



# Sub-sale property market

> Overview and statistics on the local scene

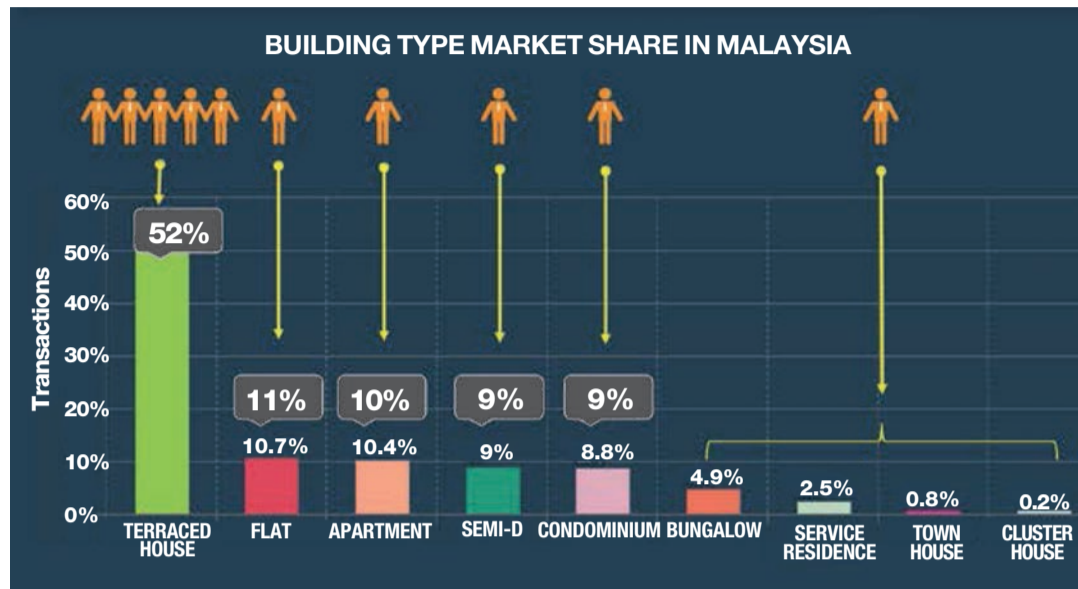
In view of the current lacklustre real estate market and challenging economic times, it makes sense for housebuyers to consider the secondary market when purchasing property. Also known as sub-sale property, there is huge advantage in buying a piece of real estate from this market segment, especially now when the market is slow. The biggest benefit – handsome discounts, better still if one is skilful in negotiating.

Besides the good deal where price is concerned, which at times can hold below the market value, don't forget that secondary market real estate provides an accommodation you, in most cases, can readily move into.

Another positive point to take note of is that most secondary market properties are situated in matured townships. These thrive with amenities and facilities, altogether breeding demand in the sub-sale/secondary market. Moreover, what you see is what you get. Investors buying sub-sale property to rent can also collect rental almost immediately.

## THE LOCAL SCENE

For a start, let's define the understanding of sub-sale or



secondary property. In Malaysia, these refer to "completed" residential property one buys from a previous owner. In certain countries, properties nearing completion come under the sub-sale/secondary property market as well.

As explained by a real estate professional on sub-sale – the sale of a unit by one who has signed an

agreement to purchase a piece of real estate from a developer or a subsequent purchaser before the issuance of the Certificate of Statutory Completion and the Subsidiary Strata Certificates of Title or the Certificates of Title for all the units in the development.

Follow our column next week on tips and advice on purchasing

sub-sale residential property in Malaysia.

[Graphs/stats/data in this article are extracted from iPropertyIQ.com, which provides interesting insights on the said market.]

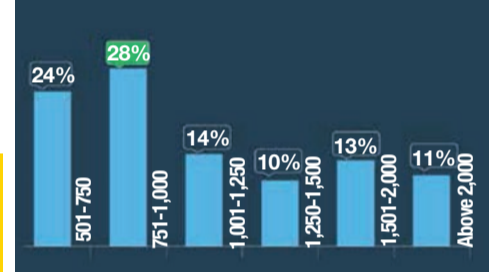
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## TOP RESIDENTIAL TRANSACTED TOWNS IN MALAYSIA (ABOVE 1,000 TRANSACTIONS)

RANK	STATE	TOWN	QTY
1	Selangor	Klang	2583
2	Perak	Ipoh	2256
3	Selangor	Shah Alam	2155
4	Selangor	Puchong	1767
5	Kedah	Sungai Petani	1681
6	Sarawak	Kuching	1514
7	Johor	Johor Baru	1485
8	Selangor	Seri Kembangan	1313
9	Selangor	Ampang	1310
10	Johor	Skudai	1294
11	Pahang	Kuantan	1253
12	Selangor	Cheras	1215
13	Selangor	Kajang	1201
14	Selangor	Petaling Jaya	1145
15	Selangor	Subang Jaya	1094
16	Selangor	Kapar	1074

