

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

**FACTORS THAT AFFECT THE EXCESS
SUPPLY OF AFFORDABLE HOUSING**

Final project submitted in partial fulfillment of the requirement for
the award of Bachelor of Quantity Surveyor (Honours)

**PREPARED BY: SHAAMIRUL BIN HASHIM
(2017122901)**

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ABSTRACT

Shortage of affordable housing is one of the worldwide issues that has arisen over the past few decades. However, according to Bank Negara Malaysia(BNM) in a report of the imbalance in the real estate in 2017 stated that there are 130,690 number of unsold residential houses and 22,217 units from the total number of unsold residential houses are from affordable housing. The purpose of this study is to overview the factors that affect excess supply of affordable housing and to determine the difficulties by low and medium income groups to buy a house.

The scope of this research will be focusing on the affordable housing in Bukit Beruntong. A questionnaire survey was used to collect the necessary data in order to achieve the research objectives. The data was collected from 150 respondents through a questionnaire, which is from all income groups living in the Bukit Beruntong. The question in the questionnaire is based on the literature review. The data was analyzed using the Microsoft Words, Microsoft Excel and Statistical Packaging for Social Science (SPSS) version 23 and presented in table and pie chart form and were ranked by mean score range and standard deviation. The findings of this study revealed the seven factors that affects excess supply of affordable housing and seven difficulties by low and middle income groups to own a house. At the end of the study, it can be concluded that all of the objective were identified and achieved and hope it will give benefit by all parties involved to highlight the factors and work together in order to overcome the issues that has been arise.

Keywords: Affordable Housing, Excess, Supply, Low And Middle Income Groups, Initiatives By Government

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CHAPTER 1

INTRODUCTION

1.1 OVERVIEW

Housing is one of human basic needs. Maslow's Hierarchy of Needs is a theory in psychology proposed by Abraham Maslow through his book "A Theory of Human Motivation" 1943. There are 5 stages of needs to be fulfilled in this theory, such as physiological, safety, belonging and love, social needs or esteem, and self-actualization. Each stage of needs is structured based on the importance of the needs. Physiological needs are the most important in life, including food, drink and housing needs. Despite that, many people have faced some problems in buying their own house. This issue has arisen in the past decades. The affordability of housing is one of the major issues faced by low- and medium-income households. Especially, those who live major cities like Selangor and Kuala Lumpur said (Zainon *et al.*, 2017).

Historically, government efforts to build affordable houses have been stated in the First Malaysian Plan (1966–1970), while private sector participation in affordable houses has been stated in the Second Malaysian Plan (1971–1975). Both sectors have made their best efforts by continuously promoting affordable housing schemes and improving it from time to time. This is supported by, (Shuid, 2015) The government initiative in Malaysia is committed to providing accessibility for all Malaysians to adequate affordable and quality houses, mainly for low- and medium-income groups. The government plays a major role as an enabler, facilitator and encouraging private-sector housing activities.