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MONTHLY Newsletter

JULY 2024

HIGHLIGHTS

AUSTRALIA

CoreLogic's Home Value Index increased by 0.8% in May, marking the 16th consecutive month of growth.

GREECE

The rate of change for prime office in Greece stood at 2.1% and for office rents of all classes at 1.5%.

BALI

Leasehold properties in Bali have consistently dominated, representing 71.

VIETNAM

A rosier outlook for Vietnam's real estate market could emerge in the second quarter 2025.

HONG KONG

The sale and purchase transaction volume has dramatically declined in the second half of 2024.

CoreLogic's Home Value Index increased by 0.8% in May, marking the 16th consecutive month of growth and the most significant monthly rise since October last year. Medium-sized capital cities continued to grow, with Perth's home values up by 2.0%, Adelaide's by 1.8%, and Brisbane's by 1.4%. In monetary terms, this represents an increase of more than $12,000 in the median dwelling value in each city month to month.

Other capital cities experienced more moderate changes, with Sydney's values increasing by 0.6%, while Hobart and Darwin saw declines of 0.5% and 0.3%, respectively. CoreLogic's research director, Tim Lawless, attributed the varying growth rates to deficient levels of available supply in the strongest markets.

"The number of properties for sale in Perth and Adelaide is more than 40% below the five-year average for this time of year, while Brisbane's listings are 34% below average," said Mr Lawless. "Despite an increase in vendor activity compared to last year, inventory levels in these markets remain well below average. Market demand quickly absorbs fresh listings, maintaining low stock levels and putting upward pressure on prices."

Perth experienced the highest property price growth in the past year and is projected to continue leading the nation for the next two years. A PropTrack report indicates that Perth property prices rose by 20.58% over the past year.

A new National Australian Bank (NAB) residential survey predicts Perth property prices will grow by 5.2% next year, the highest rate in the nation and significantly above the national average increase of 2.8%. In 2026, prices are expected to grow by 4.1%, again leading the nation along with South Australia.

NAB's updated forecast represents a slight reduction from their initial predictions of 6% and 5.1% increases, respectively.

PropTrack also noted that Perth home prices rose by 0.73% in May to reach a new peak of $699,000, marking the most significant monthly increase among all markets and the 22nd consecutive month of home price growth for Perth. Perth remains the most substantial market in the country in terms of annual growth, with prices up 20.58%.

Meanwhile, regional W.A. prices slightly declined 0.03% in May from their recent peak. Nevertheless, they were 11.67% higher than their May 2023 level, representing the second-strongest annual performance among regional markets.

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 31 May, 2024

	Change in dwelling values				
	Month	Quarter	Annual	Total return	Median value
Sydney	0.6%	1.2%	7.4%	10.6%	$1,156,020
Melbourne	0.1%	-0.2%	1.8%	5.5%	$780,437
Brisbane	1.4%	3.9%	16.3%	21.0%	$843,231
Adelaide	1.8%	4.3%	14.4%	19.0%	$757,448
Perth	2.0%	6.1%	22.0%	27.8%	$736,649
Hobart	-0.5%	0.3%	-0.1%	3.9%	$655,170
Darwin	-0.3%	1.9%	3.5%	10.3%	$502,120
Canberra	0.5%	0.7%	2.0%	6.1%	$840,100
Combined capitals	**0.8%**	**1.9%**	**8.8%**	**12.7%**	**$864,780**
Combined regional	**0.6%**	**2.0%**	**6.8%**	**11.6%**	**$626,888**
National	**0.8%**	**1.9%**	**8.3%**	**12.5%**	**$785,556**

