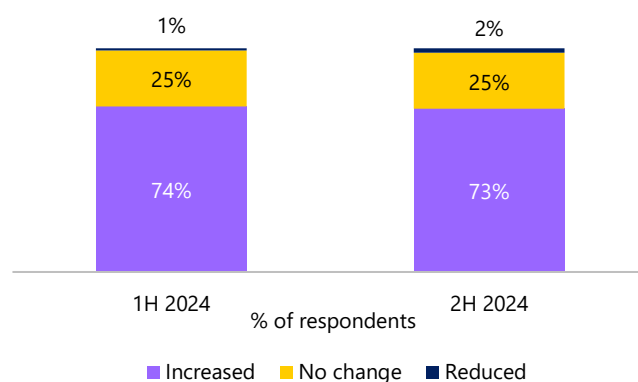**Figure 1: Unsold Completed Residential Units – Property Type**

- Serviced Residence (55%)
- Single storey terrace (16%)
- Condominium (8%)

% of unsold units
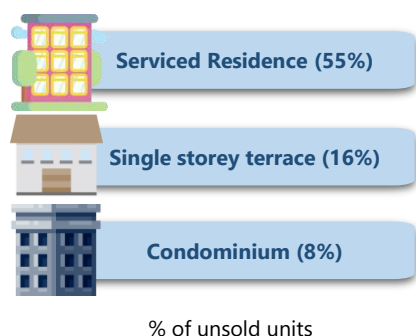
Source: REHDA Institute Research

Business Operations

The majority of respondents reported an increase in overall business costs, with 74% in 1H 2024 and 73% in 2H 2024.

Chart 7: Cost of Doing Business

	1H 2024	2H 2024
Reduced	1%	2%
No change	25%	25%
Increased	74%	73%

% of respondents

■ Increased ■ No change ■ Reduced

Source: REHDA Institute Research

In 2H 2024, 37% of respondents reported being affected by economic conditions. The primary cost-cutting measures in operations included a recruitment freeze, reduced benefits or perks and retrenchment. Meanwhile, in production and delivery, respondents implemented measures such as postponing or rescheduling planned project launches, reducing the scale of launches and delaying projects due to weak demand.

Chart 8: Impact of Economic Conditions

% of respondents

- Not affected: 11%
- Neutral: 52%
- Affected: 37%
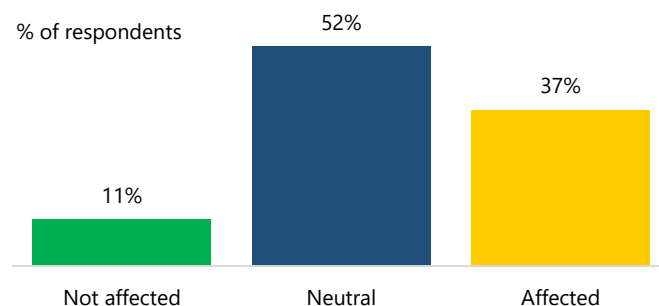
Source: REHDA Institute Research

Figure 2: Main Cost Cutting Measures

OPERATION
1. Freeze recruitment
2. Less benefits / perks
3. Retrenchment

PRODUCTION / DELIVERY
1. KIV / Reschedule Launching of planned project
2. Reduce the scale of launches
3. Delay projects due to poor demand

Source: REHDA Institute Research

Building Materials Prices

Written by Syuhada Saharizan
Senior Executive, Research & Education

According to the National Construction Cost Centre (N3C) portal, an initiative by the Construction Industry Development Board (CIDB), building material prices (BMP) refer to the transaction prices between contractors and suppliers under specified normal credit terms, including applicable discounts for an average contractor. There are 19 building material groups under BMP, with prices monitored on a monthly basis.

For this report, the analysis focuses on four key building materials.

Table 1: Type of Building Materials

Building Material	Type	Unit
Cement	Ordinary Portland Cement	50 kg bag
Steel	Mild Steel Round Bar R10 (MS146)	Metric tonne
Sand	Normal River Sand (Ex)	Metric tonne
Concrete	Ready Mix Concrete (Normal Mix, Grade 30, Granite)	Cubic metre

Source: N3C portal, REHDA Institute Research

The analysis covers six States using the July price of each year - from 2015 to 2024. However, data for Negeri Sembilan is unavailable from 2015 to 2017.

Table 2: States Covered

1. Selangor	2. Johor	3. Penang
4. Negeri Sembilan	5. Perak	6. Kelantan

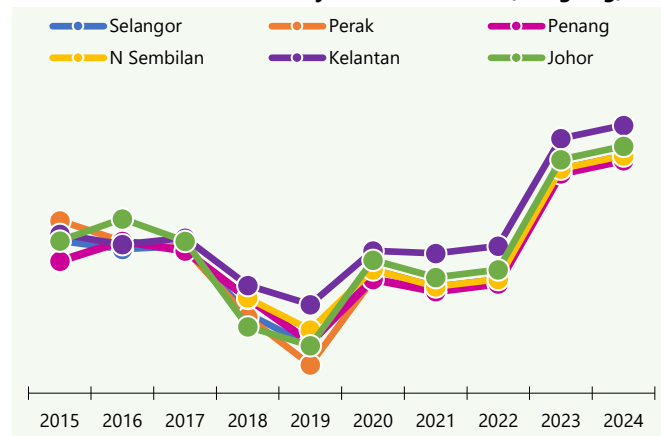Source: N3C portal, REHDA Institute Research

Cement: Ordinary Portland Cement (50 kg bag)

The overall trend indicates that cement prices have fluctuated over the years, experiencing a notable decline from 2015 to 2019, followed by a gradual increase from 2021 onwards. The sharpest price surge occurred between 2022 and 2023 across all States.

Key highlights:

- In 2024, Kelantan had the highest price at RM24.10, while Perak and Penang remained among the lowest at RM22.25.
- The lowest prices were recorded around 2019, with Perak at RM11.50, and both Selangor and Johor at RM12.50.
- Kelantan and Johor generally recorded higher cement prices compared to other States.
- Penang and Kelantan recorded the highest total growth over the period at 31.2%, with a Compounded Annual Growth Rate (CAGR) of approximately 3.1%.

Chart 1: Trend of Ordinary Portland Cement (50 kg bag)

Source: N3C Portal, REHDA Institute Research

Table 3: Price of Ordinary Portland Cement (50 kg bag) (RM/bag)

Year/ State	Selangor	Perak	Penang	Negeri Sembilan	Kelantan	Johor
2015	18.02	19.08	16.96	-	18.37	18.02
2016	17.58	18.00	18.00	-	17.83	19.17
2017	17.75	17.58	17.50	-	18.17	18.00
2018	14.17	14.00	15.00	15.00	15.67	13.50
2019	12.50	11.50	12.67	13.33	14.67	12.50
2020	16.50	16.00	16.00	16.50	17.50	17.00
2021	15.60	15.35	15.35	15.60	17.35	16.10
2022	16.00	15.75	15.75	16.00	17.75	16.50
2023	21.80	21.55	21.55	21.80	23.40	22.30
2024	22.50	22.25	22.25	22.50	24.10	23.00

Source: N3C Portal, REHDA Institute Research

Steel: Mild Steel Round Bar R10 (MS146) (metric tonne)

The data reveals fluctuations in values over the years, with distinct peaks and declines. Between 2015 and 2018, all States experienced substantial growth, reaching their highest levels in 2018. This was followed by a decline in 2019 and a subsequent recovery in 2021, marked by a significant increase across all States. Although prices dipped slightly from 2022 to 2024, they remained above pre-2020 levels.

Key highlights:

- In 2021, the peak price of RM3,580 was the highest recorded in the past decade across all States.
- The lowest price was RM2,014, recorded in Penang in 2015.
- During the period from 2020 to 2024, the price remained the same across all States for each year.
- Penang experienced the highest total growth over the period at 51.8%, with a CAGR of approximately 4.7%.

Chart 2: Trend of Mild Steel Round Bar R10 (MS146) (metric tonne)
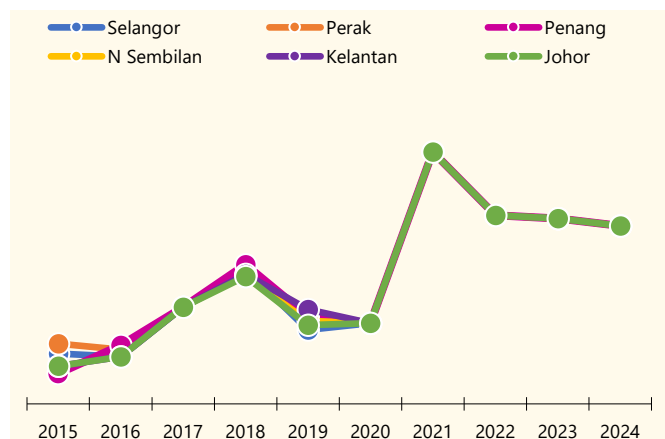
Source: N3C portal, REHDA Institute Research

Table 4: Price of Mild Steel Round Bar R10 (MS146) (RM/metric tonne)

Year/ State	Selangor	Perak	Penang	Negeri Sembilan	Kelantan	Johor
2015	2,155.33	2,226.00	2,014.00	-	2,067.00	2,067.00
2016	2,133.33	2,183.33	2,213.33	-	2,133.33	2,133.33
2017	2,482.00	2,482.00	2,482.00	-	2,482.00	2,482.00
2018	2,750.00	2,750.00	2,783.33	2,700.00	2,716.67	2,700.00
2019	2,323.33	2,433.33	2,420.00	2,386.67	2,466.67	2,356.67
2020	2,370.00	2,370.00	2,370.00	2,370.00	2,370.00	2,370.00
2021	3,580.00	3,580.00	3,580.00	3,580.00	3,580.00	3,580.00
2022	3,132.50	3,132.50	3,132.50	3,132.50	3,132.50	3,132.50
2023	3,110.00	3,110.00	3,110.00	3,110.00	3,110.00	3,110.00
2024	3,058.00	3,058.00	3,058.00	3,058.00	3,058.00	3,058.00

