**DEPARTMENT OF QUANTITY SURVEYING**

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**PERAK**

# IDENTIFICATION OF ISSUES AND IMPACTS PERTAINING TO ABANDONED PRIVATE HOUSING PROJECTS IN SELANGOR

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# ABSTRACT

The housing industry in Malaysia is an important industry nowadays. The ever increasing demand for property has brought about numerous problems involving the stakeholders in the property industry, resulting in the widespread abandonment of residential projects in the country. Derelict houses, dormant factories, moribund strip malls, and other types of vacant and abandoned properties are among the most visible outward signs of a community's reversing fortunes. Properties that have turned from productive use to disuse are found in cities, suburbs, and rural areas throughout the country, and they vary widely in size, shape, and former use. In 2019, the Ministry of Housing and Local Government (MHLG) reported that there were 77 housing schemes in the period up to September that could not be completed as scheduled and left completely abandoned by private developers, with Selangor at the top of the list. At this time, the total number of housing units involved was 18,637. This study sought to identify the factors leading to the problem. Two research objective have been developed which are first to identify the main issues pertaining to abandoned private housing projects and second is to determine the impacts pertaining to abandoned private housing projects. By adopting quantitative approach, sets of questionnaires were distributed to 36 targeted respondents (developers) 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). At the end of the study, the findings shows that there are thirteen (13) issues pertaining to abandoned private housing projects, which all of them received mean score above 3.50. As for the possible impacts pertaining to abandoned private housing projects, there are eight (8) results where respondents agreed to be possible impacts. The findings will act as a guideline for developers in making a better and improved rehabilitation process in the effort to overcome the issues and impacts of abandoned projects.

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# CHAPTER 1

# INTRODUCTION

## 1.0 INTRODUCTION

A residential property is a place of permanent living, particularly as a family member or household member. It's a place to love, respect and care for one. Malaysia has made great strides in fulfilling its people ' housing requirements. To date, there are quite a range of styles of residential properties in Malaysia, with bungalows, semi-Ds, terraces, apartments and condominiums being the common ones. Such properties have been in operation for more than a decade and are protected by the Housing Development Act (HDA), which aims to protect home buyers ' interests. The public sector mainly focused on low cost housing programs, while the private sector focused on medium and high cost housing programs.

In Malaysia, both the banking sector and the state have worked hard to ensure that Malaysians have access to affordable housing. Besides the banking sector, Malaysia's government has always given priority to the housing industry as well. The government budget allocation has reached the highest record of RM 10 billion for Rent To Own (RTO), effective for first time homebuyers who cannot afford 10% downpayment of homes worth up to RM 500,000.00, threshold decreased for foreign buyers from RM 1,000,000 to RM600,000.00 for urban properties to address glut in unsold homes and RM 10,000,000 is allocated for maintenance and refurbishment of houses (Nuruddin *et al.*, 2015). However, alarming cases of abandoned housing projects that have affected significant number of home buyers are derailing these