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MONTHLY Newsletter

JUNE 2024

HIGHLIGHTS

AUSTRALIA

Housing values have increased by 11.1%, or about $78,000.

GREECE

Construction growth in Greece accelerated to 11.6%.

INDONESIA

Supply shows a decrease in the market median from $1,888 to $1,850.

VIETNAM

Vietnam attracted $1.98 billion in foreign direct investment.

TURKEY

Nationwide property prices soared 86.46%.

Home values in Australia continued to increase in April, with CoreLogic's Home Value Index (HVI) rising by 0.6%. This pace matched the gains seen in February and March, with the monthly increase adding about $4,720 to the national median dwelling value. The growth has been consistent, extending the current growth cycle to 15 months. Since the market hit its lowest point in January last year, housing values have increased by 11.1%, or about $78,000.

However, the rate of growth varies across different cities. Perth is leading the way, with a 2.0% rise in April, followed by Adelaide with 1.3% and Brisbane with 0.9%. Sydney's housing market has held steady with a 0.4% increase each month for the past three months, while Melbourne has stabilised after a slight 0.8% decline over the three months ending in January.

According to Tim Lawless, CoreLogic's research director, Perth's housing market remains robust, with a quarterly growth rate of 6.0%, nearing the highs seen during the pandemic when interest rates were meagre. In contrast, Brisbane's growth pace is slowing, dropping to 0.9% in April—the first time in 12 months it has been below 1%. This slowdown might be due to affordability issues, considering Brisbane's nearly $300,000 increase in home values since the onset of COVID-19 in March 2020, which is the most significant dollar value increase among the capital cities.

Perth's property market is projected to see a 20% increase in the median house sale price between January and the end of 2024, according to REIWA's latest property market update.

Cath Hart, REIWA's CEO, noted that house sale prices have risen significantly in the past two quarters, with a 4.3% growth in December 2023 and a 4.2% preliminary increase in March 2024. This has contributed to a 13.6% increase over the year ending in March 2024, resulting in a record median house price of $625,000.

The ongoing price growth is due to various factors, including a continued imbalance between supply and demand. Strong population growth drives high demand, with limited new housing supply due to fewer new home completions and declining new home commencements. This imbalance will continue into 2024, maintaining upward pressure on prices.

The WA economy's strength, marked by low unemployment, also supports the housing market, as it boosts consumer confidence and people's ability to afford homes and mortgages. Additionally, the Reserve Bank's decision to reduce the frequency of its meetings has eased concerns about monthly rate rises, with some expecting a rate cut shortly, which could further encourage home buying in W.A.

The median unit sale price has also increased, reaching $425,000 after a 3.4% growth in the March 2024 quarter, 6.3% higher than in March 2023. Despite these gains, the median unit price remains below the record high of $450,000 set in 2014. Cath Hart mentioned that units are becoming more popular due to their affordability compared to houses, and this trend is likely to continue in 2024

To summarise, Perth's property market is on a growth trajectory, driven by solid demand and limited supply, with significant price increases expected throughout 2024. Although the market conditions could change, current trends suggest that Perth's housing market will continue to thrive in the foreseeable future.

This is a good time for investors to enter the market. If you are looking to start your investment journey through IQI in Australia, please drop us an email at
sales@iqiwa.com.au.

Index results as at 30 April, 2024	Change in dwelling values				
	Month	Quarter	Annual	Total return	Median value
Sydney	0.4%	1.1%	8.7%	11.9%	$1,145,931
Melbourne	-0.1%	0.0%	2.8%	6.5%	$783,261
Brisbane	0.9%	3.1%	16.1%	20.8%	$827,822
Adelaide	1.3%	3.3%	14.0%	18.7%	$747,732
Perth	2.0%	6.0%	21.1%	26.8%	$721,278
Hobart	0.3%	0.8%	-0.4%	3.7%	$648,074
Darwin	0.6%	1.0%	1.9%	8.5%	$496,228
Canberra	0.2%	1.0%	2.1%	6.2%	$847,604
Combined capitals	**0.6%**	**1.7%**	**9.4%**	**13.3%**	**$857,139**
Combined regional	**0.8%**	**2.1%**	**6.4%**	**11.2%**	**$622,781**
National	**0.6%**	**1.8%**	**8.7%**	**12.9%**	**$779,817**

European elections might be a positive catalyst for the Greek real estate market.

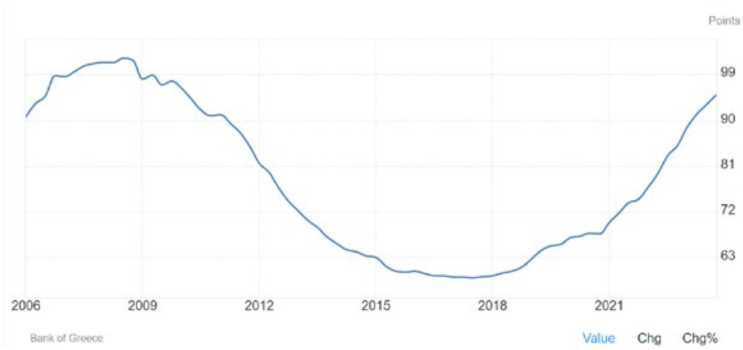


Chart 1: Greece House Price Index

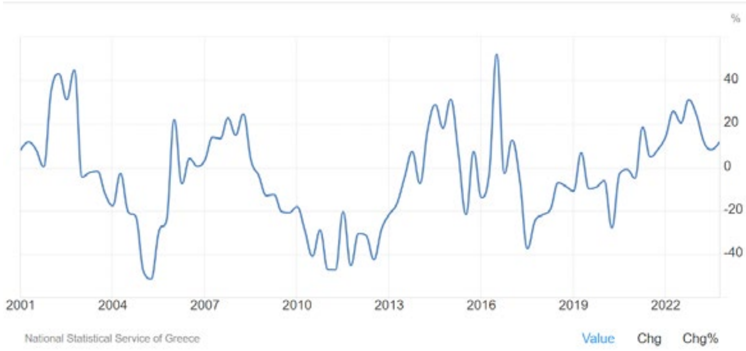


Chart 2: Construction Output

Greece and Europe are heading into the European elections on the 6th to 9th of June. Elections are possibly one of the positive catalysts for the Greek real estate market and the economy.

Throughout 2023 and the first quarter of 2024, the housing market is characterised by solid buyer appetite, excess demand, and rising prices. The geopolitical landscape in the region did not stop the upward trend of recent years; on the contrary, large-scale developments took place. The Housing Index in Greece increased to 95 points in the fourth quarter of 2023 from 93.10 points in the third quarter of 2023. The Housing Index in Greece averaged 78.02 points from 2006 until 2023, reaching an all-time high of 102.20 points in the third quarter of 2008 and a record low of 58.90 points in the third quarter of 2017.

Construction output growth in Greece accelerated to 11.6 per cent year-on-year in the fourth quarter of 2023, up from an upwardly revised 8.2 per cent gain in the previous period. Production increased significantly for civil engineering (14.7 per cent vs 6.2 per cent in Q3). On the other hand, output grew slower for building construction (6.6 per cent vs 11.3 per cent). Construction output advanced 10.5 per cent every quarter, rebounding sharply from a 1.9 drop in the last quarter.

A critical factor in the price increase has been the interest of foreign investors in the Greek real estate market and the inflows of foreign capital that have gradually increased over the last few years. Foreign investors find high returns in Greece due to lower house prices than other European countries. Even for areas considered more expensive, such as the Athenian Riviera or the famous Greek islands, prices are lower than other leading European destinations.

Villas and luxury apartments with outstanding architectural features compatible with highly demanding sustainability indicators are now available for sale. In contrast, the shortage of such residences and the strong demand, not only for private use but also as an investment option with high returns, have led their prices to higher levels for Greek standards.

Athens maintains comparatively low house prices, and investors see its market as an opportunity, as it is securing yields of 5%, while most Western European capitals do not exceed 3%. Moreover, yields are much higher on tourist islands. According to market experts, the participation of foreign buyers in the Greek housing market is dominant, as they now carry out more than 50% of transactions.

The fact that private investors and funds are continuously investing in the tourism industry of the city centre, even during the coronavirus pandemic, proves that the transformation of the centre into a world-class destination is just a matter of time.

GLOBAL MACRO-ECONOMIC OUTLOOK 2024

UNCERTAINTY LOOMS AHEAD IN THE FINANCIAL MARKET

The financial markets are under pressure as inflation comes back in many advanced economies. Monetary policy remains in a quandary as central bankers are losing control since inflation is severe, stubborn and elevated. Inflation in the USA for April 2024 stands at 3.4%. It has been lower since 2021, but inflation can come back sooner than expected with rising oil prices. The whole macro equation succumbs to exogenous factors beyond control and daily changes. Geopolitical risk is on the back burner for now but will reappear as countries vie for economic supremacy. Stocks, bonds, commodities, and currencies move from different angles. Valuations are not based on fair value as asset prices move according to exogenous factors.