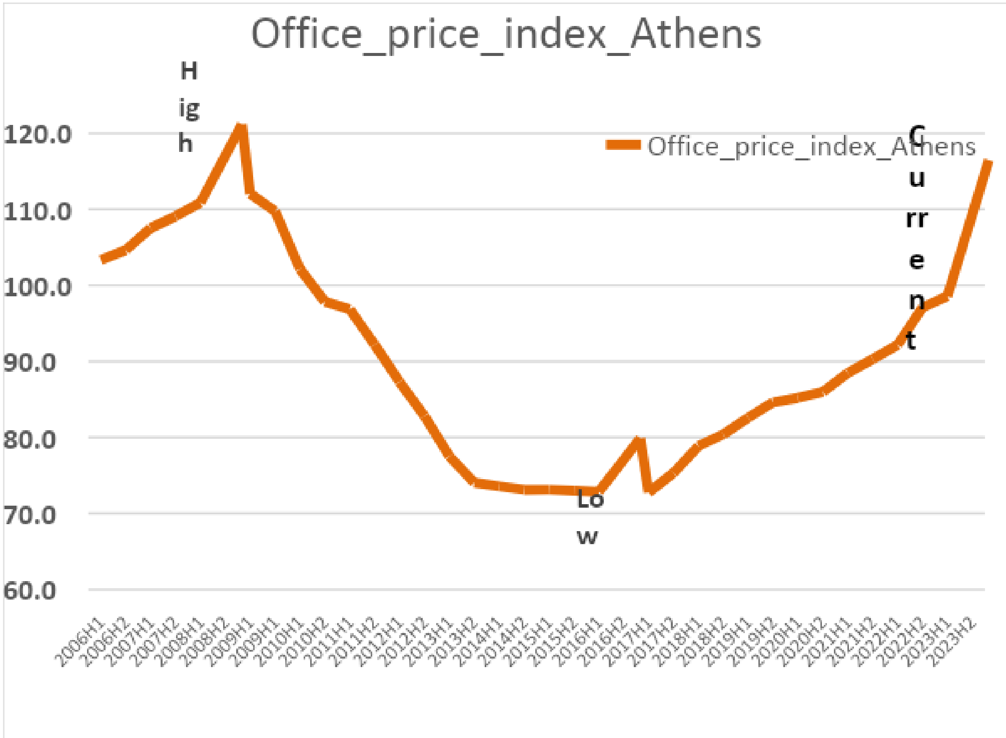
NIKOS PRATIKAKIS
Head of IQI Greece

GREEK COMMERCIAL PROPERTY PRICES CONTINUE TO SHINE.

In 2023, the average annual rate of change for prime office prices for the entire country stood at 5.9% and for office rents of all classes at 6.2%, according to the official data of the Central Bank of Greece (BoG). In the second half of 2023, the rate of change for prime office prices for the entire country stood at 2.1% and for office rents of all classes at 1.5%, compared with the first half of 2023.

In 2023, the average annual rate of change for prime retail prices for the entire country stood at 6.9% and for retail rents of all classes at 5.7%. In the second half of 2023, the rate of change for prime retail prices for the entire country stood at 2.4% and for retail rents of all classes at 1.1%, compared with 1H 2023.

Chart 1 : Office price index



According to provisional data for 2023, prime office prices (in nominal terms) for the entire country increased on average by 5.9% relative to 2022, against an increase of 3.6% in 2022. Broken down by region, in 2023, prime office prices increased on average by 5.7% in Athens (the capital of Greece), 2.2% in Thessaloniki (the second-largest city) and 6.9% in the rest of Greece. In the second half of 2023, prime office prices increased by 2.1% at the country level compared with the first half of 2023 (provisional data).