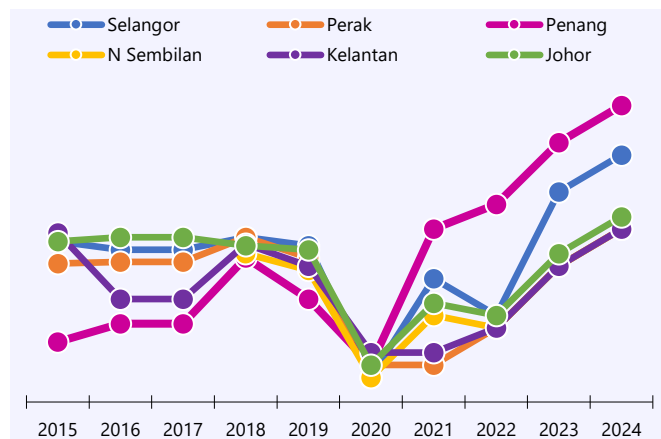Source: N3C Portal, REHDA Institute Research

Sand: Normal River Sand- Ex (metric tonne)

Most States experienced fluctuations in values, with a significant drop observed in 2020 across all States. After 2020, the figures show a general upward trend, with most States reaching their highest values in 2024.

Key highlights:

- Prices remained relatively stable between 2015 and 2019, fluctuating slightly around RM32 – RM41 across States.
- A significant drop in prices occurred in 2020, reaching around RM30 – RM32 across all States.
- Prices started recovering in 2021, with Penang leading at RM42.
- By 2024, all States recorded their highest prices, with Penang reaching RM52, Selangor RM48 and other States experiencing similar increases (RM42 – RM43)
- Over the years, Penang recorded the highest total growth of 58.2%, with a CAGR of 5.2%.

Chart 3: Trend of Normal River Sand- Ex (metric tonne)

Source: N3C Portal, REHDA Institute Research

Table 5: Price of Normal River Sand- Ex (RM/metric tonne)

Year/ State	Selangor	Perak	Penang	Negeri Sembilan	Kelantan	Johor
2015	40.99	39.22	32.86	-	41.69	40.99
2016	40.33	39.33	34.33	-	36.33	41.33
2017	40.33	39.33	34.33	-	36.33	41.33
2018	41.33	41.33	39.67	40.00	40.80	40.67
2019	40.67	39.67	36.33	38.67	39.00	40.33
2020	30.00	31.00	31.00	30.00	32.00	31.00
2021	38.00	31.00	42.00	35.00	32.00	36.00
2022	35.00	34.00	44.00	34.00	34.00	35.00
2023	45.00	39.00	49.00	39.00	39.00	40.00
2024	48.00	42.00	52.00	42.00	42.00	43.00

Source: N3C Portal, REHDA Institute Research

Concrete: Ready Mix Concrete - Normal Mix - Grade 30, Granite (cubic metre, m³)

The data shows a mix of growth and declines, with significant drops in 2018 and 2019. The values began to increase in 2020 and continued to rise steadily through 2024. All States saw a sharp decrease in 2018, with values remaining low in 2019.

Key highlights:

- From 2023 to 2024, prices hit their peak across all States, with Kelantan (RM306.00), Selangor (RM302.00) and Johor (RM298.00).
- Kelantan consistently had the highest prices throughout the years, reaching its peak in 2024 at RM306.00.
- Perak generally recorded the lowest prices, especially from 2018 onwards, with its lowest price of RM167.00 in 2018.
- Over the period, Selangor recorded the highest total growth at 35.7%, followed closely by Kelantan at 35.5%. The CAGR for both States was approximately 3.4%.

Chart 4: Trend of Ready-Mix Concrete - Normal Mix - Grade 30, Granite (cubic metre)
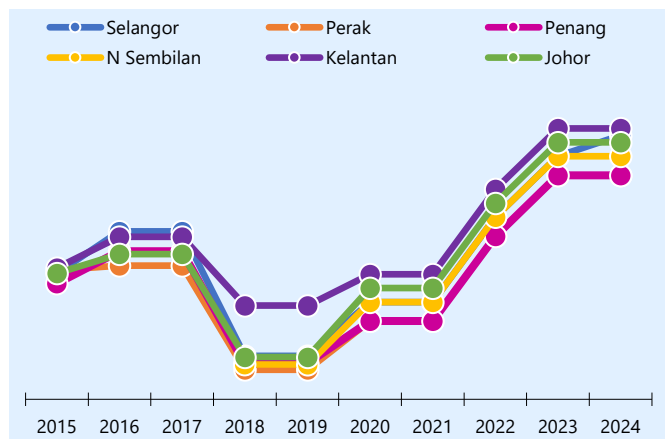
Source: N3C Portal, REHDA Institute Research

Table 6: Price of Ready Mix Concrete - Normal Mix - Grade 30, Granite (RM/cubic metre)

Year/State	Selangor	Perak	Penang	Negeri Sembilan	Kelantan	Johor
2015	222.60	224.37	216.59	-	225.78	222.60
2016	246.67	227.00	235.33	-	243.67	233.67
2017	246.67	227.00	235.33	-	243.67	233.67
2018	175.00	167.00	170.33	170.00	204.00	174.33
2019	175.00	167.00	170.67	170.00	204.00	174.33
2020	206.00	195.00	195.00	206.00	222.00	214.00
2021	206.00	195.00	195.00	206.00	222.00	214.00
2022	255.00	244.00	244.00	255.00	271.00	263.00
2023	290.00	279.00	279.00	290.00	306.00	298.00
2024	302.00	279.00	279.00	290.00	306.00	298.00

Source: N3C Portal, REHDA Institute Research

For further details on construction costs, please visit: n3c.cidb.gov.my

Key Summary

- **Cement: Ordinary Portland Cement (50 kg bag)**
  - ✓ Penang and Kelantan recorded the highest total price growth at 31.2%, followed by Johor at 27.6%.
  - ✓ The CAGR across these States ranged from 2.7% to 3.1%, indicating a steady price increase over time.

- **Steel: Mild Steel Round Bar R10 (MS146) (metric tonne)**
  - ✓ Penang saw the highest price growth at 51.8%, with a CAGR of 4.7%, followed by Kelantan and Johor at 47.9% (CAGR: 4.4%).

- **Sand: Normal River Sand- Ex (metric tonne)**
  - ✓ Penang experienced the most significant total price growth at 58.2%, the highest among all materials, with a CAGR of 5.2%.
  - ✓ In contrast, Kelantan recorded the lowest growth at 0.7%, with a CAGR of 0.1%.

- **Concrete: Ready Mix Concrete - Normal Mix - Grade 30, Granite (cubic metre, m3)**
  - ✓ Selangor recorded the highest price growth at 35.7%, followed closely by Kelantan at 35.5%.
  - ✓ Both States had a CAGR of approximately 3.4%.

The price trends of building materials over the studied period showed significant differences across States. Penang recorded the highest overall price growth for Normal River Sand at 58.2%, while Kelantan registered the lowest increase at 0.7% for the same material. These variations highlight the differing cost dynamics in each State, with certain materials experiencing sharper price increases than others. The steady rise in prices across key materials, such as cement, steel, sand and concrete, indicates ongoing market shifts that may influence future construction costs and industry trends impacting market prices.

Summary of NAPIC Property Market Report 2024

Prepared by Huong Yu Sin
*Assistant Manager, Research & Education, REHDA Institute*

This summary is prepared based on data from the following reports of National Property Information Centre (NAPIC):

1. Property Market Report 2024
2. Malaysian House Price Index 2024P
3. Property Market Status Tables Q4 2024

Overall Property Market Performance

In 2024, the volume and value of property transactions increased by 5.4% and 18.0%, respectively, totaling 420,545 transactions worth RM232.30 billion, compared to 399,008 transactions worth RM196.83 billion in 2023.

Overall Property Transactions
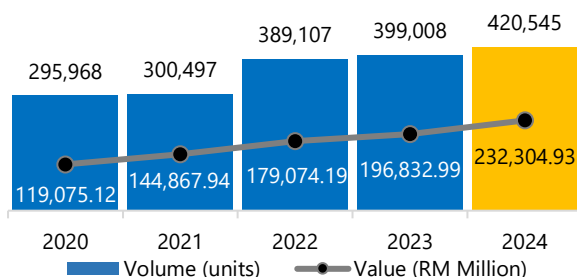
Source: NAPIC & RI Research

The residential sub-sector remained the largest, accounting for 62.0% of total transactions, followed by agriculture (18.7%) and commercial (10.9%). The commercial sub-sector reported the highest annual growth in the transaction volume at 13.6%, followed by development land and others (9.7%) and industrial (7.7%).

Overall Property Transactions by Sub-Sector
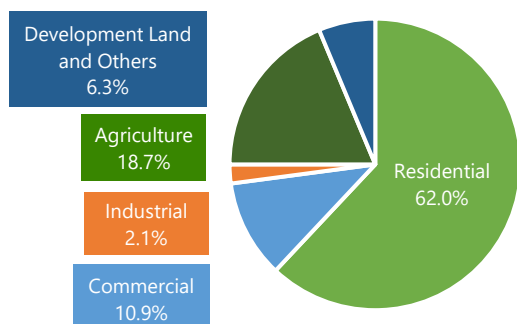
Source: NAPIC & RI Research

Residential Transactions

The residential market saw continued growth in 2024, with transaction volume rising 4.0% and value increasing 5.9% to 260,516 transactions worth RM106.92 billion (2023: 250,586 transactions worth RM100.93 billion).