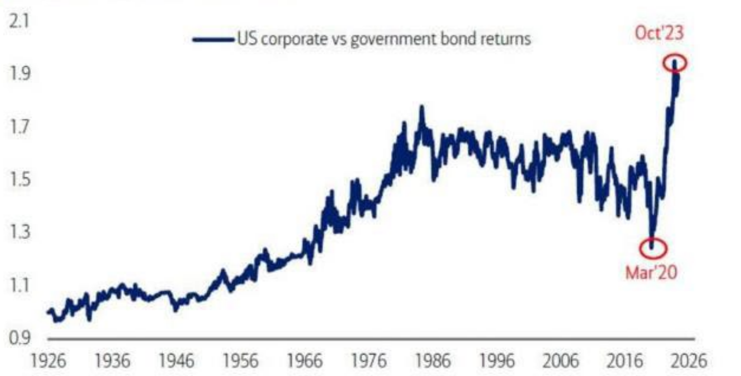
BANK OF AMERICA LATEST REPORT........PAIN TRADES TO REVERSE.

"It would be so on the brand in this era of pain trades for Chinese stocks to massively outperform in the run-up to the U.S. election. Inflation, fiscal excess, deglobalisation = bonds in a secular bear," but everyone knows that by now, so everyone is in the "Anything But Bonds" trade (bulls in credit & stocks, bears in commodities) and no one is in the long-end; which is why should a weak April CPI, follow weak ISM & payrolls, it will confirm peak "no landing" and Treasuries will rally and test key "bear-to-bull" levels, which will send 10Y yields to 4.25%, and 30Y yields to 4.45%. Since Mar '20, corporates have staged the most significant outperformance vs govt bonds in 100 years (when U.S. government spending increased 40% to $6.2tn)...while I.G. bond inflows are on course for record $440bn in '24, which is pushing I.G. spreads (88bps) to levels seen during boom/extreme Q.E.

No one expects recession, yet everyone expects the FED to cut 2-3 times in the next 6-12 months. H1 "no landing" risks peaking as macro & policy remove "tail risks" of Fed hike, Treasury yields >5%, Japan yen collapse...risk assets have responded positively to the central bank intervention to address these, namely the very dovish FOMC two weeks ago and the BOJ intervention.

At the same time, there is growing visibility of U.S. labour weakness at the time of super-low U.S. savings rate end of "excess savings"... unemployment claims are up as small business credit conditions weak...growth in "white collar" payrolls is flat past 3 months ...while the rising U-rate (3.9%) is not consistent with collapsing credit spreads.

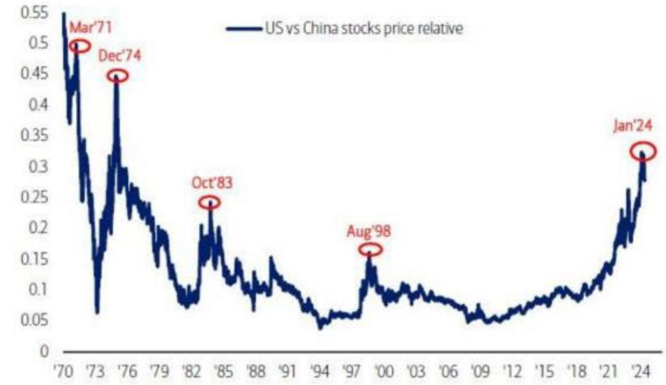
Chart 2: Biggest outperformance of corporate vs government bonds in past 100 years
US corporate vs government bond returns



Source: BofA Global Investment Strategy, Bloomberg, GFD Finaeon, ICE Data Indices LLC

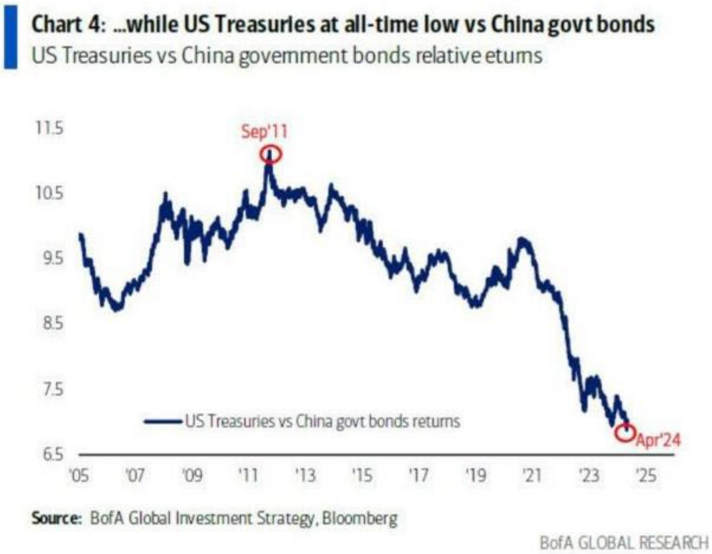
BofA GLOBAL RESEARCH

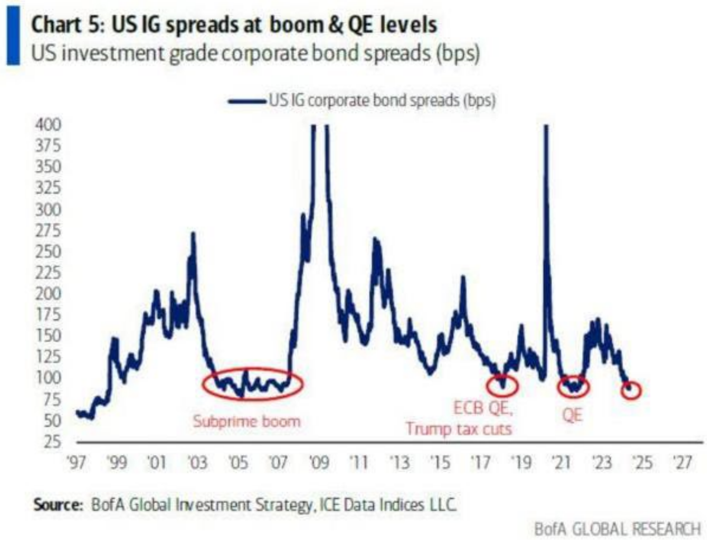
Chart 3: US stocks at 50-year high relative to China stocks...
US vs China stocks price relative



Source: BofA Global Investment Strategy, Bloomberg

BofA GLOBAL RESEARCH

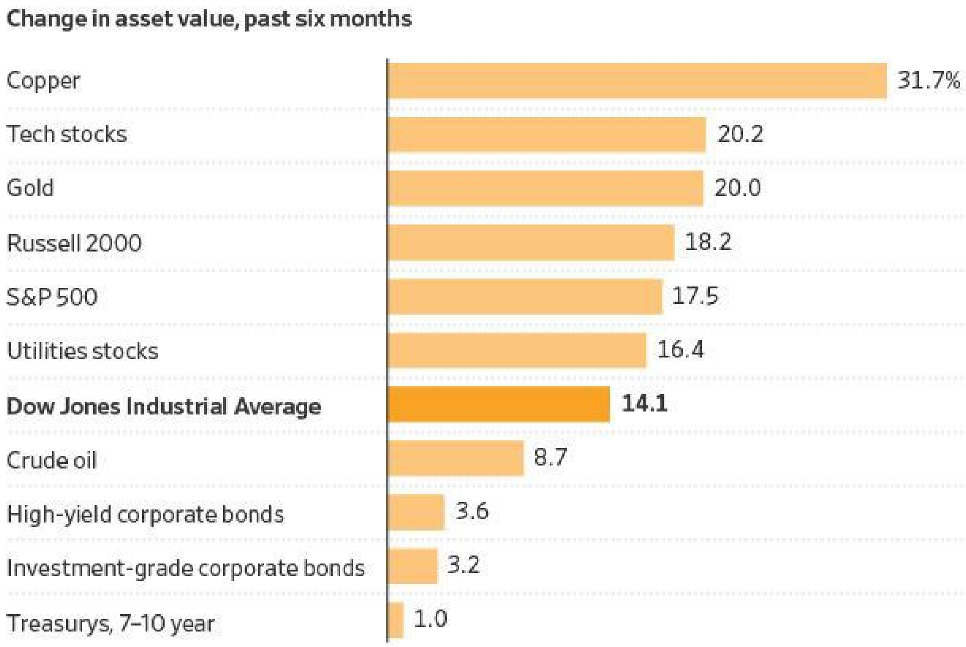




COPPER MARKET IS HOT. WHY? SHORTAGES IN THE MARKET

Copper prices have risen to a new record high of $5.08 per pound, now up 30% year-to-date. The previous all-time high of $5.03 occurred in March 2022, when inflation had risen rapidly in 40 years. Over the last 3 months, copper prices have risen by 35%, fueling additional inflationary pressures. In 2 years, copper prices have surged by ~55%. Historically, there has been a high correlation between rising copper prices and inflation CPI in the U.S. There is more evidence that inflation is rising. U.S. copper prices have blown out to a record premium over the global benchmark in London. The sharp rise was driven by speculators squeezing out traders who thought the premium on the U.S. market would fall.