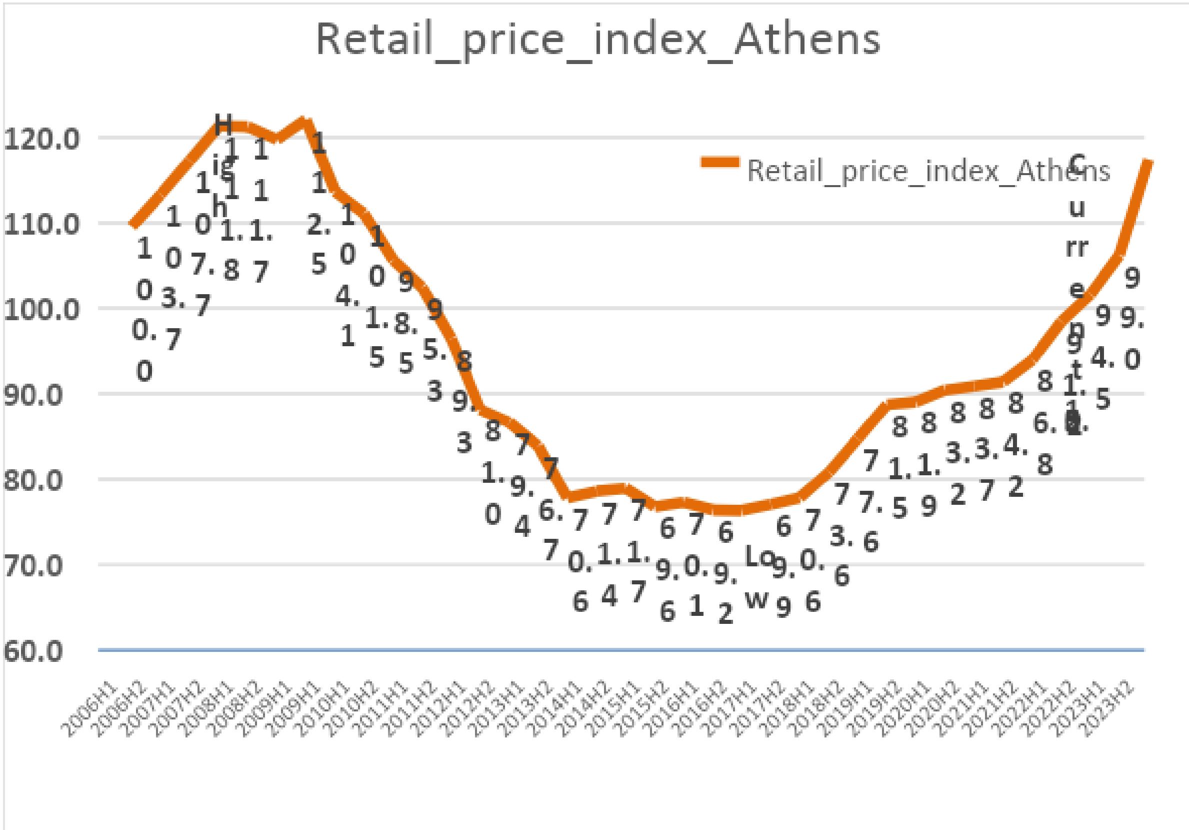
According to revised data, in the second half of 2022, prime office prices increased by 3.8% compared with the previous half-year, whereas in the first half of 2023, they increased respectively by 2.9%. Broken down by region, in the second half of 2023, prime office prices increased by 2.9% in the greater Athens area, 0.1% in Thessaloniki and 1.3% in the rest of Greece, compared with the first half of 2023.

In 2023, office rents of all classes for the country increased on average by 6.2% in nominal terms (provisional data). Broken down by region, the corresponding average annual rate of increase in rents was 6.0% in Athens, 7.8% in Thessaloniki and 6.1% in the rest of Greece. In the second half of 2023, office rents for the entire country increased by 1.5% compared with the first half of 2023 (provisional data). The respective rates of change were 2.0% in the second half of 2022 and 4.4% in the first half of 2023 (revised data).

Retail indices

According to provisional data for 2023, prime retail prices (in nominal terms) increased on average by 6.9% at the country level, relative to 2022, against an increase of 6.2% in 2022. Broken down by region, in 2023, the corresponding average annual increase rates were 8.5% in Athens, 7.3% in Thessaloniki and 4.0% in the rest of Greece.

Chart 2 : Retail price index



In the second half of 2023, prime retail prices increased by 2.4% compared with the previous half-year at the country level (provisional data). The corresponding rates of change were 2.9% in the second half of 2022 and 4.1% in the first half of 2023 (revised data).

According to regional data, in the second half of 2023, prime retail prices increased by 3.4% in the greater Athens area, 0.5% in Thessaloniki and 1.2% in the rest of Greece, compared with the first half of 2023. In 2023, retail rents of all classes for the country increased on average by 5.7% in nominal terms (provisional data). Broken down by region, the corresponding average annual increase rates were 6.2% in Athens, 5.3% in Thessaloniki and 5.2% in the rest of Greece.

