

PROPERTY insights



Residential sub-sale market report

A market to consider

> Graphs, charts and information on the outlook in Sabah

A month prior, we ran a two-part article focusing on the general outlook of the sub-sale market – some refer to as secondary or pre-owned property market – in Malaysia. According to iProperty Group data services general manager Premendran Pathmanathan, there is a demand for property in East Malaysia that is progressively growing. The burgeoning market in both Sabah and Sarawak is partly caused by the rapid economic development, which has been robust, in line with the country's Economic Transformation Programme.

Moreover, the Valuation and Property Services Department (JPPH), through property transactions recorded from stamp duty paid for Sales and Purchase agreements, reports

that property values over in East Malaysia have been appreciating across all market segments, by some 10% to 20%.

In addition, an overview of the East Malaysian residential market by CBRE/WTW reported that landed residential units are in demand in Sabah, especially medium-cost houses priced below RM400,000.

With the positive development growth and residential market demand, those who have yet to consider buying "secondhand" real estate in Sabah, perhaps should. With the "overall lacklustre" market sentiment the industry is currently facing, you could land yourself a good deal.

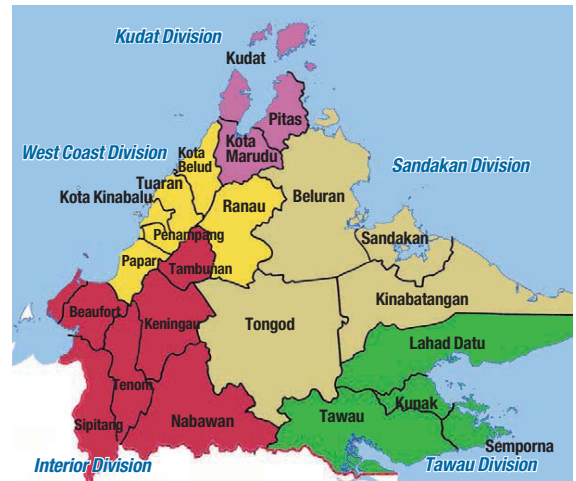
SUB-SALE TO THE FORE

For a start, we re-cap some benefits in buying sub-sale:

- ▶ lower price tag (if cleverly negotiated, can be below market value),
- ▶ immediate/almost immediate accommodation;
- ▶ located in matured townships with facilities and amenities for convenience;
- ▶ no development risk;
- ▶ could come furnished/semi-furnished, thus cost-saving (conditional); etc.

While most residential purchasers would prefer paying for a brand new piece of real estate, it is hard to discount the benefits mentioned above. Furthermore, if cleverly negotiated, a re-sale at the right price could bring in handsome profits.

Apart from benefits and profits, our second article on sub-sale touched on tips and advice before purchase. It also included a checklist, documents and fees involved, along with points to consider before signing the



dotted line. With the nitty-gritty details "spelled out", theSun shares pictorial reports on the residential sub-sale markets in various states across Malaysia. Keep your eyes peeled as we bring you data studied between end 2015 and November 2016, as

reported by iPropertyiq.com in collaboration with JPPH. See our series of pictorial reports, beginning with Sabah this week.

▶ Email your feedback and queries to: propertyqs@thesundaily.com

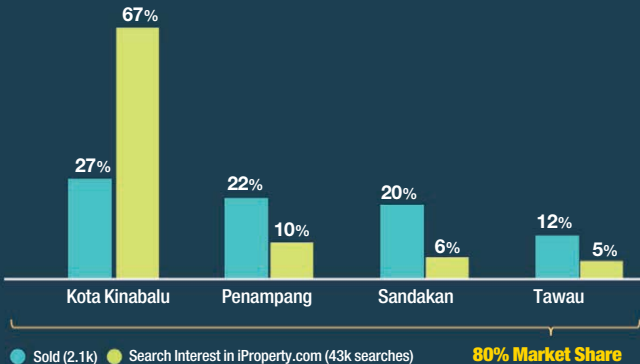
MOST POPULAR PRICE RANGE SOLD



Source: JPPH

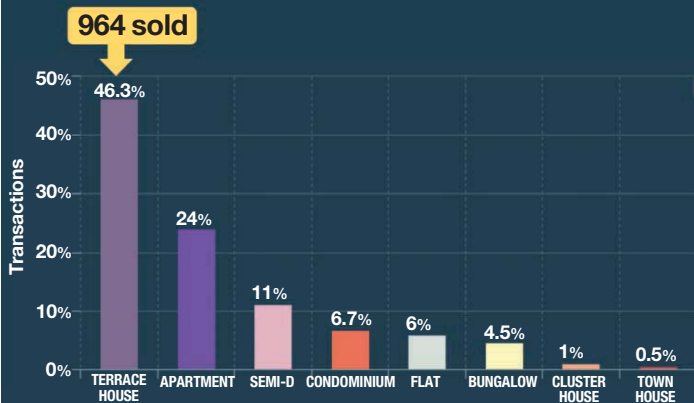


Most Transacted vs Searched Areas



Source: JPPH and iProperty.com

Market Share by Building Type



Most Popular Residential Property Specifications (Interest in property)



Top Residential Areas in Sabah



Transaction Volume
RM2.1K
(-23% y-o-y)

80%

- Bought in:
1. Kota Kinabalu
 2. Penampang
 3. Sandakan
 4. Tawau

Source: JPPH