Residential Transactions
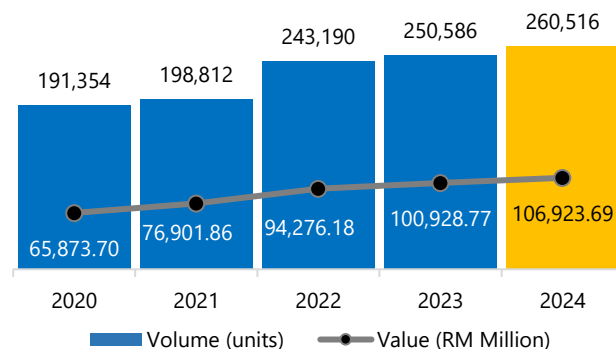
Source: NAPIC & RI Research

Growth was recorded across most States, except Penang, Sabah, Sarawak, Terengganu, Negeri Sembilan and Perlis. Selangor remained the largest contributor to the residential market, accounting for 21.6% of transactions (56,167) and 29.6% of value (RM31.68 billion). Johor followed with 16.3% (42,565 transactions) and 19.3% (RM20.64 billion).

Residential Transactions (Units) by State
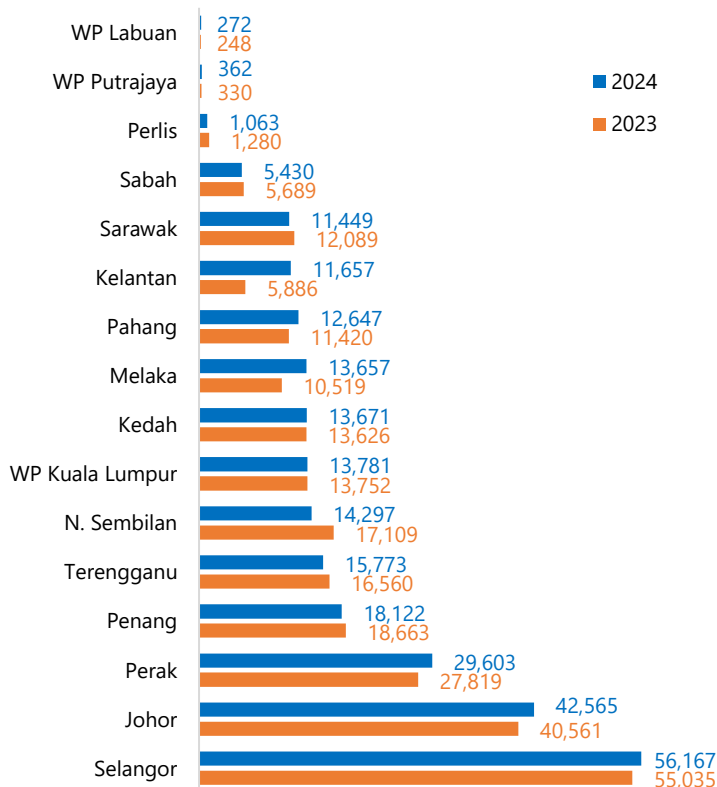
Source: NAPIC & RI Research

By price range, residential properties priced at RM300,000 and below accounted for 52.5% of total transactions, followed by those in the RM300,001 to RM500,000 range at 24.5%. Residential properties priced between RM500,001 and RM1 million made up 17.5%, while the remaining 5.5% consisted of homes priced above RM1 million.

Residential Transactions (Units) by Price Range

Source: NAPIC & RI Research

By property type, terraced houses remained the most in-demand, accounting for 43.1% of total residential transactions. This was followed by vacant plots (16.0%), high-rise units (13.9%), low-cost houses/flats (10.5%), and semi-detached houses (7.7%), with the remainder comprising other property types.

Residential Transactions (Units) by Type

Source: NAPIC & RI Research

Of the total residential transactions, 17.0% were primary market transactions[1] (purchases directly from developers), marking a decline from 21.5% in 2023. This suggest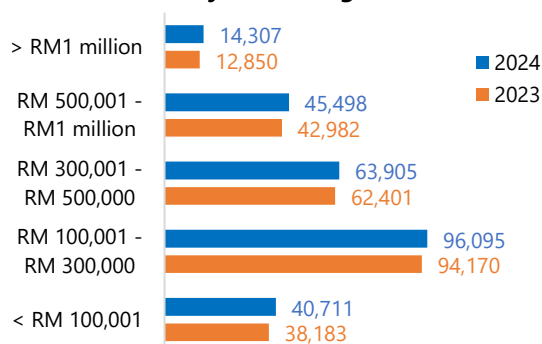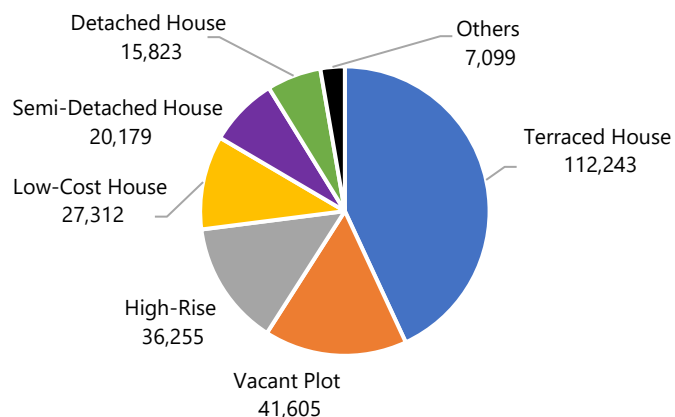s a shift in buyer preference or market conditions, with more transactions occurring in the secondary market rather than new property purchases.

Note:
1. A verbal inquiry with NAPIC revealed that the primary market transactions (purchase from developers) includes residential transactions between developers and individuals, and between developers and company, involving newly developed units.

Residential Launches

In 2024, 75,784 residential units were launched, marking a significant increase from 56,526 units in 2023. However, sales performance slightly declined, with the sales rate falling to 37.3% from 40.4% in 2023.

Residential New Launches & Sales Performance
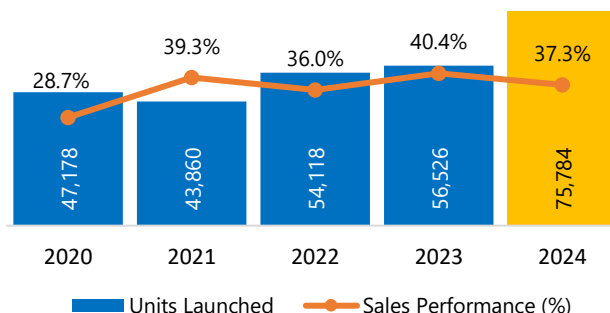
Source: NAPIC & RI Research

Selangor emerged as the leader in new residential property launches in 2024, contributing 19.6% of total new residential property launches with 14,862 units. Despite this significant supply, the State recorded a moderate sales performance of 35.1%.

Johor closely followed as the second-highest contributor, accounting for 18.7% of total new launches with 14,147 units. However, Johor outperformed Selangor in sales performance, achieving a strong take-up rate of 53.2%.

WP Kuala Lumpur ranked third in new launches, introducing 7,840 units to the market, representing a 10.3% share. The capital city recorded a sales performance of 38.0%.

New Residential Launches (Units) by State

Legend: ■ 2023 ■ 2024

State	2023	2024
WP Kuala Lumpur	5,927	7,840
WP Putrajaya	338	0
WP Labuan	55	0
Selangor	11,542	14,862
Johor	12,390	14,147
Penang	5,208	6,381
Perak	5,443	6,970
N. Sembilan	3,060	6,226
Melaka	2,706	5,751
Kedah	437	2,218
Pahang	4,074	4,624
Terengganu	190	328
Kelantan	840	934
Perlis	372	206
Sabah	1,852	2,743
Sarawak	2,092	2,554