In the second half of 2023, retail rents for the entire country increased by 1.1% compared with the first half of 2023 (provisional data). The respective rates of increase were 1.6% in the second half of 2022 and 4.3% in the first half of 2023 (revised data).

GLOBAL MACRO-ECONOMIC OUTLOOK 2024: WILL INFLATION COME DOWN?

I just came back from Chicago and Boston a month ago. I attended the Chicago Booth class reunion and the Harvard Business School networking session. What I have observed during my two-week stay. Generally, American consumers are worried about 3 variables

a) Geopolitical risk
b) Higher inflation
c) Higher interest rates

Policy divergence becomes the centre of discourse. There is a great schism among the Big 4 central banks [FED/ ECB/ BoE/ BoJ] as policy levers are making a slow impact. The economic cost of policy error is getting higher, primarily monetary policy. Inflation will remain high for advanced economies till 2026-27 and lower in emerging markets till 2025 before going higher. The global economy will not recover before 2027-29. Stagflation is here to stay, and the 1970 era is in vogue. History repeats.

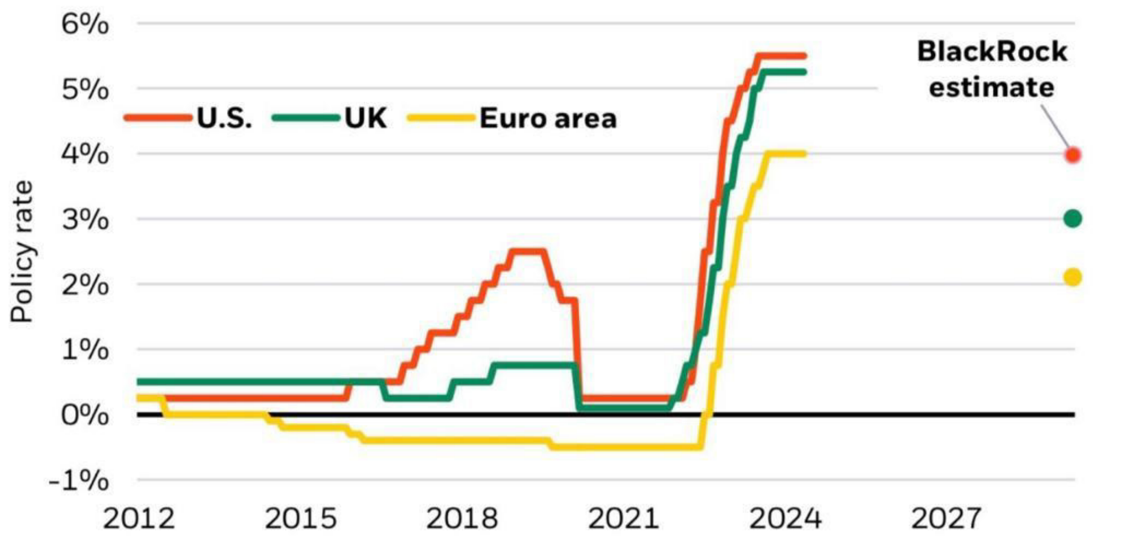
MONETARY POLICY OUTLOOK FROM BIG BANKS. EXPECTATION FROM BLACKROCK

Our policy rate estimates in 5 years are below: central banks will not be able to cut far and fast as inflation pressures persist. This week marks an unusual start of a global easing cycle: BOC and ECB cut for the first time since the start of the pandemic, while thanks to a red hot #nfp (wage consistent with inflation settling close to 3% rather than 2%), first Fed cut was pushed out from Nov to Dec.

At the root of this unusual combination is structural #transformation – driven by the rise of A.I., the low-carbon transition, ageing populations and geopolitical fragmentation - of unprecedented combined.