Investors have rarely had it this good, with prices from homes to stocks and cryptocurrencies soaring.



TACO HEIDINGA
Global Strategic Advisor

EUROPE'S BEST AND WORST PROPERTY MARKETS: WHERE TO INVEST IN 2024?

Rental yield, the annual return from renting a property, is critical for real estate investors. Higher yields mean better returns. Juwai IQI looks at which European countries offer the best returns and which offer the least.

Regarding real estate investments, rental yield - the annual return from renting a property - is a critical metric.

Higher rental yields indicate better returns on investment, which is crucial for any savvy investor.

To illustrate, let us break down the numbers: purchasing a property for €500,000 and earning a monthly rent of €2,000 (or €24,000 annually) results in a gross annual rental yield of 4.8%. The net yield will be lower after accounting for taxes and other administrative expenses.

Consider Mr Tan, an astute investor aiming to maximise her rental income in the European property market. His primary challenge is pinpointing the best location in which to invest.

To aid her decision, let us delve into the latest data, updated as of Q1 2024, to uncover which European countries and cities offer the best and worst property rental yields.

Top 10 European Countries by Rental Yield

Latvia, Ireland, and Italy top the country list with very robust average rental yields, signalling prime opportunities for investors such as Maria. With its rental yield of 8.06%, Latvia stands out as the highest in Europe.

If current rental yields remain stable, it will take approximately 12 years of rental income to recoup an initial property investment in Latvia. In Ireland and Italy, the years needed would be thirteen and fourteen, respectively.

1. Latvia – 8.06%
2. Ireland – 7.85%
3. Italy – 7.38%
4. Romania – 6.63%
5. Lithuania – 6.44%
6. Turkey – 6.36%
7. United Kingdom – 6.21%
8. Spain – 6.17%
9. North Macedonia – 6.00%
10. Montenegro – 5.95%

Worst 10 European Countries by Rental Yield

Luxembourg, offering the lowest yield at 2.67%, is the least attractive for property rental income.

In Luxembourg, a two-bedroom apartment has an average purchase price of €1.2 million. However, with an average monthly rent of €2,800, this investment yields a gross rental return of just 2.7%.

In Luxembourg, Maria would take an average of 37 years to pay back her initial housing investment through rents, assuming constant yields. Switzerland follows closely, requiring 33 years to break even.

Real estate investors aiming to maximise returns might want to avoid these markets.

1. Luxembourg – 2.67%
2. Switzerland – 3.05%
3. Austria – 3.59%
4. Malta – 3.66%
5. Germany – 3.74%
6. Norway – 3.79%
7. Czech Republic – 3.95%
8. Denmark – 4.16%
9. Belgium – 4.20%
10. Finland – 4.24%

Welcome to the first edition of IQI Unreal Bali's newsletter, which is now proudly part of the Juwai IQI family! This month, we spotlight key insights and trends from the latest real estate reports in Bali, aiming to help you make informed investment decisions with a tropical vibe.

Before we begin, a big shoutout to our friends at REID for their invaluable data and insights. Thanks, REID, for being the data wizards behind the scenes!

Disclaimer: *While we strive for accuracy, this information is for informational purposes only and may not be 100% precise. Use it as a guide, and remember, even data can have a bad hair day!*

- **MARKET OVERVIEW**

Q1 2024 saw significant activity in Bali's real estate market. One-bedroom properties dominated the rental supply at 54%, with a stable average daily rate (ADR) of $197. Despite a slight drop in occupancy rates to 49.6%, regions like North Kuta (Kerobokan to Canggu and in between) and Mengwi (Pererenan and Seseh, more significant areas) led with substantial rental supply and high ADRs, respectively. These insights suggest a steady demand for rental properties, especially in well-positioned areas.

- **PRICE AND SUPPLY DYNAMICS**

The Builders Report highlighted a decrease in the market median price per square meter (SQM) from $1,888 to $1,850. Meanwhile, the median leasehold floor space ratio (FSR) increased to 83%, indicating a trend toward more spacious properties. South Badung's (i.e. Uluwatu, Bingin, Nusa Dua) listed versus sold price per SQM showed a minor variance at 2%, reflecting a balanced market where property values align closely with buyer expectations.

- **SELLER'S PERSPECTIVE**

Clearance rates for Q1 2024 increased to 13.3%, with the median discount rate fluctuating to -10.8%. Two-bedroom properties saw a 37% increase in supply, overtaking three-bedroom properties. The price distribution remained concentrated between US$100,000 and US$500,000. This suggests a robust market for mid-range properties driven by local and international buyers looking for affordable yet high-quality investments.

- **BUYERS'S INSIGHTS**

The Buyers Report showed a rise in the median listing price to US$ 360,000, with the median sale price stable at US$ 321,000. Leasehold properties continue to dominate the market, though freehold properties are gaining traction. North Kuta and Mengwi maintained their dominance in supply, while South Badung gained market share, highlighting diverse opportunities for savvy investors.

- **INVESTMENT OPPORTUNITIES**

Bali's real estate market offers golden opportunities due to booming tourism, ongoing infrastructure projects, and a growing demand for luxury properties. More significant areas like Canggu, Ubud, Seminyak, and Uluwatu are desirable. With over 10 years of experience, I've found that well-managed rental properties in Bali can yield an average net return of 10% per year. (8% - 12%, depending on size and location). While some agents or developers advertise even higher returns, achieving these requires careful management and, most likely, in-house only, 24/7 work.

WHY BALI?

Tourism Growth: Expected to rise by 12% in 2024, boosting rental demand.
Property Appreciation: An 8% year-over-year increase in property prices.
High Rental Yields: Averaging 6-10%, depending on location, property type, management, and marketing team.

A HEARTFELT MESSAGE

At IQI Unreal Bali, we strive to promote only well-deserved listings that respect and preserve Balinese culture and architecture. While our current listings are broad, we aim to move away from high-density, small, and uninspiring projects. With the help of Juwai IQI and its extensive network, we aim to bring quality to the market and push for better development practices on the island. Each property we offer is chosen not just for its investment potential but for its alignment with the beauty and tradition of Bali. We believe preserving this culture enriches the living experience and provides a sense of belonging to this enchanting island.

Ready to Make a Smart Investment?

Connect with our team for personalised advice and exclusive listings in Bali. Stay tuned for our next edition, packed with more insights and opportunities!

Contact **IQI Unreal Bali** for more infomation at *dani@teamiqi.com.*

VIETNAM

DUSTIN TRUNG NGUYEN

Country Head of Vietnam

According to the Ministry of Planning and Investment, Vietnam attracted $1.98 billion in foreign direct investment (FDI) in its property sector in the first five months of 2024, a 70% increase year-on-year. This makes it the second-highest recipient of FDI after manufacturing, which received $7.43 billion. Total FDI reached $11 billion, with Singapore leading at $3.25 billion.

According to Vietnam's Ministry of Planning and Investment, $1.98 billion of foreign direct investment ("FDI") flowed into the nation's property sector in the first five months of 2024, an increase of 70% from last year. The inflows were the second highest behind manufacturing, which received $7.43 billion.

In total, $11 billion of FDI has been invested in Vietnam during the five months, up 2% year-on-year. 78 countries invested, led by Singapore, which invested $3.25 billion, followed by Hong Kong, Japan, China, and South Korea. Together, the five accounted for 74% of the FDI inflows.

Property professionals in Vietnam attribute the surge in investments to several factors. These include the effective control of inflation, a decline in interest rates coinciding with an expansion of credit, and optimism over continued public investments and infrastructure development.

It is also possible that the significant increase in FDI in the property sector results from investors adjusting to the aftermath of the $12.5 billion real estate corruption scandal involving Ms Truong My Lan. The scandal, which was one of the most prominent financial fraud cases in Vietnam's history, came to a head with Ms. Lan's sentencing to death on April 11, 2024, for her role as the lead orchestrator. This event has likely led to a more transparent and regulated environment, which can be more attractive to foreign investors.

