



**COLLEGE OF BUILT ENVIRONMENT
UNIVERSITI TEKNOLOGI MARA**

**HOUSING AFFORDABILITY AMONG YOUNG GENERATION
IN ALOR SETAR, KEDAH**

**Academic Project Submitted in Partial Fulfillment of the
Requirements for the award of the Degree
Bachelor of Estate Management (Hons)**

**CHE NADZIRAH BINTI CHE DAM
(2023185215)
SEMESTER OCTOBER 2024- FEBRUARY 2025**

ACKNOWLEDGEMENT

Alhamdulillah, I completed this work with the support and guidance of various respectable individuals. I am grateful to Allah for providing me with mental and physical health to complete this Final Year Academic Project for my Bachelor's Degree in Estate Management. The completion of the report provides me with great satisfaction. I would like to sincerely thank my Supervisor, Prof Madya Sr Dr Hasrol Haffiz Bin Aliasak for her passion, tolerance, useful information, and guidance that helped me during my research and thesis. This endeavor would not have been accomplished without her help and direction.

I would like to thank my parents for their ongoing encouragement and support in completing this task. Thank you for supporting me in completing this task. Their belief in me has served me with continuous emotional and financial support. I also want to express my heartfelt to my friends and classmates who always give me their bits of help and work diligently alongside me. Their companionship is invaluable.

Finally, I want to thank to people and everyone who helped me make this project successful. Your support and encouragement were helpful, and I very appreciate it. I hope my efforts will be good and pass successfully.

ABSTRACT

Housing affordability has developed as a major issue, particularly among the younger generation, who confront several obstacles to obtaining property. This study investigates the factors that influence housing affordability among young people, with an emphasis on economic, social, and policy dimensions. Rising property prices, stagnating salaries, and rising living costs have put pressure on young people's ability to buy homes, while a lack of financial awareness and limited access to affordable housing schemes compound the situation. The study's goal is to assess the scope of the younger generation's housing affordability concerns and to investigate viable solutions. Data was acquired using a mixed-methods approach, including surveys and interviews with young homebuyers, real estate professionals, and legislators. The analysis, conducted using the Statistical Package for the Social Sciences (SPSS), highlights key affordability indicators such as income-to-house price ratios, housing loan accessibility, and the effectiveness of government intervention programs. The findings reveal significant disparities in housing affordability and underscore the need for targeted policies and initiatives to support young homebuyers. This study contributes to the broader discourse on housing affordability, offering actionable recommendations to enhance accessibility and sustainability in the housing market for the younger generation. Therefore, the objective of this research is to identify the Affordability Housing among Young Generation in Alor Setar, Kedah. The quantitative method was used to conduct this survey. A Google Form questionnaire was issued to young generations aged 18 to 40 who lives surrounding Alor Setar. The online survey gathered 118 replies, which were analyzed with Statistical Package for the Social Sciences (SPSS). The survey has observed that to know either the young generations can afford to buy their own homes or not.

TABLE OF CONTENTS

CHAPTER	ITEM	PAGE
	Title page	i
	Student's Declaration	ii
	Supervisor's Declarations	iii
	Acknowledgement	iv
	Abstract	v
	Table of Contents	vi
	List of Table	x
	List of Figures	xii
	List of Abbreviations	xiv
	List of Appendices	xv
CHAPTER 1	INTRODUCTION	
	1.1 Introduction	1
	1.2 Research Background	2
	1.3 Problem Statement	3
	1.4 Research Question	4
	1.5 Research Objectives	5
	1.6 Scope and Limitations of Study	5
	1.7 Research Significance	6
	1.8 Summary	7
CHAPTER 2	LITERATURE REVIEW	
	2.1 Introduction	8
	2.2 Definition of Important Terms	8
	2.2.1 Housing Submarkets	8
	2.2.2 Young Generations	9
	2.2.3 Purchase Intention	10
	2.3 Housing Affordability among Young Generations	10
	2.3.1 House Price	10

CHAPTER 1

RESEARCH BACKGROUND

1.1 Introduction

Housing is frequently viewed as a marker of social status. Research of younger generations, (Abidoye et al., 2020) found that owning a property is the most significant indicator of future success. According to (Gurdak et al., 2022) housing can also lead to independent living. Access to appropriate housing is a fundamental human right, but affordability and accessibility remain substantial challenges, particularly for millennial-led households. Young generations are increasingly choosing to live in privately leased homes for extended periods of time, leading to a decline in homeownership. The term "Generation Rent" describes young generations who live in private leased housing for long durations due to barriers to homeownership or social housing access.

House prices in Malaysia have seen substantial growth over time, creating significant financial strain for individuals aspiring to own homes, particularly first-time buyers. This rising trend in property values has transformed into a persistent challenge, making it increasingly difficult for young Malaysians to afford housing. This paper focuses on examining the issues surrounding housing affordability, particularly for those who are navigating the housing market for the first time. The continuous and significant increase in house prices has directly impacted individuals' financial capacity and overall ability to purchase homes, leaving many unable to achieve homeownership without considerable financial burden. Among the most affected demographics is Generation Y, a group that faces unique challenges such as stagnant wage growth, higher living costs, and