

# KERATAN AKHBAR

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AKHBAR : NEW STRAITS TIMES  
MUKA SURAT : 17

## Property market growth expected

2023 OUTLOOK

# PROPERTY MARKET GROWTH EXPECTED

More than 389,000 transactions worth RM179b carried out last year

KAJANG

**T**HE property market is expected to grow this year despite the projection of a moderately low economic growth due to the unpredictable external environment, said Deputy Finance Minister II Steven Sim.

He said accommodative policies, continuous government support and execution of measures in the revised 2023 Budget as well as strategies and initiatives under the 12th Malaysia Plan would support the sector.

The national property market recorded more than 389,000 transactions worth RM179 billion last year, an increase of 29.5 per cent year-on-year in terms of volume, and a 23.6 per cent year-on-

year rise in value, he said.

"The residential sub-sector led the overall property market activity, with 62.5 per cent contribution in volume," he said in his address at the launch of the 2022 property market report here yesterday.

The text of his speech was read by Valuation and Property Services Department director-general Abdul Razak Yusak.

According to the property market report, there were 243,190 transactions for residential properties worth RM94.28 billion last year, an increase of 22.3 per cent in volume and 22.6 per cent in value year-on-year.

This was supported by the up-trend in Penang (31.1 per cent), Johor (24.3 per cent), Perak (18.9 per cent), Kuala Lumpur (18.4 per

cent), and Selangor (15.9 per cent).

The commercial property segment registered 32,809 transactions worth RM32.61 billion last year, a growth of 46.3 per cent in volume and 16.7 per cent in value compared with 2021.

The residential overhang declined to 27,746 units worth RM18.41 billion up to the fourth quarter of 2022, down by 24.7 per cent and 19.2 per cent in volume and value, respectively, compared with 36,864 units worth RM22.79 billion in the same period in 2021.

The report said Johor retained the highest number and value of overhang in the country with 5,285 units worth RM4.33 billion, accounting for 19 per cent and 23.5 per cent of the national vol-

ume and value, respectively.

This was followed by Selangor with 3,698 units worth RM3.36 billion, Penang with 3,593 units worth RM2.74 billion and Kuala Lumpur with 3,429 units worth RM3.15 billion.

Construction activity recorded an increase in housing starts, which grew 13.4 per cent to 97,804 units, while new planned supply increased 14.9 per cent to 89,111 units. Contrarily, completions were down by 5.8 per cent to 71,981 units, the report said.

The Malaysian house price index (HPI) stood at 208.4 points last year, with a low annual growth of 2.8 per cent.

The report said Terraced HPI sustained its growth at 3.7 per cent, followed by High-Rise HPI at 3.4 per cent and Semi-De-

tached HPI at 2.9 per cent.

However, Detached HPI saw a slight decline of 2.9 per cent.

The overall performance of shopping complexes continued to moderate, recording an occupancy rate of 75.4 per cent, down from 76.3 per cent in 2021.

The report said Kuala Lumpur and Selangor recorded occupancy rates of 77.5 per cent and 82.7 per cent, respectively, above the national occupancy rate, whereas Johor and Penang managed to secure 68.8 per cent and 72.6 per cent, respectively.

Negri Sembilan and Melaka had the lowest occupancy rates of 66.6 per cent and 61.2 per cent, respectively.

The average occupancy rate for the hotel sector in January to September last year increased to 46.6 per cent compared with 21.8 per cent in 2021, while the average occupancy rate prior to the pandemic was around 60 per cent. **Bernama**

### INFO BOX

## 24.7pc

Decline in the volume of residential overhang up to the fourth quarter of 2022