10 CRUCIAL CONSIDERATIONS BEFORE CHOOSING AN INVESTMENT PROPERTY: A DEEP DIVE

Congratulations on taking the exciting first step towards real estate investment! Before you dive headfirst into that perfect-looking listing, let us explore 10 key factors that can make all the difference in your success:

1. **Location, Location, Location (and a little more Location)**: This mantra is not an exaggeration. A desirable location with good schools, ample amenities, low crime rates, and easy access to transportation attracts quality tenants willing to pay premium rent. Look beyond aesthetics and investigate the neighbourhood's future development plans. Is there a new park or business district on the horizon? These factors can significantly impact property value appreciation.
2. **Become a Number Cruncher:** Forget emotions for now. This is a business decision. Potential rental income, vacancy rates, property taxes, insurance costs, maintenance needs, and mortgage payments must be meticulously factored in. Use financial modelling tools or spreadsheets to create a realistic picture of the property's cash flow. Remember, positive cash flow is the golden rule of a successful investment.
3. **Know Your Investment Goals**: Are you seeking steady, reliable income through long-term rentals (buy-and-hold)? Or is your focus on maximising profit through quick renovation and resale (fix-and-flip)? Your goals directly influence the property type, location strategy, and renovation needs you prioritise. For example, a fixer-upper in a developing area might be ideal for a fix-and-flip, while a turnkey property in a stable neighbourhood caters more towards a buy-and-hold strategy.
4. **Market Analysis – Do not Fly Blind**: Do not be fooled by a single listing: research current market trends, local rental rates, and future development plans in your target area. Understanding market dynamics equips you to identify undervalued properties with high growth potential. Talk to local realtors, study market reports, and consider using online real estate investment resources.
5. **Property Condition: See Beyond the Surface:** A charming fixer-upper can offer a good deal, but extensive repairs can drain your budget and significantly delay tenant occupancy. Factor in the cost of necessary repairs, potential lead abatement or asbestos removal, and any code compliance issues. Consider hiring a qualified inspector to uncover hidden problems that could turn your investment into a money pit.
6. **Who is Your Ideal Tenant? Tailor Your Approach:** Imagine your perfect tenant. Young professionals, families with children, or students? Understanding their needs helps you target the right property type (single-family homes, apartments with amenities) and location (proximity to schools or public transport). Research rental trends in your target demographic to ensure your property offers the features they value.
7. **Management Considerations: Hands-On or Hands-Off?** Will you be a hands-on landlord, managing repairs and tenant relations yourself? Or will you outsource this to a property management company? Factor in management fees if you choose the latter, and ensure the property is easily accessible for repairs and maintenance to minimise tenant disruptions.
8. **Exit Strategy: Planning for the Future:** How will you eventually cash out of your investment? Consider selling the property for a profit, refinancing and holding it for long-term income. Planning your initial exit strategy ensures your investment aligns with your long-term financial goals.
9. **Legal and Tax Implications: Do not Get Caught Off Guard:** Research local ordinances regarding rentals, landlord-tenant laws, and potential tax benefits for real estate investment, such as depreciation deductions. Consult with a qualified accountant and lawyer to ensure you understand all legal and tax obligations of becoming a landlord.
10. **Budgeting for the Unexpected: Life Happens:** While meticulous planning is critical, unforeseen circumstances can arise. Budget for potential repairs beyond normal wear and tear and tenant vacancy periods. Having a financial buffer ensures your investment remains profitable despite unexpected events.

Remember, this is just the springboard for your real estate investment journey. By carefully considering these crucial factors and conducting thorough due diligence, you will be well-equipped to make informed decisions and choose an investment property that sets you on the path to real estate success!

Despite facing economic headwinds and battling hyperinflation, Turkey's property market put up a strong showing in 2023 – which will continue through the second half of 2024.

A more exciting and involved investor narrative lies beyond Turkish properties' impressive nominal price increase.

On the surface, Turkey's housing prices skyrocketed in 2023.

Nationwide property prices soared 86.46% year-over-year in October 2023, reaching an average of TRY 30,036 (approx. USD 998) per square meter, according to the Central Bank of the Republic of Turkey (CBRT).

That increase followed an eye-popping annual price increase in Turkey's property values of:

- 179% in 2022
- 64% in 2021
- 32.6% in 2020
- 2.9% in 2019

However, when factoring in Turkish inflation, which registered an extraordinarily high 64.8% in December 2023, real house price growth tells a different story.

Adjusted for inflation, Turkish property prices rose a more moderate 12.4% year-on-year in October 2023 – and this adjusted growth was reflected across Turkey's major property markets:

- **Istanbul** – in Turkey's largest city and most expensive market, nominal prices jumped 66.7%, but accurate prices inched up just 3.3% year over year
- **Ankara** – nominal prices skyrocketed 94.3% while accurate prices climbed 20.4%
- **Izmir** – nominal prices surged by 77.2%, but genuine appreciation was a tamer of 9.8%

New construction prices exhibited slightly higher real growth at 18.4% compared to existing inventory real price growth of 15.8% year-over-year in October 2023.

With the effects of hyperinflation removed, it becomes apparent that Turkey's property market is experiencing actual and profitable growth but at a much more modest pace.

In April 2024, the real estate markets in Toronto, Vancouver, and Quebec showed different trends. GTA had fewer sales but more new listings, suggesting more options for buyers. Meanwhile, prices rose slightly in Vancouver, with a notable increase in listings. These changes highlight the varying conditions across Canada's major urban real estate markets.

Toronto

- Greater Toronto Area (GTA) REALTORS® reported 7,114 sales through the Toronto Regional Real Estate Board (TRREB) MLS® System in April 2024 – down by five per cent compared to April 2023. New listings were up by 47.2 per cent over the same period. Sales edged lower on a seasonally adjusted monthly basis, while new listings were up compared to March.

- The MLS® Home Price Index (HPI) Composite benchmark was down by less than one per cent year-over-year. The average selling price was up by 0.3 per cent to $1,156,167. On a seasonally adjusted month-over-month basis, the MLS® HPI Composite was up by 0.4 per cent, and the average selling price was up by 1.5 per cent compared to March.

Sales & Average Price by Major Home Type

	Sales			Average Price		
April 2024	416	905	Total	416	905	Total
Detached	750	2,425	3,175	$1,822,244	$1,421,377	$1,516,070
Semi-Detached	240	380	620	$1,365,061	$997,740	$1,139,929
Townhouse	261	968	1,229	$1,010,632	$933,448	$949,839
Condo Apt	1,309	704	2,013	$766,917	$655,830	$728,067
YoY % change	416	905	Total	416	905	Total
Detached	-1.2%	-9.0%	-7.2%	2.2%	1.2%	1.8%
Semi-Detached	3.4%	-3.6%	-1.0%	2.9%	-2.6%	0.3%
Townhouse	-1.5%	1.4%	0.7%	-3.9%	-3.5%	-3.7%
Condo Apt	-9.5%	-0.4%	-6.5%	2.0%	-1.7%	0.6%

Year-Over-Year Summary

	2024	2023	% Chg
Sales	7,114	7,487	-5.0%
New Listings	16,941	11,509	47.2%
Active Listings	18,088	10,373	74.4%
Average Price	$1,156,167	$1,152,519	0.3%
Avg. LDOM	19	17	11.8%
Avg. PDOM	28	24	16.7%

Vancouver

- The MLS® Home Price Index composite benchmark price for all residential properties in Metro Vancouver is currently $1,205,800. This represents a 2.8 per cent increase over April 2023 and a 0.8 per cent increase compared to March 2024.

- The total number of properties currently listed for sale on the MLS® system in Metro Vancouver is 12,491, a 42.1 per cent increase compared to April 2023 (8,790). This is 16.7 per cent above the 10-year seasonal average (10,704).

- Greater Vancouver REALTORS® (GVR)2 reports that regional residential sales totalled 2,831 in April 2024, a 3.3 per cent increase from the 2,741 sales recorded in April 2023. This was 12.2 per cent below the 10-year seasonal average (3,223).

Quebec

Residential: Summary of Centris Activity

	April			Year-to-date		
	2024	2023	Variation	2024	2023	Variation
Total sales	**9,344**	**7,414**	⬆ 26%	**30,620**	**25,696**	⬆ 19%
Active listings	**38,593**	**31,565**	⬆ 22%	**36,957**	**30,897**	⬆ 20%
New listings	**13,518**	**10,235**	⬆ 32%	**50,021**	**40,251**	⬆ 24%
Sales volume	**$4,654,474,466**	**$3,428,293,798**	⬆ 36%	**$14,842,333,970**	**$11,449,679,662**	⬆ 30%

SAUDI ARABIA

SHAREEF GHALEB KATTAN
Head of IQI Saudi Arabia

The real estate sector in Saudi Arabia is experiencing significant growth. This growth is attributed to a confluence of factors, creating perfect opportunities for investors and developers.

