

**DEPARTMENT OF QUANTITY SURVEYING
FACULTY OF ARCHITECTURE, PLANNING & SURVEYING
UNIVERSITI TEKNOLOGI MARA
PERAK**

**ISSUES OF OVERSUPPLY OF HIGH-RISE RESIDENTIAL
PROPERTIES IN JOHOR BAHRU**

Final project submitted in partial fulfilment
of the requirement for the award of
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**PREPARED BY : AZRI FARIZ BIN ABDUL RAZAK
(2017626528)
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ABSTRACT

In Malaysia, the residential property industry has become one of the most important sectors and has grown very swiftly. However, for the past two decades, the industry have experienced unprecedented growth resulting the problem of property overhang. The state of Johor continued to top the national list in terms of total volume and value of overhang for residential property while also topped the list for unsold residential properties, in terms of those under construction and those not constructed. As a result, the issue of oversupply arises, as property overhang leads to property oversupply. The number of unsold residential properties is at a decade-high, with most of the units being in the RM250,000 and above price category, beyond the income of most Malaysians. Alarmingly, 61% of the total unsold residential units were high-rise properties, out of which 89% were priced above RM250,000. To further support the purpose of this research, Johor has the largest share of unsold residential units (27% of total unsold properties in Malaysia). Two research objectives have been developed which are first to identify the factor of oversupply of high-rise residential properties and second, to identify the possible solutions to overcome oversupply of high-rise residential properties. By adopting quantitative approach, sets of questionnaires were distributed to 92 targeted respondents (real estate agent companies) through e-mail. All the data collected were analysed by using descriptive statistical analysis in the software of Statistical Package for the Social Sciences (SPSS) version 25. At the end of the study, the findings shows that there are eighteen (18) factors of oversupply of high-rise residential properties, three (3) of those received mean score above 4.50. As for the possible solutions to overcome oversupply of high-rise residential properties, there are eleven (11) results where the respondents agreed to be possible solutions, with three (3) of those received over 4.50 mean score. The findings will act as a guideline for developers, planners and policymakers, in making a better and improved property housing planning and production decisions in the effort to overcome the issues of oversupply of houses.

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CHAPTER 1

INTRODUCTION

1.0 INTRODUCTION

Generally, residential property is defined as a type of leased property, comprising either a single family or multifamily structure, that is available for occupation for non-business purposes. Zainal (2010) in his research stated that there are a number of residential property types in Malaysia to-date, but mainly it can be categorised into two, high-rise (apartment, condominium and flat) and low-rise (bungalows, semi-Ds and terrace). These residential properties have existed for over a decade in Malaysia.

In this era, it has become a norm for Malaysians to own or live in high-rise residential property as it is to live in strata homes and the trend is getting more and more popular, especially for those who live in urbanised area. Noorsidi A.M.N (2010), exclaimed that living in a residential high-rise has become a lifestyle or trend among the urban professional community in Malaysia. He also added that one of the reasons people prefer to stay in a high-rise residential is the facilities provided within the housing area are vastly better and more stylish compared to the low-rise residential building.

Housing is an important sector in every country in the world (Thuraiya Mohd, 2008). This statement is supported by Tan (2009) who stated that in Malaysia the residential property industry has become one of the most important sectors and has grown very swiftly, especially in the 1980s. Malaysia's government also recognises housing as one of the basic human needs, and a vital part of the economy with the aim of