**28%** of total residential transactions in Malaysia

## SIZE MARKET SHARE



## SUMMARY OF FINDINGS

(Y-O-Y CHANGE FOR THE LAST 12 MONTHS AS AT SEPTEMBER 2016)

- ▶ Transaction volume decreased by 23%.
- ▶ The median price per sf rose by 8%.
- ▶ States that received the bulk of the market share – Selangor, Johor, Kuala Lumpur and Penang.
- ▶ Top 10 residential transacted towns in Malaysia – Klang, Ipoh, Shah Alam, Puchong, Sungai Petani, Kuching, Johor Baru, Seri Kembangan, Ampang and Skudai
- ▶ Top areas for purchases within Kuala Lumpur – Cheras, KL City Centre, Old Klang Road, Setapak, Mont'Kiara, Bukit Jalil, Kepong.
- ▶ Most favoured residential building type on the whole – terrace houses (52%).
- ▶ Building type market share – flats (11%), apartments (10%), semi-d (9%), condominiums (9%), bungalows (4.9%), serviced residences (2.5%), town houses (0.8%), cluster houses (0.8%).
- ▶ Preferred building type in top states – KL 40% for condos; Selangor 50% for terraced houses; Johor 70% for terraced houses; Penang 30% for terraced houses.
- ▶ What most buyers paid for residential property in Malaysia – 80% bought property below RM500k (48% below RM250; 34% between RM250k and RM500k; 11% between RM500k and RM850k; 7% above RM850k).
- ▶ Below RM500k market share in top states – KL 50%, Selangor 80%, Johor 80%, Penang 80%.
- ▶ Size wise – 50% bought property below 1,000sf.
- ▶ Size wise below 1,000sf in top states – KL 40%, Selangor 50%, Johor 50%, Penang 50%.

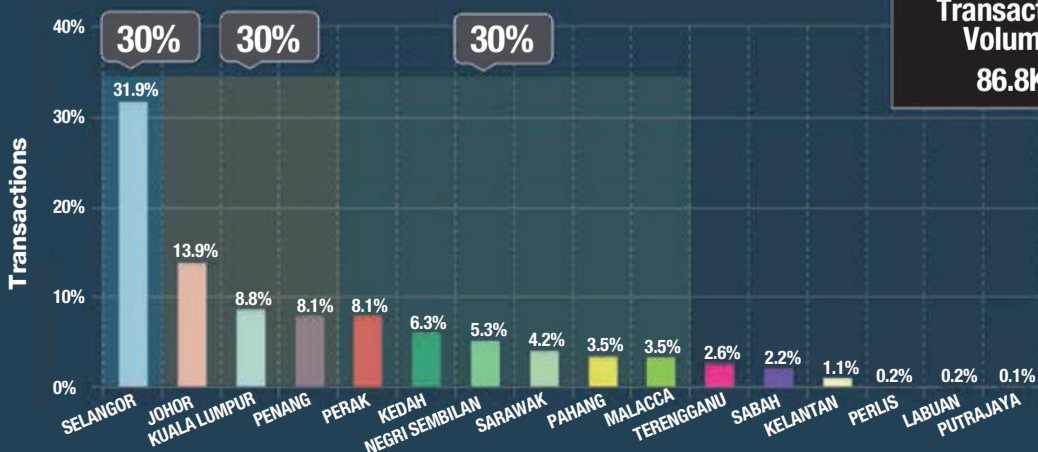
## MARKET SHARE OF TRANSACTIONS IN MALAYSIA



**60%**

Bought in:  
1. Selangor  
2. Johor  
3. KL  
4. Penang

Transaction Volume  
**86.8K**



**FAVOURITE AGENTS...** It is that time of the year again when consumers and property purchasers get to vote for their preferred housing real estate agents – those who have displayed high levels of excellence in helping you with your housing inquiries and needs. "Consumers are also able to vote for agencies or individuals in a number of categories. We want to provide people with the opportunity to recognise agencies or individual professionals for their role in helping them in their property journey," said iProperty.com Malaysia & Singapore CEO Haresh Khoobchandani. Visit <https://www.iproperty.com.my/AgentsAwards> to see the categories and awards. Here's your chance to recognise the agent and negotiator who has provided you with the best customer service, and the real estate agency that helped you find your dream home. Voting is open until June 30, 2017 at <https://www.iproperty.com.my/AgentsAwards/vote-now>