Source: NAPIC & RI Research

Residential Sales Performance (%) by State

Legend: ■ 2023 ■ 2024

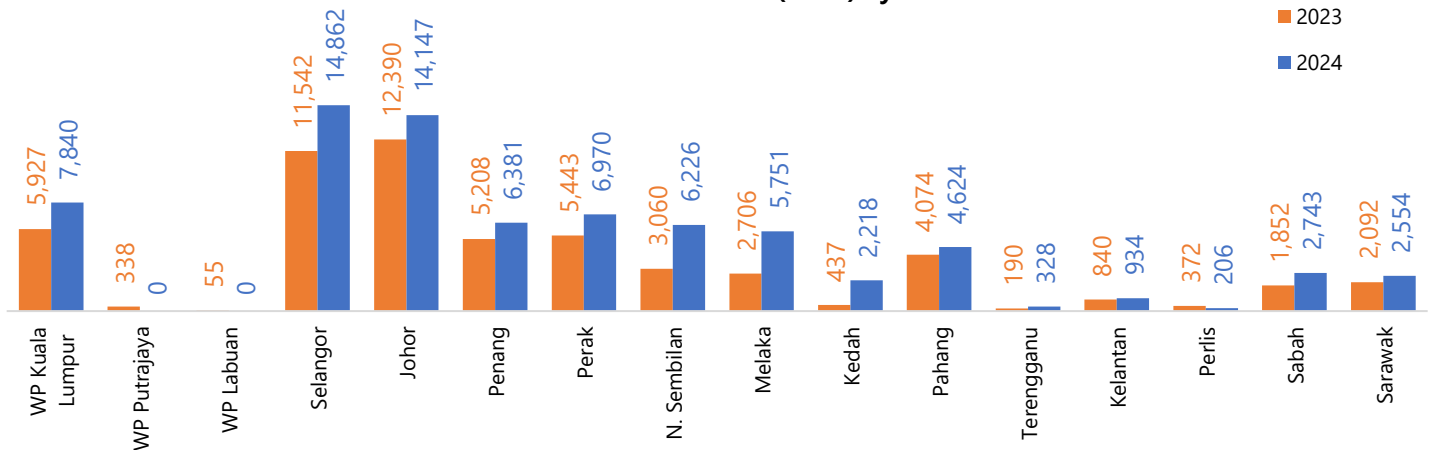| State	2023	2024
WP Kuala Lumpur	28.7	38.0
WP Putrajaya	26.6	0.0
WP Labuan	32.7	0.0
Selangor	55	35.1
Johor	42.9	53.2
Penang	41.2	40.5
Perak	33	33.1
N. Sembilan	35.5	28.9
Melaka	38.8	37.8
Kedah	52.2	17.5
Pahang	39.1	27.4
Terengganu	16.3	16.2
Kelantan	18.2	13.9
Perlis	46.5	24.3
Sabah	33.5	38.0
Sarawak	24.2	29.6
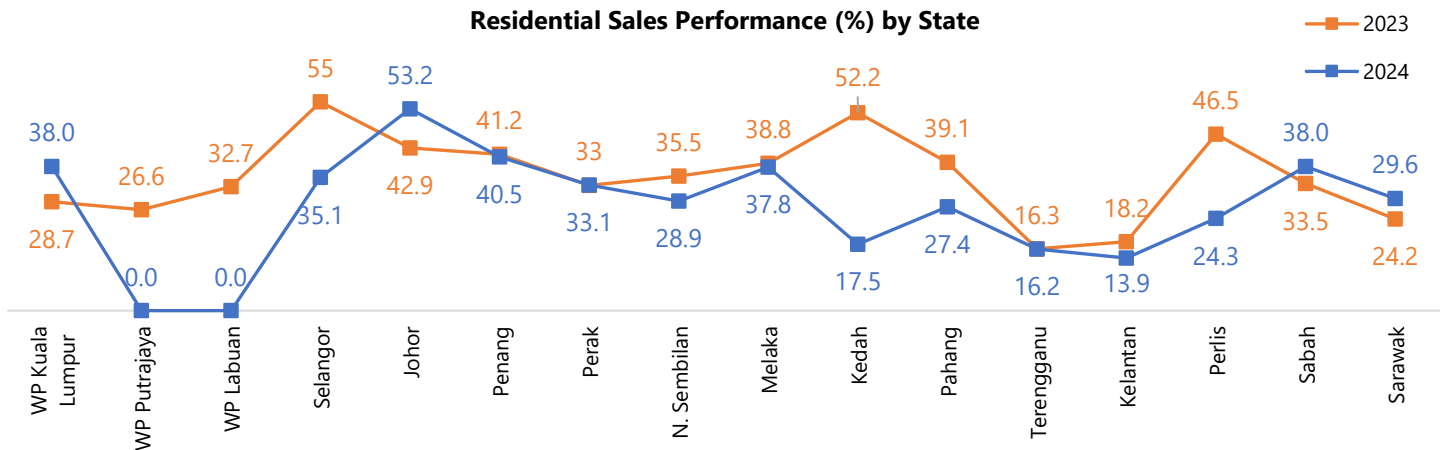
Source: NAPIC & RI Research

In 2024, terraced houses continued to dominate new launches, accounting for 52.8% of total units, an increase from 49.2% in 2023. Meanwhile, condominium and apartment units declined slightly from 33.6% to 31.7%, with most projects concentrated in WP Kuala Lumpur and Selangor.

New Residential Launches by Property Type

Property Type	Number of New Launches		Percentage of Total New Launches	
	2023	2024	2023	2024
Single-Storey Terrace	10,842	16,621	19.2%	21.9%
Two-Three Storey Terrace	16,959	23,462	30.0%	30.9%
Condominium/Apartment	18,964	23,995	33.6%	31.7%
Others	9,761	11,706	17.2%	15.5%
Total	56,526	75,784	100.0%	100.0%

Source: NAPIC & RI Research

Residential Overhang[3]

A total of 23,149 overhang units valued at RM13.94 billion was recorded in 2024, reflecting a 10.3% decline in volume and a 21.2% reduction in value compared to 2023, when 25,816 units worth RM17.68 billion were reported.

At the State level, WP Kuala Lumpur recorded the highest number of overhang units, accounting for 18.3% of the national total (4,234 units). This was followed by Johor (2,964 units), Perak (2,844 units) and Pulau Pinang (2,796 units).

Residential Overhang by State

State	Overhang Units[4]	2023	2024
WP Kuala Lumpur	Unsold Units	3,535	4,234 ↑
	Value (RM Million)	3,632.51	3,377.50
WP Putrajaya	Unsold Units	137	352 ↑
	Value (RM Million)	277.01	306.06
WP Labuan	Unsold Units	42	41 ↓
	Value (RM Million)	13.73	13.41
Selangor	Unsold Units	3,405	2,075 ↓
	Value (RM Million)	3,632.28	1,594.17
Johor	Unsold Units	4,228	2,964 ↓
	Value (RM Million)	3,396.10	2,485.39
Penang	Unsold Units	3,001	2,796 ↓
	Value (RM Million)	2,607.96	2,087.63
Perak	Unsold Units	4,598	2,844 ↓
	Value (RM Million)	1231.53	855.3
N. Sembilan	Unsold Units	1,177	1,623 ↑
	Value (RM Million)	473.48	598.69
Melaka	Unsold Units	532	605 ↑
	Value (RM Million)	216.81	194.58
Kedah	Unsold Units	199	701 ↑
	Value (RM Million)	87.26	254.04
Pahang	Unsold Units	492	1,267 ↑
	Value (RM Million)	212.98	478.12
Terengganu	Unsold Units	308	173 ↓
	Value (RM Million)	119.36	61.99
Kelantan	Unsold Units	360	393 ↑
	Value (RM Million)	112.91	117.85
Perlis	Unsold Units	6	45 ↑
	Value (RM Million)	2.16	11.89
Sabah	Unsold Units	2,068	1,524 ↓
	Value (RM Million)	934.66	754.52
Sarawak	Unsold Units	1,728	1,512 ↓
	Value (RM Million)	729.63	743.98
Malaysia	**Unsold Units**	**25,816**	**23,149**
	Value (RM Million)	**17,680**	**13,935**

Source: NAPIC

In 2024, condominiums and apartments continued to dominate the overhang market, representing 60.0% (13,900 units) of the total overhang units. This was slightly lower than 60.5% (15,606 units) recorded in 2023. Terraced houses remained the second-largest contributor, comprising 23.5% (5,445 units) in 2024, compared to 24.3% (6,279 units) in 2023.

Key overhang locations for condominium and apartment units included the Johor Bahru District, Mukim Setapak, Mukim Batu and Section 1-100 in WP Kuala Lumpur, collectively accounting for 27.0% (6,246 units) of the total overhang units in 2024.

Residential Overhang (Units) by Property Type

Year	Condominium/Apartment	Terraced Houses	Others
2024	13,900	5,445	3,804
2023	15,606	6,279	3,931

■ Condominium/Apartment   ■ Terraced Houses   ■ Others

Source: NAPIC & RI Research

The distribution of overhang units by price range saw a shift in 2024.

Overhang Units by Price Range, 2023

- 7,592 — 30%
- 6,528 — 25%
- 7,523 — 29%
- 4,173 — 16%

Overhang Units by Price Range, 2024

- 7,624 — 33%
- 6,569 — 28%
- 6,493 — 28%
- 2,463 — 11%
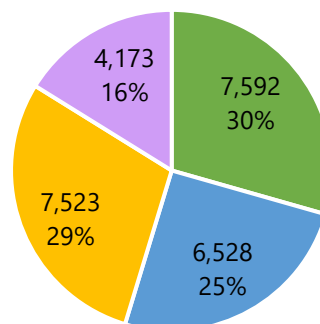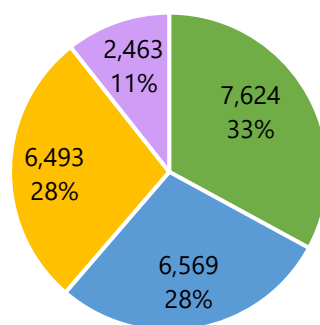
■ Below RM300,000   ■ RM300,001 - RM500,000
■ RM500,001 - RM1 million   ■ Above RM1 million

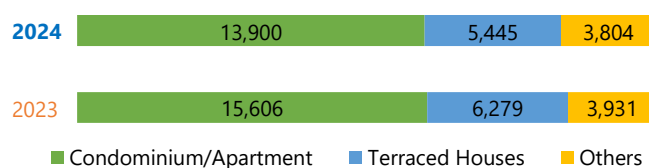*Source: NAPIC & RI Research*

Note:
3. Residential overhang are units completed with Certificate of Completion and Compliance/ Temporary Certificate of Fitness for Occupation in the review period. These units remained unsold for more than nine months from the date of launching or after 1st January 1997.
4. The value for overhang units (RM million) do not add up due to rounding.