Demand On Rise
Demand for homes is on the rise. More expats, especially those wanting modern apartments, are moving to Saudi Arabia. The government's efforts to modernise finances make homeownership more accessible for Saudi citizens.

New Laws
The Saudi government is also boosting the market with over 18 new laws. They are making things run smoother, ensuring everything is transparent and honest, and building a robust real estate environment. This aligns with their Vision 2030 plan to diversify the economy, and real estate is seen as a key player in reducing the dependence on the oil sector.

National Housing Company
The National Housing Company (NHC) is taking steps to ensure the market's long-term success. They recently held a forum to connect industry professionals and build a reliable supply chain for building materials. The NHC is also partnering with a Chinese company to create a particular hub for construction materials.

Record Amount Loaned
Banks in Saudi Arabia also see a surge in loan applications, with a record amount loaned in March 2024 at USD 711.5 billion. Much of this money goes towards real estate and significantly larger company projects. This easy access to funding empowers developers to take on new projects, further fueling market growth.

Saudi Arabia's real estate market has a bright future, with a projected growth rate of 8% each year until 2029, according to a study by Mortor Intelligence. This growth is driven by government support, easy access to financing, and strong underlying demand. So, Saudi Arabia's real estate sector is attractive whether you are an investor looking for good deals or a developer wanting to capitalise on a booming market.

HAROON ANWAR
Head of Global Wealth Management

Investing in Off-Plan Properties in Dubai, Its Popularity and Rising Demand

With heightened interest in Dubai real estate, the number of new construction projects launched every year in response to the increase in demand is rising, and there are now over 100 projects lined up for delivery this year. By the year's end, total units ready for delivery are expected to reach approximately 65000 units, surpassing last year's number.

With property demand strengthening, in 2024, over 35,000 sales transactions in Q1, worth 24 billion dollars, mark a YOY increase of 20% in volume and 24% in value.

The popular regions for newer units are Meydan One, Al Furjan, Business Bay, and Jumeirah Village Circle (JVC), with more than 2/3rd the apartments and the rest of the villas.

Role of Government Real Estate Regulatory Authorities

The Dubai Land Department (DLD) is the Dubai Government entity responsible for registering, organising, and promoting real-estate investments in Dubai. It is responsible for registering and regulating real estate transactions in Dubai. It oversees various functions related to land and property, including sales and purchases, leases, mortgages, and other property-related agreements. The land department provides regulations and standards for the real estate sector, manages the Dubai Real Estate Registration Trustee, and provides various services to the public, including property valuation, registration, and ownership certificates.

Under DLD's overall management and regulation of the real estate sector in Dubai, the Real Estate Regulatory Agency (RERA) is a specialised regulatory agency that oversees the activities of developers, brokers, and other real estate professionals in Dubai. It is responsible for ensuring compliance with regulations related to real estate transactions and protecting the rights of buyers and sellers. RERA sets guidelines and standards for the real estate sector, manages the Dubai Brokers Register, and handles complaints and disputes related to real estate transactions.

DLD ensures transaction integrity, while RERA manages regulations, resolves disputes, oversees foreign investments, and licenses brokers and developers. RERA also oversees foreign investments, monitors advertisements, and licenses industry participants. Recently, the three-broker rule was set, which limits sellers from listing properties with a maximum of three brokers to reduce duplication and improve market efficiency.

Assessing the Developer before investing in Off-Plan real estate

Investors in Dubai real estate draw comfort from the fact that the construction is under the watchful eye of the regulators. Key Issues investors need to know when investing in the off-plan real estate:

Before signing an off-plan unit sale and purchase agreement, buyers should check with DLD and RERA for the Developer's track record and standing. It is best to check the DLD's website (www.dubailand.gov.ae) to validate the following:

1. Is the real estate project registered with RERA?
2. Is there an escrow account for the project? What is the escrow account number and the name of the escrow account agent?
3. What is the percentage of completion of the project and the expected date of completion?
4. Is the Developer registered with RERA? Does the Developer on the development land, or is there a development agreement between the owner and the Developer?
5. Does the Developer have the required permits and approvals from DLD and RERA will sell units of the plan for the relevant project.

The investors should do their best to assess the developers' credentials and make a reasonable effort to look at their track record in delivering projects on time and in line with the committed quality. In our next article, we will look at the leading developers of Dubai.

An excellent real estate agency with a professional sales team can help navigate the complexities of investment in an international market. Please contact our team for guidance, advice, and sales.

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The Rise of Sustainable Green Buildings in Malaysia

In recent years, Malaysia has seen a significant shift towards sustainable and green building practices. This trend is driven by growing awareness of environmental issues, government initiatives, and consumer demand for eco-friendly living spaces. This article delves into the factors propelling the rise of green buildings and their impact on the real estate market.

Green buildings are designed to reduce the overall environmental and human health impact by efficiently using energy, water, and other resources. They aim to enhance indoor environmental quality through better ventilation, natural lighting, and non-toxic materials.

Government Initiatives and Certifications

The Malaysian government has been proactive in promoting sustainable development. One of the key initiatives is the Green Building Index (GBI), introduced in 2009. The GBI provides certification for buildings that meet criteria in energy efficiency, indoor environmental quality, sustainable site planning, material and resource usage, water efficiency, and innovation. As of 2023, over 600 buildings in Malaysia have received GBI certification, underscoring the growing commitment to sustainability.

Market Demand and Consumer Awareness

Consumer awareness about environmental issues and the benefits of green buildings has increased. A survey by the Real Estate and Housing Developers' Association (REHDA) in 2022 revealed that 70% of homebuyers in urban areas prioritise sustainability when choosing a property. This shift in consumer preferences encourages developers to integrate green features into their projects.

Benefits of Green Buildings

- **Energy Efficiency**
  - Green buildings use energy-efficient systems and appliances, reducing electricity consumption and utility bills. For example, buildings with GBI certification have been shown to reduce energy use by up to 30%. Solar panels, energy-efficient lighting, and smart home systems are some of the technologies being adopted.
- **Water Conservation**
  - These buildings employ water-saving fixtures, rainwater harvesting systems, and efficient irrigation techniques to minimise water use. Studies indicate that green buildings can reduce water usage by approximately 20-30%.
- **Improved Indoor Air Quality**
  - Using low-VOC (volatile organic compounds) materials and better ventilation systems enhances indoor air quality, contributing to the health and well-being of occupants. Improved air quality can reduce respiratory and other health problems, leading to a better quality of life.
- **Enhanced Property Value**
  - Properties with green certifications tend to have higher market value and better resale prospects. They attract environmentally conscious buyers willing to pay a premium for sustainability features. Property market analysts say green-certified buildings can command a price premium of up to 10-15%.

Notable Green Building Projects in Malaysia

Several notable green building projects in Malaysia have set benchmarks in sustainable construction:

- **Menara Etiqa, Kuala Lumpur**
  - A commercial building that has achieved GBI Gold certification, featuring energy-efficient HVAC systems, LED lighting, and rainwater harvesting. This building has managed to reduce its energy consumption by 25% and water usage by 20%.
- **G Tower, Kuala Lumpur**
  - It is one of the first green buildings in Malaysia, offering a range of sustainable features, including energy-efficient air conditioning, water-efficient fixtures, and a green roof. G Tower's green initiatives have resulted in energy savings of about 30%.
- **The Rainz @ Bukit Jalil**
  - This residential project has been awarded GBI Certified Design Assessment. It features energy-efficient fixtures, strategic open spaces for natural ventilation and lighting, and sophisticated rain harvesting systems.
- **The Leafz, Sungai Besi**
  - This development incorporates low-VOC materials, water-efficient fixtures, and a rooftop garden that helps regulate temperature and humidity.
- **Expressionz Professional Suites @ Jalan Tun Razak**
  - This development has achieved GBI certification, incorporating advanced energy-efficient systems, low-VOC materials, and optimised natural lighting and ventilation.

Future Outlook

The trend towards green buildings in Malaysia is expected to continue growing. With increasing urbanisation and the need for sustainable development, green building practices will likely become a standard in the construction industry. The government's commitment to environmental sustainability and rising consumer demand will drive further innovations and investments in green technology. By 2030, it is projected that up to 50% of new buildings in Malaysia will incorporate green features.

