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HOMEOWNERSHIP AMONG GEN Y IN KUALA LUMPUR:

STUDY OF BARRIERS AND ADAPTIVE STRATEGIES

Final Project submitted in partial fulfillment
of the requirement for the award of
Bachelor of Quantity Surveying (Honours)

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SEMESTER: MARCH 2019 – JULY 2019

ABSTRACT

Owning a house is one of the major goals for a Malaysian. In Malaysia, the residential property market is experiencing a rapid growth to fulfil the demand. Corresponding to this issue, Malaysia also has experienced rapid population growth and urbanisation which gives a great impact on people especially to 'young starter' or Gen Y's homeownership issue especially for those that live in an urban area. Comprising of more than a third of Malaysian's demographic, Gen Y is continuously facing difficulty in buying a house especially for those residing in Kuala Lumpur. The inability of Gen Y to purchase their first house in Kuala Lumpur has been a controversial issue and has always been highlighted in Malaysia General Election. Hence, this research intends to identify the factors that influence the homeownership among Gen Y population in Kuala Lumpur. Two research objectives have been developed which are first is to determine the barriers faced by Gen Y population in order to buy their first house in Kuala Lumpur and second, to identify the strategies by Gen Y to buy the first house in Kuala Lumpur. Using the quantitative approach, a self-administered questionnaire was distributed to 200 targeted respondents (who are in the range of 18 – 41 years old in the meantime the research is conducted) in several housing expos held in Kuala Lumpur. All the data collected were analysed using descriptive statistical analysis in the software of Statistical Package for the Social Sciences (SPSS) version 25. Consequently, the findings of this study has revealed that there are ten (10) barriers to buy first house as agreed by Gen Y population with housing price as the top barrier of mean score above 4.50. As for the strategies of Gen Y to buy first house, there were ten (10) results with the agreed level (3.50 – 4.50) as perceived by the Gen Ys. For policymakers, the findings enable formulation of policy prescriptions that can facilitate young starters' access to adequate and affordable housing.

ACKNOWLEDGEMENT

First praise is to Allah, the Almighty, the Beneficient, the Merciful, where we depend for sustenance and guidance. I am deeply indebted to my supervisor, Mr. Mohd Hafiz Saberi for his guidance, unfailing support and contribution of ideas in preparing this dissertation. I would also like to express my appreciation for his insightful supervision, encouragement, thoughtful criticisms, expert advice and generosity with his time in reviewing various drafts of the dissertation.

My appreciation is also extended to for his constructive comments and advice during my study. Particular thanks must go for for providing both inspiration and encouragement especially during the Built Environment Undergraduate Research Competition (BEURC) held at University Malaya on 3 April 2019

In addition, I also wish to sincerely thank as the property expert for all the knowledge that I acquired through his talk and books. Not to forget , my gratitude goes to the Faculty of Architecture,Planning and Surveying , UiTM Seri Iskandar,Perak for all the facilities they had provided. Besides, I must also acknowledge the contributions made by all the respondents involved in this research study.

Finally, I am especially thankful, for the support of all my family and friends. Without their help, none of this dissertation would have been possible.

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CHAPTER ONE

INTRODUCTION

1.1 INTRODUCTION

Housing is one form of basic needs of human kind. Maslow's Theory Hierarchy of Needs sees that housing forms the foremost important needs. A house can be described as a home, building or structure that functions as a habitat for humans or other creatures. The term house incorporates many kinds of dwellings ranging from rudimentary huts of nomadic tribes to complex structures made out of numerous frameworks.

Housing and homeownership issues are not new in Malaysia. Nowadays homeownership issues among Gen Y currently dominate a large part of the Malaysian housing discourse. The seriousness of the situation has led some parties to describe it as a critical issue or crisis. According to Bujang *et al.*, (2015) Gen Y is a cohort that consists about 60 million individuals and each of them has their own unique characteristic. Besides, most authors categorize this group as those who born between 1980 to 2000.

A study such as that conducted by Youth Access (2007) has shown that the young generation struggles over affordability issue three times more than those of other group. Young people nowadays are distinguishable from the previous cohort in various aspects. In one hand, as the previous cohort, they were able to easily anticipate finding a job, leaving their parental home, marrying at a young age and having children (Badcock & Beer, 2000). On the other hand, the current young generation confronts delay in homeownership as they tend to enter the career market quite late due to the delay in completing tertiary education.