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Residential Overhang by Price Range

	≤RM 100,000	RM 100,001 – RM 300,000	RM 300,001 – RM 500,000	RM 500,001 – RM 700,000	RM 700,001 – RM 1 million	>RM 1 million	Total Overhang ≤RM 500,000	Total Overhang >RM 500,000	All House Price (RM)
WP Kuala Lumpur	0	1,377	908	1,102	166	681	2,285	1,949	794,467
WP Putrajaya	0	0	232	53	0	67	232	120	NA
WP Labuan	0	0	41	0	0	0	41	0	NA
Selangor	7	236	408	558	631	235	651	1,424	553,893
Johor	129	371	504	875	573	512	1,004	1,960	437,280
Pulau Pinang	69	669	770	255	348	685	1,508	1,288	475,037
Negeri Sembilan	0	1,871	807	124	22	20	2,678	166	313,338
Perak	269	21	1,154	110	30	39	1,444	179	273,464
Melaka	32	283	240	27	23	0	555	50	240,655
Kedah	0	394	262	15	20	10	656	45	306,683
Pahang	54	705	248	202	26	32	1,007	260	272,796
Terengganu	8	53	101	11	0	0	162	11	301,952
Kelantan	0	312	26	55	0	0	338	55	268,493
Perlis	21	0	24	0	0	0	45	0	245,031
Sabah	0	278	461	670	49	66	739	785	517,922
Sarawak	200	265	383	413	135	116	848	664	545,503
Malaysia	**789**	**6,835**	**6,569**	**4,470**	**2,023**	**2,463**	**14,193**	**8,956**	**483,879**

Source: NAPIC & RI Research

Note:
1. All House Price in Q4 2024P. All House Price is an average price of the summed-up from the State-terraced, State-high-rise, State-detached and State-semi-detached.
2. Yellow highlight: Units overhang within the All House Price (AHP) (Partial highlight – Some of the units fall within the AHP).
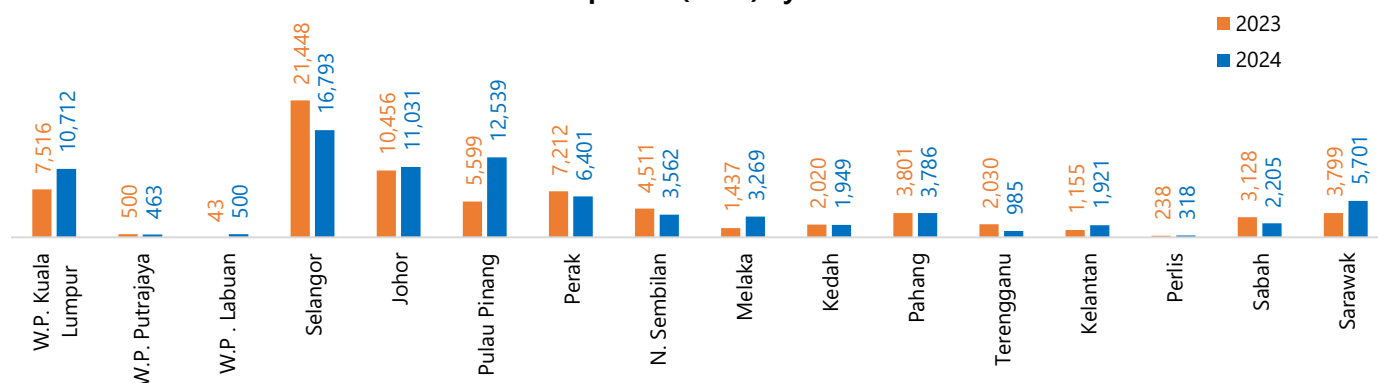*3. All House Price data is not available for WP Putrajaya and WP Labuan.*

Construction Activity

Housing completions in 2024 rose by 9.7% to 82,135 units, a stronger growth rate compared to 4.0% in 2023. Selangor remained the top contributor, although its completion volume declined from 21,448 units in 2023 to 16,793 units in 2024. Pulau Pinang emerged as the second-largest contributor (12,539 units), followed by Johor (11,031 units).

Out of the total housing completions, terraced house contributed 43.5% (35,745 units) in 2024, up from 30.5% in 2023. Meanwhile, condominiums and apartments continued to play a dominant role, forming 35.5% (29,118 units) of the total housing completions in 2024, slightly higher than 34.1% in 2023.

New housing starts increased by 20.6% to 106,236 units, reversing the 9.9% decline in 2023, when they fell to 88,114 units. Similarly, planned supply rebounded, growing 24.1% to 100,461 units, compared to a 9.1% decline in 2023 that had reduced the total to 80,964 units.
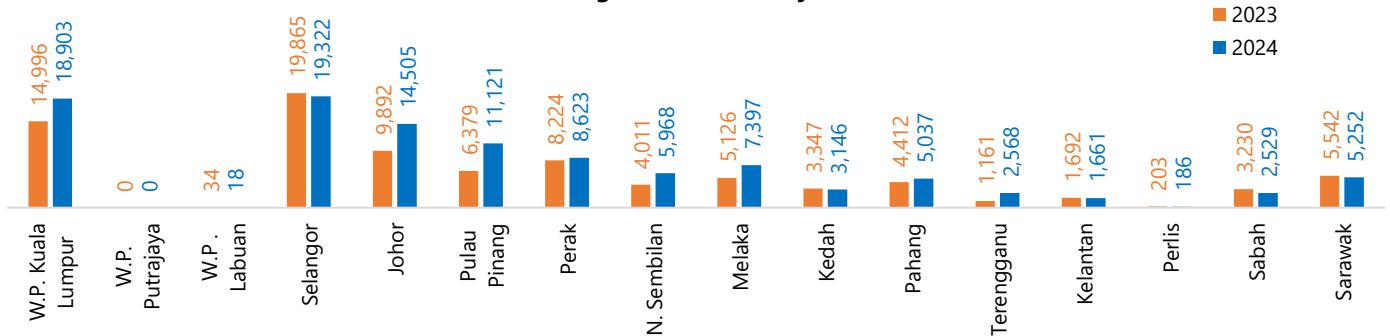
Completion (Units) by State

State	2023	2024
W.P. Kuala Lumpur	7,516	10,712
W.P. Putrajaya	500	463
W.P. Labuan	43	500
Selangor	21,448	16,793
Johor	10,456	11,031
Pulau Pinang	5,599	12,539
Perak	7,212	6,401
N. Sembilan	4,511	3,562
Melaka	1,437	3,269
Kedah	2,020	1,949
Pahang	3,801	3,786
Terengganu	2,030	985
Kelantan	1,155	1,921
Perlis	238	318
Sabah	3,128	2,205
Sarawak	3,799	5,701

Source: NAPIC & RI Research

Housing Starts (Units) by State

Legend: ■ 2023 ■ 2024

State	2023	2024
W.P. Kuala Lumpur	14,996	18,903
W.P. Putrajaya	0	0
W.P. Labuan	34	18
Selangor	19,865	19,322
Johor	9,892	14,505
Pulau Pinang	6,379	11,121
Perak	8,224	8,623
N. Sembilan	4,011	5,968
Melaka	5,126	7,397
Kedah	3,347	3,146
Pahang	4,412	5,037
Terengganu	1,161	2,568
Kelantan	1,692	1,661
Perlis	203	186
Sabah	3,230	2,529
Sarawak	5,542	5,252

Source: NAPIC & RI Research

New Planned Supply (Units) by State

Legend: ■ 2023 ■ 2024

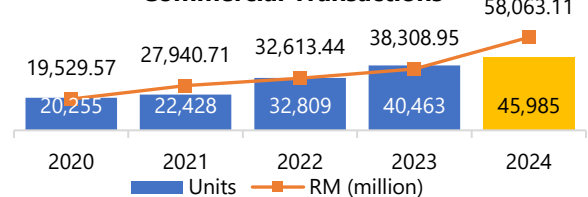| State	2023	2024
W.P. Kuala Lumpur	14,841	21,969
W.P. Putrajaya	0	0
W.P. Labuan	34	0
Selangor	17,593	19,106
Johor	9,924	17,726
Pulau Pinang	3,610	7,376
Perak	8,384	6,499
N. Sembilan	1,488	1,703
Melaka	8,877	5,346
Kedah	2,700	3,225
Pahang	4,768	6,924
Terengganu	1,511	1,409
Kelantan	1,338	1,688
Perlis	550	403
Sabah	353	905
Sarawak	4,993	6,182
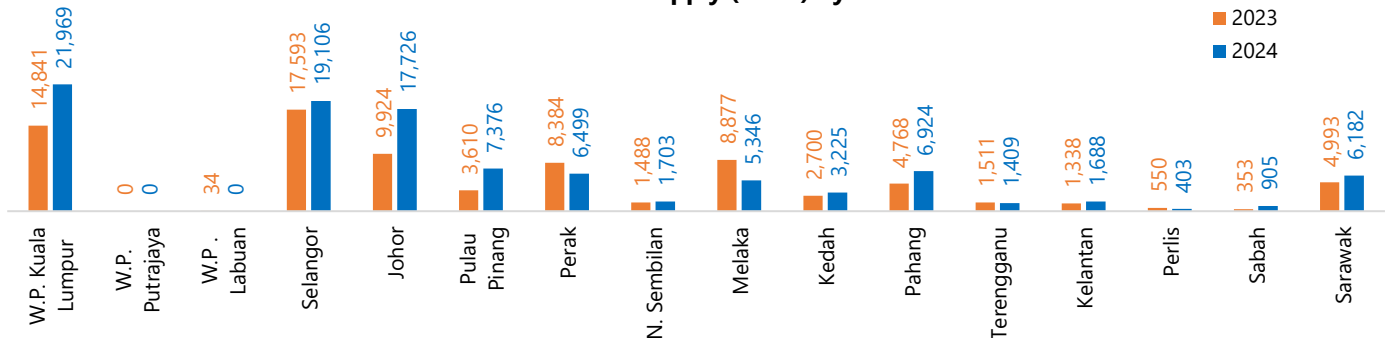
Source: NAPIC & RI Research

Notes:
1. The figures for completion, housing starts and new planned supply are accumulated over the survey period.
2. Completion comprises units when the building construction works are completed and a CCC/CF/TCF is issued within the survey period.
3. Starts comprises buildings where the foundation and footing works of low-rise buildings or works below ground level including piling and foundation of high-rise buildings have started, and does not include site clearing, levelling and laying of infrastructure.
4. New planned supply comprises units where building plan approval has been obtained within the survey period.