Conclusion

The rise of sustainable green buildings marks a significant shift in Malaysia's real estate landscape. By embracing eco-friendly construction practices, the industry is not only contributing to environmental preservation but also meeting the evolving needs of consumers. As awareness and demand for green buildings continue to grow, Malaysia is poised to become a leader in sustainable development in the region.

The Philippine economy grew by 5.7% in Q1 2024, faster than the 5.5% recorded in Q4 2023 but slower than the 6.4% recorded a year ago. Despite this, the country remains the fastest-growing economy in Southeast Asia.

The Philippine economy recorded a slightly slower pace of expansion in Q1 2024. However, analysts are still projecting the country to rebound faster for the remainder of the year and remain one of the fastest-growing economies in the region this year. The country continues to benefit from solid personal consumption and stable inflows from Filipinos working abroad. The Philippines enjoys having a demographic sweet spot, i.e., having a more significant fraction of the population working and actively contributing to the economy. This also ensures that the country remains attractive to outsourcing firms (major occupiers of office space) and that there is either a budding or dominant demand driver for the country's residential and retail sectors, respectively.

Office Sector

The Metro Manila office vacancy continued to avert the 20% level vacancy amid new supply and space surrenders from non-renewals and rightsizing of notable occupiers. Net take-up during the first quarter of 2024 has tripled compared to the same period in the previous year. Colliers noted that traditional and outsourcing occupiers remain stable regional demand drivers. Meanwhile, the countryside posted better YoY performance in transaction volume as outsourcing firms continue to set up shop and expand their footprint.

Retail Sector

Landlords are aggressively renovating and upgrading their leasable retail spaces to attract more consumers. Philippine and foreign brands continue to occupy mall space, with some retailers even returning to the Manila retail landscape by locating both in stand-alone malls and transit-oriented shopping centres. Pockets of renovation and total mall redevelopment are visible all over Metro Manila as landlords and retailers aim to sustain footfall and consumer spending despite dissipating impacts of revenge spending.

Residential Sector

The Metro Manila pre-selling condominium market continues to see tepid launches and take-up. We attribute this to elevated mortgage rates and lengthened remaining inventory life. Colliers sees sizable delivery of new condominium units this year, which will likely raise vacancies in the secondary market.

Given a lukewarm pre-selling market in Metro Manila, significant developers have aggressively expanded outside Metro Manila. Property firms are actively land banking and developing expansive master-planned communities in prime development hubs outside the capital region.

THAILAND

SOMSAK CHUTISILP

Country Head of Thailand

The price index for new residential supply in Greater Bangkok should continue to rise in Q2'2024 as older inventory is absorbed following property stimulus measures starting this month.

The government's new stimulus measures for residential properties priced 7 million baht or lower should increase housing demand.

After the unsold units are absorbed, developers will launch new supplies priced at higher costs, leading to increases in the price index in the second half.

The price index of new low-rise houses and condos available for sale in Greater Bangkok in Q1 2024 rose by 2.5% and 0.2% Y-o-Y, respectively, to 131.5 and 155.0.

The index of low-rise houses increased for a fifth consecutive quarter, while the condo index picked up from 154.3 in Q4'2023 after posting 155.0 in Q3 and 155.1 in Q2'2023.

By category and location, the most significant Y-o-Y increase in the price index was for single detached houses in three neighbouring provinces -- Nonthaburi, Pathum Thani and Samut Prakan -- with a rise of 3.9% to 134.5.

This marked an increase over seven consecutive quarters since Q2'2022.

The uptick was particularly notable among projects launched in 2022-23, attributed to higher costs stemming from rising prices of construction materials.

The area with the most significant increase for single detached houses covered the districts of Bang Phli-Bang Bo-Bang Sao Thong in Samut Prakan for unit prices ranging from 5.01-7.5 million baht.

Second, were the districts of Lam Luk Ka, Khlong Luang, Thanyaburi and Nong Sua in Pathum Thani in the 3.01–5 million baht range, followed by the districts of Muang, Lat Lum Kaew and Sam Kok in Pathum Thani for units priced more than 10 million baht.

The Y-o-Y increase in the price index for townhouses in these provinces was higher than the gain for single detached houses, rising 4.1% to 133.8, recovering from a Y-o-Y decline in the Q'3 2023.

The area with the most significant increase in the townhouse category was Bang Phli-Bang Bo-Bang Sao Thong for unit prices ranging from 2.01-3 million baht, followed by Lam Luk Ka-Khlong Luang-Thanyaburi-Nong Sua, also within the same price range.

The price index of condos followed a similar trend to that of low-rise houses, with the most significant Y-o-Y increase in neighbouring provinces comprising Samut Prakan and Nonthaburi, rising by 1.2% to 143.2

The area with the most significant price increase for condos was the Muang and Pak Kret districts of Nonthaburi in the 2.01-3-million-baht range, followed by Bang Phli-Bang Bo-Bang Sao Thong with unit prices ranging from 1.5-2 million baht.

In Bangkok, the condo price index rose 0.01% Y-o-Y to 157.7, with the most significant increase in the Huai Khwang-Chatuchak-Din Daeng districts for units priced between 3.01-5 million baht.

IQI India is at the Forefront of defining Spaces

Mumbai City, which falls under the Brihanmumbai Municipal Corporation (BMC) jurisdiction, is expected to record property registration above 11,802 units in May 2024, adding over Rs 1,010 crore to the state exchequer for May 2024, as per the Knight Frank India report. Compared to the same time the previous year, property registrations have risen by 20% year-on-year (YoY), and revenues from property registrations are expected to increase by 21% YoY.

As per the report, the sustained confidence of homebuyers in Mumbai has maintained the momentum for property sales, leading to Mumbai's property registrations consistently surpassing the 10,000 mark for the first five months of the year. Also, the market has seen consistent YoY growth in registration for ten successive months since August 2023. Of the overall registered properties in May 2024, residential units constitute 80%.

According to the Knight Frank India report, the total number of properties registered in the first five months of this year was 60,622, higher by 16% YoY against the same period in 2023, which recorded the registration of 52,173 properties. This upward trend is a corroboration of the continued upward trend of property registrations in the city, especially in the higher value, as demonstrated by the fact that up to 50% of the residential properties registered are in the price band of above Rs 1 crore. Further, almost 21% of properties registered in May 2024 cost over Rs 2 crore.

Properties up to 1,000 sqft continue to lead in registrations.

In May 2024, there was a noticeable increase in the registration of apartments measuring between 500 sqft and 1,000 sqft, accounting for 51% of all property registrations. In contrast, apartments measuring up to 500 sqft comprised 33% of the registrations. Apartments constituting 1,000 sqft and above comprised only 15% of the total registrations, maintaining its status quo since February 2024.

New home sales volume has fluctuated over the past seven months, with alternating monthly increases and decreases observed since October 2023. Specifically, sales volume surged in months when major projects were launched and dipped in the absence of such projects in the following month.

This trend persisted last month, with new home sales experiencing a dip after a surge in the preceding month. According to data from the Urban Redevelopment Authority (URA), new home sales fell by 58.1 per cent to 301 units in April 2024 from 718 units in March 2024 due to a lack of significant project launches. On a year-on-year basis, last month's new home sales decreased by 66.2 per cent from 890 units in April 2023. The trends indicate that the launch of significant projects significantly impacts new home sales volume. Therefore, it is essential that buyers not interpret the increase or decrease in volume as a reflection of market sentiment.

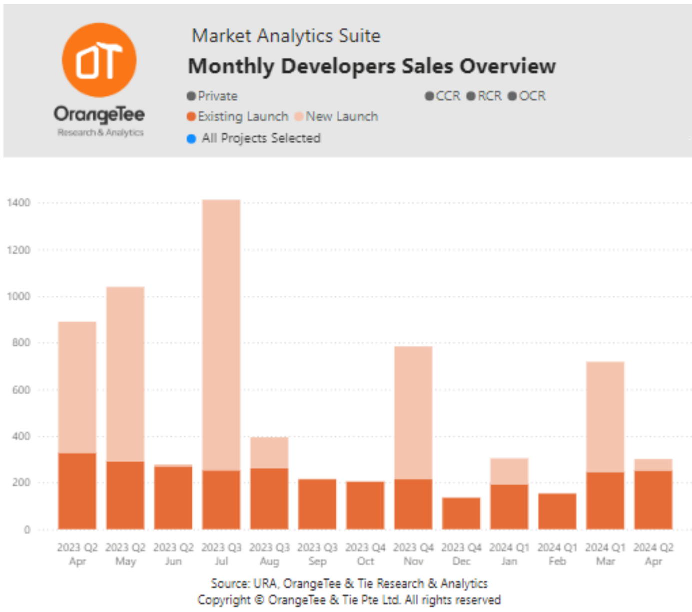
There were three new project launches in April – the 142-unit The Hill @ One North, the 59-unit The Hillshore and the 14-unit luxury development 32 Gilstead. Last month's best-selling projects were The Botany at Dairy Farm, The Hill @ One North, Hillhaven, Pinetree Hill, Lentor Hills Residences, Lentor Mansion and Hillock Green.

