

## Overhang residential units down 7% in 2023, affordable housing the largest category

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Finance Minister II Datuk Seri Amir Hamzah Azizan at the release of the National Property Information Centre's Property Market Report 2023. (Photo by Mohd Izwan Mohd Nazam/The Edge)

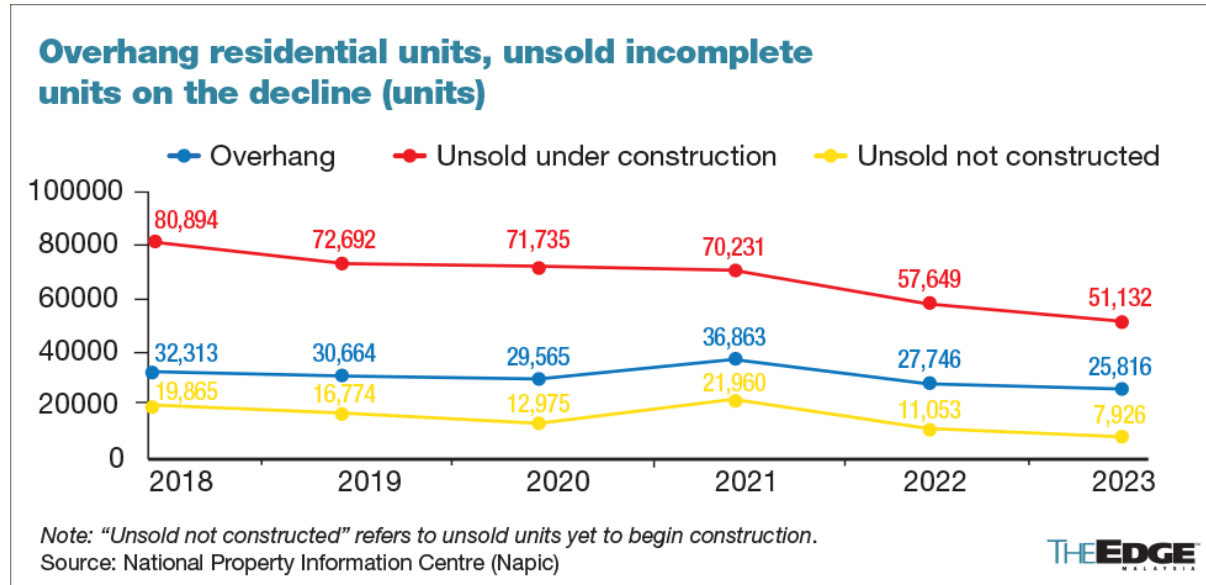
KAJANG (March 6): The number of completed residential properties that remained unsold for nine months continued to decline in 2023, extending the improvement seen a year before.

According to the National Property Information Centre's (NAPIC) Property Market Report 2023, the number of overhang residential units fell 7% year-on-year (y-o-y) to 25,816 in 2023, versus 27,746 units in 2022.

Value of overhang residential units also declined 4% to RM17.68 billion in 2023, from RM18.41 billion a year earlier.

“The residential overhang shows encouraging momentum, as the numbers continued to decline as compared to 2022,” NAPIC said in a statement on Wednesday.

In 2022, the number of overhang residential units declined 24.7% y-o-y, compared with 36,863 units in 2021.



Last year, the residential overhang was led by units priced at RM300,000 or below at 29.4%, closely followed by RM500,001 to RM1 million (29.1%), then RM300,001 to RM500,000 (25.3%), and above RM1 million (16.2%).

## Perak overtakes Johor

By state, Perak overtook Johor as the number of overhang residential units in the silver state spiked worryingly by 98.9% to 4,598 units in 2023, versus 2,312 units a year ago, while Johor’s fell 19.6% to 4,228 in 2023, from 5,258 previously.

Other states that NAPIC deemed to have a high number of overhang residential units were Kuala Lumpur with 3,535 units, and Selangor with 3,405 units.

The number rose 3.1% in Kuala Lumpur from 3,429 in 2022, while in Selangor, there was a decline of 7.9% from 3,698 units in 2022.

### Overhang residential units by state

Year	Perak	Johor	Kuala Lumpur	Selangor	Pulau Pinang	Sabah	Sarawak	Negeri Sembilan	Melaka	Pahang	Kelantan	Terengganu	Kedah	Putrajaya	Labuan	Perlis
2023	4,598	4,228	3,535	3,405	3,001	2,068	1,728	1,177	532	492	360	308	199	137	42	6
2022	2,312	5,258	3,429	3,698	3,593	2,718	1,799	886	697	1,044	389	442	1,174	231	47	29
2021	2,748	6,089	3,908	6,095	5,493	2,933	2,172	1,401	607	1,286	613	587	2,569	230	65	67
2020	3,637	7,030	3,023	4,889	2,069	1,437	2,458	1,008	636	1,727	118	455	877	114	69	18
2019	5,024	5,627	2,605	4,687	3,353	1,544	1,847	1,048	678	1,466	210	498	1,974	0	70	33

Source: National Property Information Centre (Napic)

As for unsold incomplete residential units, comprising both those still under construction and yet to begin construction, a total of 59,058 units were recorded in 2023.

There were 51,132 unsold units still under construction in 2023, with the bulk of 45.4% or 23,231 units being those priced at RM300,000 or below — or in other words, in the affordable housing range.

Meanwhile, another 7,926 unsold units had yet to begin construction, likewise being led by units priced at RM300,000 or below at 38.3% or 3,039 units.

In 2023, new launches in the residential subsector stood at 56,526 units, 4.4% higher than the 54,118 units logged in 2022.

Of the total, 36,793 units were landed properties, while the other 19,733 were high-rise units.