Commercial Sector

In 2024, the commercial sub-sector recorded 45,985 transactions worth RM58.06 billion, reflecting a 13.6% increase in volume and a 51.6% rise in value compared to 2023.

Commercial Transactions

Year	Units	RM (million)
2020	20,255	19,529.57
2021	22,428	27,940.71
2022	32,809	32,613.44
2023	40,463	38,308.95
2024	45,985	58,063.11

Legend: ■ Units — RM (million)

SHOP (One to Six and A-half Storey and Pre-war Shop)	SHOPPING COMPLEX	PURPOSE-BUILT OFFICE
• Shop transaction volume rose by 7.2% to 19,771 transactions. The transaction value was up by 19.6% to RM19.26 billion. • Shops accounted for 43.0% of total commercial transactions and 33.2% of total transaction value. • Johor led in transaction volume with 21.2% (4,187 transactions), closely followed by Selangor at 20.0% (3,956 transactions). • More than half of shop transactions (10,781 transactions) involved two to two and a half storey terraced shop. • Johor remained the highest contributor to shop overhang, with 1,222 units worth RM1.27 billion.	• In 2024, there were 17 shopping complex transactions with an accumulated value of RM 2.39 billion. • The shopping complex sector recorded higher occupancy rate of 78.8%, compared to 77.4% in 2023. • Existing retail space reached 17.97 million square metres across 1,085 complexes, mainly in Selangor, WP Kuala Lumpur, and Johor. • Ten new shopping complexes added over 270,000 square metres of retail space. • By the end of 2024, 32 complexes with 888,000 square metres were in the incoming supply, while ten more, exceeding 352,000 square metres, were in the planned supply.	• A total of 18 office building transactions were recorded in 2024, totaling over RM1.05 billion. • The office segment remained resilient, with an occupancy rate of 78.1% (2023: 78.5%). • Eleven new office buildings added 229,270 square metres of space, lower than the 398,735 square metres recorded in 2023. • By the end of 2024, total office space exceeded 25.00 million square metres across 2,613 buildings. • The incoming supply reached nearly 1.07 million square metres (38 buildings), while the planned supply comprised 0.90 million square metres (27 buildings).

Summary of BNM Annual Report 2024

Prepared by Huong Yu Sin
Assistant Manager, Research & Education, REHDA Institute

This summary is prepared based on information from the following reports of Bank Negara Malaysia (BNM):
1. Annual Report 2024
2. Economic and Monetary Review 2024

Malaysia's Economic Performance in 2024

Malaysia's economy grew by 5.1% in 2024, an improvement from 3.6% in 2023, driven by stronger domestic demand and sustained private and public sector expenditure. Household spending increased, reflecting improvements in employment and income levels.

Public Sector Performance

- **Public consumption** expanded by 4.7% (2023: 3.3%), supported by higher spending on emoluments, supplies and services, particularly due to salary increments and new hirings in the public sector.
- **Public investment** grew by 11.1% (2023: 8.6%), driven by Government fixed asset spending and expansion by public corporations, particularly in transportation, oil and gas (O&G) and utilities.

Private Sector Contribution

- **Private consumption** rose by 5.1% (2023: 4.7%), supported by higher employment and wage growth. Overall employment increased by 2.6%, while aggregate nominal wages expanded by 2.9% in the private sector and 5% in the public sector.
- **Private investment** surged by 12.3%, marking its highest growth in a decade (2023: 4.6%). This reflects steady project implementation, amid the high investment approvals in 2023.

Inflation Trends

- **Headline inflation** moderated to an average of 1.8%, below the historical average of 2.2% (2011–19), as cost pressures eased. Notably, inflation slowed for food and non-alcoholic beverages to 2% (2023: 4.8%) and restaurants and hotels to 3.1% (2023: 5.6%).
- **Underlying inflation**, as measured by core inflation, also eased to 1.8% (2023: 3%), indicating stable demand conditions despite strengthened domestic consumption.
- While private consumption growth improved, it remained below its long-term average (2024: 5.1%; 2011–19 average: 7.1%), suggesting that demand conditions remained moderate rather than overheated.

Economic Sector Performance

All economic sectors posted higher growth in 2024, particularly for the services and manufacturing sectors.

Real GDP by Kind of Economic Activity
(2015=100)
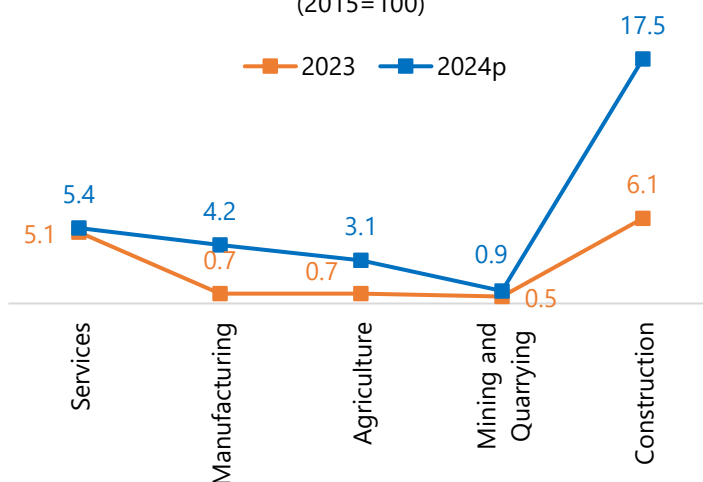
Source: BNM
Note: p = preliminary

Services Sector

- Expanded by 5.4% (2023: 5.1%), mainly driven by business-related subsectors.
- Real estate and business services grew in tandem with strong construction activity.
- Transport and storage subsector benefited from trade recovery and increased air passenger traffic.
- Finance and insurance subsector rebounded, mainly due to higher net interest income and stronger financing activity.

Manufacturing Sector

- Grew by 4.2% (2023: 0.7%) due to a rebound in export-oriented clusters following stronger global trade and tech upcycle.
- Electrical and electronics (E&E) industry benefited from higher semiconductor sales, driven by demand in consumer electronics, computing, and data centres.
- Consumer-related industries expanded due to higher crude palm oil production and increased motor vehicle output.

Agriculture Sector

- Recorded a growth of 3.1% (2023: 0.7%), driven by higher oil palm output.
- Increased yields due to better-trained workers and higher fertiliser application during 2022–23 period.

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Mining Sector

- Expanded by 0.9% (2023: 0.5%), mainly due to increased gas production from existing fields and new fields (such as Jerun & Kasawari, Sarawak).

Construction Sector

- Posted a decade-high growth of 17.5% (2023: 6.1%), mainly driven by special trade and civil engineering subsectors.
- The special trade growth supported by site preparation and electrical installation for industrial and civil engineering projects.
- The civil engineering subsector boosted by progress in multi-year infrastructure projects, especially in transportation.
- The residential subsector saw higher activity due to new housing projects, aligned with stronger housing demand amid better income and employment conditions.
- The non-residential subsector rebounded strongly, led by industrial and commercial projects.

Annual Change (%) of GDP in Construction Sector
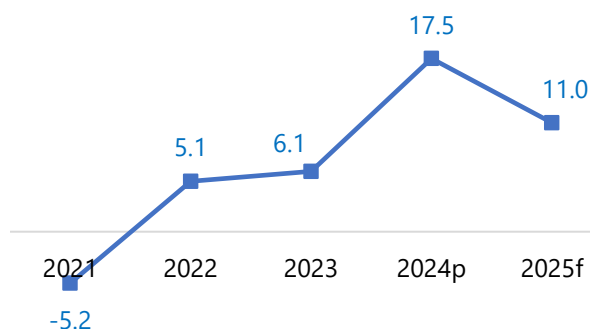
Source: BNM
Note: p = preliminary; f = forecast

Labour Market Condition

- **Employment grew** by 2.6% (+423,800 persons) in 2024, compared to 2.8% (+439,200 persons) in 2023.
- The services sector was the main driver of employment growth, particularly in wholesale and retail trade, as well as food and beverage subsectors.
- Overall **wage growth** was modest, with private sector wages increasing by 2.9% in 2024, down from 3.8% in 2023, due to cautious employer wage-setting behavior.
- **Labour productivity growth**, measured by real value-added per employment, improved significantly to 2.4% in 2024, up from 0.7% in 2023, with broad-based gains across all sectors, particularly manufacturing.

| Selected Labour Market Indicators	2023	2024
Employment ('000 persons)	16,201	16,625
Labour force rate (% of working age population)	70.0	70.5
Unemployment rate (% of labour force)	3.4	3.2
Jobless claims (persons)	49,982	57,719
Non-Malaysian citizens employment ('000 persons)	2,200	2,359

Note:
1. The employment, unemployment, labour force participation rates and non-Malaysian citizens employment are estimated based on quarterly averages from the Labour Force Survey.

2. Jobless claims refers to claims by insured person who had lost his employment and does not include voluntary resignations and retrenchment due to misconduct.