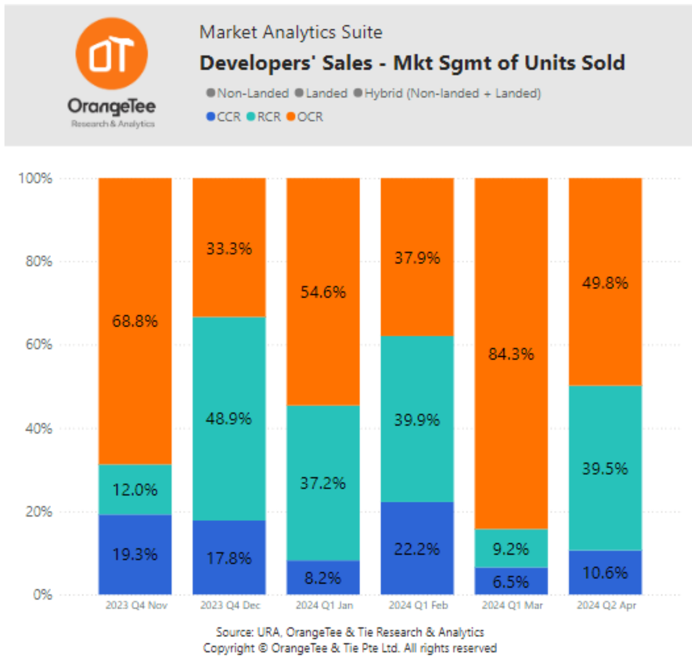
Last month's transactions, excluding E.C.s, were primarily concentrated in the city fringe areas and the suburbs. 49.8 per cent, or 150 units, were in the Outside Central Region (OCR), while 39.5 per cent or 119 units were in the Rest of Central Region (RCR). The remaining 10.6 per cent, or 32 units, were in the Core Central Region (CCR).
At the upper end of the market, there was a jump in new non-landed homes sold for at least S$10 million last month. According to URA Realis data, five such transactions were inked, the highest monthly sales since ten units were sold in Oct 2021.

12 new non-landed homes were sold for at least S$5 million, the highest transaction since November 2023 (60 units). The new luxury project, 32 Gilstead, accounted for four of the priciest transactions last month, with the highest price at S$14.5 million (S$3,455 psf) for a 4,209 sqft third-floor freehold unit.

The suburbs will likely maintain their strong presence in the new sales market. After the successful launch of Lentor Mansion, and supported by ongoing sales at Lentor Hills Residences and Hillock Green, more projects will be launched in the suburban areas.

This includes one of the most highly anticipated projects, SORA, scheduled for release soon. SORA comprises 440 units on Yuan Ching Road in the Jurong Lake District. It is a rare development that offers scenic greenery and picturesque lake views.





REHABILITATION PROJECT OF KAMPOT INTERNATIONAL TOURISM PORT AND THE CONSTRUCTION PROJECT OF THE CAMBODIA-KOREA FRIENDSHIP BRIDGE

A local company in the Kingdom of Cambodia has been awarded an investment of 5 to 10 million U.S. dollars to reopen Kampot International Tourism Port following its construction in 2022.

H.E. Peng Ponea, Minister of Public Works and Transport, said in an interview with H.E. Pen Bona, Spokesman of the Royal Government of the Kingdom of Cambodia, that "...to ensure that Kampot International Tourism is safe and sustainable for all of the ships smoothly navigate, the Royal Government of the Kingdom of Cambodia will select a port operator to sign a public-private partnership (PPP) agreement, requiring the port operator to perform some necessary obligations such as digging, pumping, wider waterways, more detailed study of navigation techniques, installation of navigation aids, and investments in the port's safety infrastructure to ensure that Kampot International Tourism becomes a full tourism port following national and international standards."

He added that the above public-private partnership agreement could be signed in the second quarter of 2024, and it is expected that it can commence its operations tentatively in the third quarter and officially open by the end of 2024.

In particular, on May 7, 2024, H.E. Phorn Rim, Spokesman for the Ministry of Public Works and Transport, said that the project to build a Cambodia-Korea Friendship Bridge connecting the night market to the Areyksat area is in the selection phase of technical consulting firm selected previously.

H.E. Phorn Rim confirmed that there are other phases of the procedure before fixing the date to open the construction site without being able to fix a specific time. The Cambodia-Korea Friendship Bridge was financed by a loan from the Republic of Korea and signed for nearly 246 million U.S. dollars on December 9, 2022.

H.E. Park Jung-Wook, the Extraordinary and Plenipotentiary Ambassador of the Republic of Korea to the Kingdom of Cambodia, said recently that the construction project of the Cambodia-Republic of Korea Friendship Bridge is expected to open the construction site by early 2025. According to the Cambodia-Korea Friendship Bridge project, two lines will be built, the first line connecting the front of the night market across the Tonle Sap to Chroy Changvar and the second line connecting Chroy Changvar across the Mekong River to Areyksat area.

The Royal Government of Cambodia and the Republic of Korea hope that Cambodia-Korea Friendship Bridge will contribute to the development of Cambodia and be a symbol of Cambodia-Korea friendship. Both countries will continue to expand cooperation to attract Korean companies to invest in Cambodia and expand in various fields, and strong cooperation between both countries will contribute to peace, stability and development in the ASEAN region and the Mekong region.

PROPERTY MARKET OUTLOOK 2024

Portugal's property market is flourishing in 2024, with experts predicting a growth of up to 15% in investment volume compared to 2023. These expectations are because of Portugal's political stability, growing appeal as a tourist destination, and ongoing infrastructure development.

Sustainable living is a rising trend, with new developments focused on green spaces and energy-efficient designs. Investors also look beyond traditional models, considering student housing, senior living, and co-working spaces.

Hotspot

Lisbon is the hotspot, and it attracts investors with its vibrant culture, strategic location, and booming tech scene. However, rising property prices raise concerns about accessibility, particularly for first-time buyers. The government is implementing regulations to ensure a balanced market, including potential restrictions on foreign ownership and more control of the rental market.

Rental Market

The rental market is robust, particularly in Lisbon, with high demand by expats, students, and digital nomads. Investors respond to the market by offering furnished apartments in central locations or nearby universities. The rise of short-term rentals offers high yields, but these are required regulations balancing tourism with residential needs.

Golden Visa Program

The country recently ended its Golden Visa program. Instead, they encourage entrepreneurship through the D2 Visa to diversify their economy. Investors are adapting by prioritising eco-friendly properties that meet stricter government environmental standards. This shift towards sustainability is shaping Portugal's property market for the long term.

Portugal's property market offers excellent opportunities for investors who can adapt to the changing environment. This means understanding new regulations, considering affordability, and prioritising sustainable practices. Investors who embrace these trends will have the potential to succeed in this dynamic and forward-looking market.

IRHAMY VALUERS INTERNATIONAL

IRHAMY AHMAD
Founder and Managing Director of Irhamy Valuers International

POTENTIAL REBOUND IN MALAYSIA'S OFFICE MARKET

For the past few years, deserted office spaces and a surge in remote work painted a picture of a declining office market. However, a recent report by NAPIC (National Property Information Centre) hints at a potential turnaround. With millions of square metres of office space currently under construction, could Malaysia's office market be poised for a dramatic take-off?

The office space market has grown significantly, with a 2.4% increase to 24.9 million square meters. This surge is attributed to the completion 13 new buildings in 2023, adding nearly 0.4 million square meters. The trend shows no signs of slowing down, with a further 1.25 million square meters currently under construction (across 40 buildings) and an additional 0.95 million square meters planned for future development (in 31 buildings). Interestingly, Kuala Lumpur dominates the market across all three supply categories. It contributes 41.1% of the existing office spaces and 57.3% of the upcoming supply.