Source: Department of Statistics, Malaysia

Household Debt

- Household loan growth remained steady at 5.9% in 2024 (2023: 5.6%), driven by housing and vehicle purchases.
- Improved employment and income levels supported credit demand, while repayment capacity remained stable, with a declining share of borrowers requiring repayment assistance.
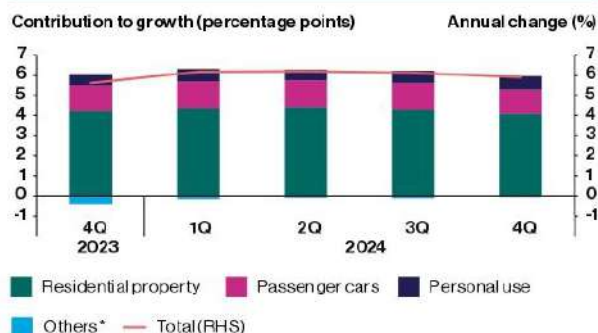
Glossary

1. Headline inflation - the annual price increase for a basket of items that are commonly consumed by an average household. For Malaysia, headline inflation is computed based on the Consumer Price Index (CPI) basket.
2. Underlying inflation - the persistent trend component of inflation. It is typically constructed by removing the transitory and seasonal components from headline inflation.
3. Core inflation – computed by excluding price-volatile and price-administered items.

Malaysia's Economic Outlook for 2025: Opportunities and Challenges

Prepared by Huong Yu Sin
Assistant Manager, Research & Education, REHDA Institute

The Malaysian economy has shown resilience amid global uncertainties, achieving a growth rate of 5.1% in 2024, exceeding the initial projection of 3.6% in 2023. According to the Bank Negara Malaysia (BNM) Annual Report 2024, economic growth for 2025 is forecasted between 4.5% and 5.5%. This positive outlook is driven by sustained domestic demand and a diversified economic structure that enhances the economy's ability to navigate external challenges. While the global trade environment remains uncertain, the export sector is expected to grow at a more moderate pace, supported by continued expansion in the electrical and electronics (E&E) sector and increased tourism activity.

Malaysia – Key Economic Indicators	2024[P]	2025[F]
Population (million persons)	34.1	-
Per Capita Income	RM 54,894	RM 57,803
	USD 12,012[1]	USD 12,967[1]
Real GDP at constant 2015 prices	5.1	4.5 ~ 5.5
(RM billion)	1,648.2	1,729.3
Real GNI	4.7	5.1
(RM billion)	1,616.3	1,699.2
Consumer Price Index (2010=100)	1.8	2.0 ~ 3.5
Producer Price Index (2010=100)	0.3	-
Private expenditure	6.6	6.5
Consumption	5.1	5.6
Investment	12.3	10.1
Public expenditure	6.3	5.3
Consumption	4.7	4.9
Investment	11.1	6.4

P – preliminary
F – forecast
1 – based on average USD exchange rate for the period of January – February 2025

Source: BNM Annual Report 2024

Malaysia's economic outlook for 2025 is supported by several key opportunities:

➤ Investment Momentum

The ongoing investment upcycle, driven by high-quality investments, remains a key catalyst for economic growth.

This uptrend is supported by both new and existing projects, particularly in the E&E and information and communication technology (ICT) sectors. Strategic initiatives such as the New Industrial Master Plan (NIMP) 2030, the National Energy Transition Roadmap (NETR), and the National Semiconductor Strategy (NSS) are expected to accelerate economic and industrial transformation.

To further enhance investment flows, the Government has introduced various facilitation measures under Budget 2025, including a new investment incentive framework focused on high-value activities, tax deduction measures for multinational enterprises and the RM120 billion Government-linked Enterprises Activation and Reform Programme (GEAR-uP) over the next five years. Moreover, public investments in large-scale transport and digital infrastructure projects, alongside efforts to attract foreign direct investment (FDI) and the development of Johor-Singapore Special Economic Zone (JS-SEZ), will further support economic momentum.

Private and Public Investment Growth (2022-2025E)
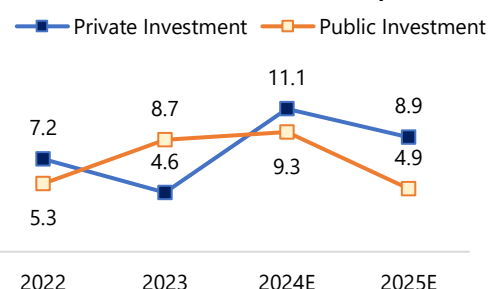
Note: E = Estimate

Source: MOF and CEIC data compiled by Affin Hwang Investment Bank in the "Navigating the Global Trade War: How Malaysia can Strengthen Its Position Amidst the New US Leadership – China Trade Tensions" presentation during CEO Series 2025, organised by REHDA Institute on 16th January 2025.

➤ Moderate Expansion in Exports

Exports are expected to expand moderately, supported by the global technology upcycle, in line with the projected strong growth of semiconductor sales by the World Semiconductor Trade Statistics (WSTS). Malaysia's diversified export structure and strategic position in the global E&E value chain enhance its ability to capitalise on trade and investment diversions. The E&E industry is expected to maintain its recovery, with Malaysia's role in the global E&E value chain strengthening. The non-E&E manufactured products will remain supported by continued external demand and investment activities in regional countries.

➢ **Resilient Domestic Demand**

Household spending is expected to remain strong, driven by favourable labour market conditions, continued wealth accumulation and effective policy support. Employment is expected to grow, further reducing the unemployment rate to 3.1%, according to BNM. Higher income growth is also anticipated, driven by increased labour utilisation and wage-related policy measures (such as the salary increment for civil servants under the Public Service Remuneration System (SSPA) and a higher minimum wage).

Despite the favourable outlook, Malaysia faces several challenges in 2025:

➢ **External Uncertainties**

The global economic environment remains uncertain, with potential downside risks. These include heightened trade restrictions, potential retaliatory measures and escalations in geopolitical conflicts, which could disrupt global trade and impact Malaysia's trade performance. The ongoing trade tensions between the U.S. and China and the new U.S. leadership's trade policies pose additional risks.

➢ **Inflationary Pressures**

While global headline inflation is moderating, domestic policy measures such as the RON95 subsidy rationalisation and the expansion of the Sales and Service Tax (SST) are expected to exert upward pressure on prices. However, the extent of this impact will depend on the specifics of implementation. These effects are anticipated to be temporary and manageable, given the backdrop of moderating global commodity prices and domestic demand pressures. Hence, the risk of a broad and sustained increase in prices remains contained. Overall, headline inflation is projected to average between 2% and 3.5% in 2025, while core inflation is expected to moderate between 1.5% and 2.5%, according to BNM.

Malaysia's economic outlook for 2025 remains positive, supported by strong domestic demand, investment momentum and a resilient export sector. While external uncertainties and inflationary pressures pose challenges, strategic Government initiatives and structural reforms will help sustain growth. With proactive policies and continued investment, Malaysia is well-positioned to navigate global uncertainties and strengthen its economic resilience.

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Extracts of the Paper "Technology Revolution in Real Estate Development Post-2020"

Written by Sr Abdul Ghani Sarip
Lecturer, Faculty of Built Environment,
Universiti Malaya (UM)

The real estate industry has traditionally been associated with routine activities which primarily included conventional practices and a lot of human contact as it relied on standard property development strategies. Its slower technological adaptation compared to other industries has been due to profound dependency on existing procedures, regulatory shifts, blocked processes and resistance to change (Smith & Johnson, 2021).

The industry underwent a shift starting in 2020 where significant digital changes were incorporated. The combination of future digital technologies and challenges posed by the pandemic have resulted in the restructuring of business processes in the industry from property development and management to sales and customer relations.

In essence, the pandemic acted as a catalyst which prompted swift change in the real estate industry to adjust to new conditions. The enforcement of lockdowns and social distancing combined with remote work practices overpowered orthodox business practices resulting in stakeholders seeking fresh products and solutions (Doe 2023).

Conventional business practices are being transformed by the introduction of virtual property tours, online transactions and remote working innovations rushing the acceptance of previously advanced technologies. The real estate industry progressed from an analogue-dependent system to a digitally enabled ecosystem.

The literatures provide insights into how post-2020 technological advancements have transformed real estate development. This abstract explores the ways cutting-edge technologies like AI, blockchain, IoT, AR-VR and 3D printing transform the real estate sector. The implementation of these technologies not only improves operational effectiveness but resolves longstanding issues related to transparency and sustainability.

Technological Advancement Post-2020

As of 2020, technological advancements have significantly transformed the real estate development sector. Traditional practices have been fundamentally reshaped, resulting in unprecedented efficiencies and enhanced functionalities.

Artificial Intelligence (AI)

AI enables predictive analysis which helps in evaluating market tendencies and making sound investment decisions. With access to enormous data sets, AI models predict property prices and rental yields with great accuracy (Chandra, 2023). AI-enabled chatbots improve customer services remarkably by responding to inquiries instantly, thus improving the customer's experience and engagement satisfaction rates (Chin-Lung Hsu and Chuan-Chuan Lin, 2023).

Blockchain Technology

The use of blockchain technology in property transactions enhances security and transparency through its decentralized ledger system. Smart contracts automate and streamline real estate transactions, reducing the need for intermediaries and minimising the risk of fraud.

Virtual Reality (VR) and Augmented Reality (AR)

The VR/AR technologies are transforming how properties are marketed and viewed. Developers and real estate agents can use VR to offer clients immersive virtual tours, allowing them to explore properties remotely. Meanwhile, AR applications enable clients to visualise prospective changes or new interiors in real time, aiding their decision-making process. Both technologies enhance client engagement and significantly reduce the need for physical site visits. Moreover, VR and AR save time and extend market reach, particularly for international clients, making property viewing more efficient and accessible.

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Big Data Analytics

Big data analytics involves the analysis of large quantities of data with the goal of creating meaningful information. In real estate, big data is used to analyse market patterns, buyer behaviour and investment opportunities. Developers can track when trends start, evaluate the potential of a property and make informed decisions based on market conditions by drawing data from a variety of sources.

3D Printing

3D printing technology is changing the construction industry by allowing manufactured building components to be produced with speed and accuracy, offering the potential for reduced building time and cost when constructed on-site.

Digital Twins

Digital twin technology produces virtual representations of physical assets for monitoring and simulation in real time. In the context of real estate development, digital twins allow stakeholders and project teams to experience the performance of buildings, anticipate maintenance requirements and ensure space is maximised. Improved planning and maintenance through simulation of real estate assets (Mohsen Soori et al., 2023; Obinna C. Madubuik et al., 2022). The integration of digital twins with IoT devices also introduces the opportunity to monitor and manage properties remotely as the assets are predictive. These predictive aspects create opportunities for operational efficiencies while presenting potential lifecycle operational savings.

Internet of Things (IoT)

IoT has enabled the development of smart buildings, where interconnected devices monitor and manage entire systems. Lighting, heating and security systems can be controlled through IoT sensors, optimising energy consumption and enhancing occupant comfort. For instance, commercial office buildings leverage AI-powered solutions to improve operations and increase energy efficiency in Heating, Ventilation, and Air Conditioning (HVAC) systems. These technologies maximise energy savings while reducing carbon emissions. Moreover, IoT provides real-time monitoring, leading to significant operational cost savings.

Conclusion

Integrating technology into real estate development is becoming more of a must than a choice for anyone hoping to stay competitive in the ever-changing market. The industry stakeholders must deal with challenges such as data security, implementation costs and upskilling as the sector undergoes to digital transformation (Smith & Johnson, 2021). However, from improving sustainability and consumer satisfaction to boosting efficiency and transparency, their overall advantages exceed these difficulties (McKinsey & Company, 2021). This literature provides an overview of how technology is influencing real estate development by offering information on new trends, practical uses, and possible future directions. By analysing recent advancements and case studies since 2020, it demonstrates the potentially revolutionary impact technology could have on productivity, sustainability and other areas.

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Malaysian Housing Affordability – Deciphering the Black Box

Published by De Gruyter
Edited by Prof. Mahendhiran S. Nair, Prof. Santha Vaithilingam, Assoc. Prof. Dr Jason Ng Wei Jian & Mr Yeng Hong Qing from Sunway University and Sunway Institute for Global Strategy and Competitiveness (IGSC)

Housing affordability has become a pressing concern in Malaysia, reflecting a broader global crisis where homeownership is increasingly out of reach for young adults. While affordability issues are common in major urban centers worldwide, their causes and potential solutions are highly localised. Addressing this challenge requires a multi-dimensional approach that goes beyond traditional income-to-price ratios and incorporates long-term socioeconomic mobility, accessibility, and sustainability. This is a summary of the book, and it discusses some of the main ideas that the authors think are necessary to move the discussion on Malaysian Housing Affordability forward.

Rethinking Affordability: Beyond Income and Price

Conventional measures of affordability, such as the price-to-income ratio or the 30% housing cost burden threshold, often fail to capture the true financial strain of homeownership. A more holistic approach is needed — one that integrates financial and social affordability, considering opportunity costs, long-term mobility, and quality of life.

Research has shown that many Malaysian households, particularly in Selangor, perceive a more realistic affordability threshold at 23.5% of disposable income rather than the conventional 30%. This discrepancy suggests the need for more tailored affordability standards that reflect diverse household circumstances.

Sustainable Housing Models: A Balancing Act

Housing affordability is not solely a demand-side issue—it is also shaped by supply-side constraints such as material costs, labor shortages, and regulatory barriers. Malaysia's current cross-subsidy model, where open-market buyers absorb the costs of affordable units, has proven unsustainable. Instead, a structured government-backed program, similar to Singapore's Housing Development Board (HDB), could provide a more stable and effective framework for affordable housing.

Assessing Housing Initiatives: A Need for Reform

Malaysia's affordable housing programs, such as the People's Housing Programme (PPR) and PR1MA, have faced inefficiencies, poor maintenance, and issues of eligibility enforcement. Many government initiatives suffer from fragmented planning, resulting in developments in undesirable locations with low demand. A centralised planning authority, akin to Singapore's HDB, could improve coordination and ensure a more effective distribution of housing resources.

Beyond Property Prices: Accessibility and Wellbeing

The affordability conversation must extend beyond property prices to consider accessibility and mobility. Current urban planning trends, favouring low-density housing in car-dependent areas, exacerbate urban sprawl and economic inefficiencies. An integrated approach —linking housing, transportation, and employment centers — can significantly enhance the socioeconomic benefits of homeownership.

The Way Forward

To address Malaysia's housing affordability challenges, policymakers and stakeholders should focus on six key areas:

1. **Holistic Metrics** – Developing more nuanced affordability measures beyond price-to-income ratios.

2. **Tailored Policies** – Crafting housing policies based on local income groups and regional disparities.

3. **Sustainable Models** – Moving towards long-term, government-backed affordable housing frameworks.

4. **Programme Evaluation** – Ensuring transparency and efficiency in existing housing initiatives.

5. **Integrated Urban Planning** – Prioritising accessibility, mobility, and sustainable city growth.

6. **Socioeconomic Research** – Expanding research on the broader impacts of housing on health, productivity, and wellbeing.

As Malaysia continues to grapple with housing affordability, a strategic and integrated policy response is essential. To dive deeper into these critical issues and potential solutions, you can read more by scanning the QR code, using this link: https://www.degruyter.com/document/doi/10.1515/9783111252520/html?lang=en&srsltid=AfmBOooxN6Qv-cTH7ws8AyoI0-YkgwA9aM_5VoTNGvIi2gNGHRhVuHvR, or contact the authors at igsc@sunway.edu.my

Scan for the book!

MRED Students Gain Legal Insights from Housing Tribunal Visit on March 20, 2025

Prepared by Sr Dr Chin Hon Choong
Deputy Dean, Faculty of Accountancy and Management, Universiti Tunku Abdul Rahman (UTAR)

A group of Master of Real Estate Development (MRED) programme students from Universiti Tunku Abdul Rahaman (UTAR) recently had the opportunity to visit the Housing Tribunal, an eye-opening experience that provided them with valuable insights into the legal aspects of homeownership and strata management disputes. The visit aimed to enhance their understanding of the tribunal's role in resolving conflicts between homebuyers, developers and other stakeholders with interest, as well as to expose them to real-world applications of housing laws applied to the real estate development industry.

Understanding the Housing Tribunal

The Housing Tribunal, formally known as the Tribunal for Homebuyer Claims (TTPR), operates under the Ministry of Housing and Local Government. Its primary function is to provide an accessible and cost-effective avenue for resolving disputes between homebuyers and housing developers. The tribunal offers a platform where claims related to defective homes, delays in property delivery and breaches of agreements can be settled without the need for lengthy and expensive court proceedings. During the visit, students were given a comprehensive briefing on the tribunal's establishment, its jurisdiction, and the types of cases it handles. They learned about the legal framework governing the tribunal, particularly the Housing Development (Control and Licensing) Act 1966, which protects homebuyers from unscrupulous developers. The session highlighted the tribunal's commitment to ensuring fairness and justice in housing-related matters.

Sr Dr Chin Hon Choong (Deputy Dean, Faculty of Accountancy and Management, UTAR) present a token of appreciation to Pn D. Sunita Kaur Jessy (Chairman of Tribunal for Homebuyers' Claim and Strata Management, Ministry of Housing and Local Government).

Exposure to Real Cases

A key highlight of the visit was the opportunity to observe an actual tribunal hearing. Students attended a hearing where a dispute between a homeowner and a developer was heard before the tribunal panel. This case involved construction defects and non-compliance with agreed specifications, as well as claim for late delivery of vacant possession – Liquidated Ascertained Damages (LAD). The students were able to witness firsthand how evidence was presented, arguments were made and how the judge deliberated on the matter before making an award. This experience provided valuable exposure to legal procedures and dispute resolution mechanisms other than those applied to civil courts. Students expressed their appreciation for the chance to see the legal process in action, as it helped them understand the practical application of housing laws beyond the classroom.

Group photo taken during the interactive session at the Tribunal for Homebuyers' Claims.

Interactive Session with Tribunal Officers

Following the hearing, students participated in an interactive session with tribunal officers and legal experts. The officers explained common issues faced by homebuyers, such as late delivery of houses, substandard workmanship and misleading advertisements by developers. They also shared insights on how buyers can protect themselves by understanding the terms and conditions of sale and by keeping proper records of transactions and communications. Students had the opportunity to ask questions and topics such as alternative dispute resolution methods, enforcement of tribunal decisions and homebuyers' rights were discussed in detail. The session was particularly beneficial, as it deepened their understanding of housing policies and the legal avenues available for dispute resolution.

The visit to the Housing Tribunal was an enriching educational experience for the MRED students. It provided them with firsthand exposure to the legal aspects of homeownership and dispute resolution while reinforcing the importance of homebuyer rights in the housing sector. Such experiences bridge academic learning with real-world application, preparing students for their careers and personal lives.

This also meets the objective of the MRED programme, which is a joint collaboration programme between UTAR and REHDA Institute, to bring forward a Master programme that integrates practical insight into academic learning.

Dato' Pretam Singh Darshan Singh (standing at the middle, Guest Speaker of the MRED programme) initiated the visit to the Housing Tribunal

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