State	Name of Building	Location	Category	Nett Lettable Area (s.m.)
Johor	Wisma Sunway Big Box	Medini Iskandar Puteri, Johor Bahru	Private Building	15,792
Perak	Menara Air Perak	Jln Raja Ashman Shah, Ipoh	Private Building	14,407
Negeri Sembilan	Kompleks Pentadbiran Pejabat Agama Islam Daerah Kuala Pilah	Pekan Kuala Pilah	Government Building	1,606
WP Kuala Lumpur	Corporate Tower @ Sunway Velocity 2	Jalan Peel Cheras, Kuala Lumpur	Private Building	29,185
	The Met Corporate Towers	Jalan Dutamas 2, Kuala Lumpur	Private Building	58,372
	Aspire Tower @ KL Eco City	Jalan Hj Abdullah Hukum, Kuala Lumpur	Private Building	38,850
	Merdeka 118 (Menara Warisan Merdeka)	Jalan Pudu, Kuala Lumpur	Private Building	150,962
	Ibu Pejabat Majlis Agama Islam Wilayah Persektuuan (MAIWP)	Jalan Raja Muda Abd Aziz, Kuala Lumpur	Government Building	18,957
	Pavillion Damansara Heights Corporate Towers	Jalan Damansara, Kuala Lumpur	Private Building	43,478
Sarawak	DCF @ Panggau Dayak Complex	Jalan Ong Tiang Swee, Kuching	Private Building	4,008
	DCCI @ Panggau Dayak Complex	Jalan Ong Tiang Swee, Kuching	Private Building	4,008
Sabah	Jabatan Audit Negara Negeri Sabah	Jalan Tuaran / Jalan Pemajuan Kota Kinabalu	Government Building	3,677
Total	**13 Buildings**			**398,735**

Summary of available Space for Purpose-Built Office as at 2023

State	Privately Buildings + Public Buildings Total Existing Space (s.m.)	Incoming Supply (s.m.)	Planned supply (s.m.)
WP Kuala Lumpur	10,236,990	716,580	761,621
WP Putrajaya	2,540,853	59,940	39,875
WP Labuan	67,051	0	0
Selangor	4,659,431	60,243	0
Johor	1,409,618	181,641	33,817
Pulau Pinang	1,081,974	76,693	28,975
Perak	667,897	8,767	11,305
Negeri Sembilan	344,041	8,831	0
Melaka	410,637	0	0
Kedah	432,028	0	0
Pahang	421,719	36,375	4,911
Terengganu	429,000	9,704	31,760
Kelantan	391,077	0	0
Perlis	131,038	25,085	0
Sabah	831,922	11,067	37,498
Sarawak	828,753	55,925	0
Malaysia	**24,884,029**	**1,250,851**	**949,762**

The 2023 office market saw RM1.63 billion in transactions across 28 buildings. It is important to note that nine deals originated from agreements made in prior years, potentially reflecting a more active market in 2021 and 2022. Significant office building transactions occurred in W.P. Kuala Lumpur during 2022 and 2023 as a testament to Kuala Lumpur's market strength.

Commercial Property: Purpose-Built Office in WP Kuala Lumpur (2022)

No.	Name of Property	Location	Transaction Year	Consideration (RM)
	Bangunan AHP	Jalan Tun Mohd Fuad 2	2022	RM 86,000,000.00
	Bangunan KWSP	Off Jalan Raja Chulan	2022	RM 62,000,000.00
	Menara Naza	Jalan Raja Muda Abdul Aziz	2022	RM 51,000,000.00
	Menara TM	Persiaran Semarak Api, Cyberjaya	2022	RM 35,288,000.00
	Menara Ambank	Jalan Pudu	2022	RM 22,000,000.00
	CIMB	Jalan Sri Semantan	2021	RM 32,000,000.00
	Menara Goucoland	Jalan Damanlela	2020	RM 242,100,000.00

Commercial Property: Purpose-Built Office in WP Kuala Lumpur (2023)

No.	Name of Property	Location	Transaction Year	Consideration (RM)
	Menara HSBC	Leboh Ampang, Kuala Lumpur	2023	RM 55,000,000.00
	Plaza VADS	Taman Tun Dr. Ismail, Kuala Lumpur	2022	RM 137,300,000.00
	The Weld	Jalan Raja Chulan, Kuala Lumpur	2022	RM 305,000,000.00
	Blok B, Plaza Damansara	Bukit Damansara, Kuala Lumpur	2023	RM 73,000,000.00
	Menara AA	Jalan Tun Razak, Kuala Lumpur	2023	RM 81,000,000.00

Despite recent concerns about remote work, the NAPIC report, with ongoing construction and substantial transaction volume in Kuala Lumpur, suggests a potential revival for Malaysia's office market. While some earlier agreements may contribute to the 2023 numbers, the significant amount of space under construction points towards continued growth. The dominance of Kuala Lumpur highlights its role as a critical player in this potential recovery. Older and dated buildings will be downgraded when newer buildings come onto the market. Pressure will pile in on the rentals and occupation rate. It will be interesting to see how the evolving hybrid work models and tenant demand impact this market trajectory

NEW APARTMENTS NOW COST NEARLY RM600,000 ON AVERAGE IN MALAYSIA.

The price of a new apartment has risen to an average of RM582,887 in Malaysia, according to data released by IQI Co-Founder and Group CEO Kashif Ansari in the Q1 Residential Sales Market Report – Malaysia.

This figure is above the average house price of the National Property Information Centre (NAPIC) for 2023, which was RM467,144.

The average subsale sales price across Malaysia in the first quarter of the year was RM521,614, the highest in Kuala Lumpur.

"It is no surprise that Kuala Lumpur has the most expensive property in the country," he told the media." The average subsale home price across Malaysia was RM521,614, and in Kuala Lumpur is RM801,557. New homes are somewhat more affordable, with an average price of RM708,462.
Advertisement

"After Kuala Lumpur, the three most expensive states for subsale homes are Sarawak (RM572,680), Sabah (RM526,510), and Johor (RM447,727). The following three most expensive states for new home sales are Johor, Sabah, and Kedah.

"Melaka is the least expensive state for new units. The average price of a new unit home in Melaka is RM305,463. After Melaka, the next least expensive states in which to buy a new unit are Pahang (RM338,690), Perak (RM343,028), and Kelantan (RM352,970)."

The IQI report is based on analysing more than 70,000 residential sales in the subsale and new project markets across Malaysia since 2018.

If you want a copy of the full report, contact me at dave@juwaiiqi.com.

IQI Moments

JUWAI IQI INTERNATIONAL CONVENTION 2024 AND JUWAI IQI FESTIVAL: HOLLYWOOD GLAMOUR 2024

Both events were held on 29 and 30 May 2024 at the Malaysia International Trade and Exhibition Centre (MITEC), and they were a resounding success!

The event brought together industry and technology experts, real estate agents and negotiators worldwide for forum discussions to share their knowledge and experience.

Many agents were recognised at the Convention for their outstanding efforts and contributions to the real estate industry. The awards were a testament to the hard work and dedication that these agents had put into their work.

Meanwhile, the Juwai IQI Festival 2024 was a fun-filled Hollywood extravaganza that brought together agents and staff clad in Hollywood outfits and makeup, making the evening feel like being in the world of Hollywood, with incredible performances by Kpop group Narin, Rock Zone with our very own in-house DJ, Juwai IQI got talent competition, best dress prizes and lucky draws to win trips to New York, Spain and Japan.

The festival allowed everyone to let their hair down, dance, and enjoy themselves. The Juwai IQI Festival was another opportunity to present agents with more awards for their incredible performance throughout the year.

IQI Moments

JUWAI IQI WELCOMES MDEC TO LAUNCH INTERNATIONAL CONVENTION 2024

Mr Gopi Ganesalingam, Head of Digital Exports, launched the Convention, and other sessions delved into a wide range of vital topics, including applying AI and automation, leveraging social media, property marketing, and trends in international investment markets.

Real estate is one of the most attractive tech-enabled professions in Malaysia today. The number of people working in real estate and business services has climbed by 17% since 2016 to nearly 1.2 million.

EDGEPROP AND PROPMALL PARTNERSHIP EMPOWER IQI AGENTS WITH NEW DATA AND MARKETING RESOURCES

IQI announced a new partnership with EdgeProp and Propmall to give IQI agents in Malaysia new data, mapping, and marketing capabilities during the Juwai IQI International Convention 2024!

Under the new partnership, all IQI agents in Malaysia will have access to EdgeProp's EPIQ mapping and property data platform, which contains over 20 million data points.

Combining EPIQ and IQI's proprietary data and technology will give IQI agents and negotiators the most powerful technology and data tools available.

As for PropMall, IQI agents can engage other agents to market their properties. For sales agents, PropMall helps them discover the most relevant list to buy, allowing them to complete more transactions and increase their commission earnings. By partnering with EdgeProp and PropMall, IQI 's real estate agents will have an advantage with better market data!

WE WOULD LIKE TO THANK OUR SPONSORS FOR THE JUWAI IQI CONVENTION 2024

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