Coming down, slowly

Central bank policy rates, historic and our estimates, 2012-2029



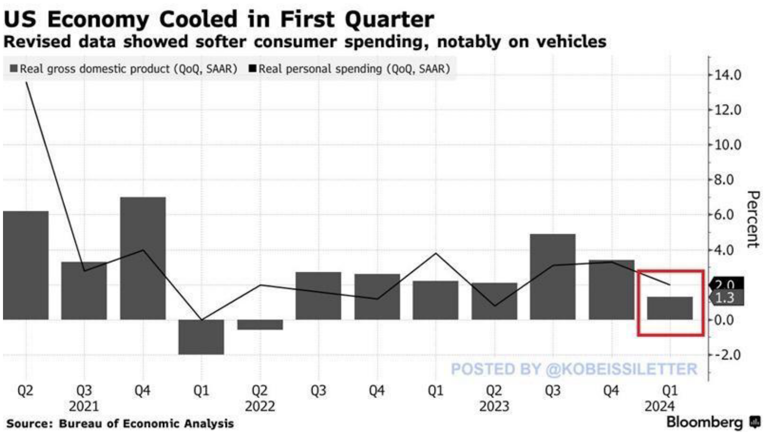
Forward looking estimates may not come to pass. Source: BlackRock Investment Institute, with data from LSEG Datastream, May 2024. Notes: The chart shows the central bank policy rates until 2024 and our estimate of policy rates in five years. The dots shown reflect our view of the neutral policy rate – that neither stokes nor dampens growth – and our assessment of the factors that will influence it. These estimates are subject to uncertainty and based on assumptions that may not come to pass.

S&P APPRECIATION / GAIN OUTLOOK IN 2024.

The equal-weighted S&P 500 relative to the S&P 500 index has dropped to its lowest level since March 2009. This year, the S&P 500 has gained ~12% while the equal-weighted index rallied just 3%. At the same time, Magnificent 7 stocks have rallied over 50%. Since the ratio peaked in February 2023, the S&P 500 is up ~29% compared to a 7% gain of the equal-weighted index. Meanwhile, the top 10% of U.S. stocks now account for ~75% of the S&P 500, the most since the 1930s'. So few names have ever driven the market. How long can the Magnificent 7 lead higher?

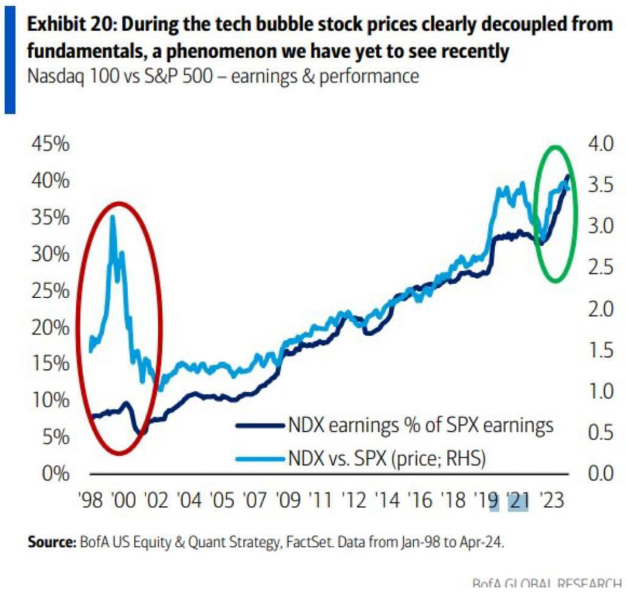
Latest report from Bank of America

S&P 500 is up 12% YTD, but ex-NVDA, it is up 7.9%, "Magnificent 7" is up 4.9%, "A.I. Big Ten"* is up 3.6%... and the Russell is back to red for the year... which shows that we have a narrow monopolistic tech "revenue" bull market, one in which the A.I. Big Ten market cap is up from $5tn to $13tn since Q1 23 while their revenues have grown only from $1.3tn to $1.5tn.



Tech bubble? Latest Update from Bank of America

BofA | During the tech bubble, stock prices decoupled from fundamentals, a phenomenon we have yet to see recently.



STAFLATION IS HERE TO STAY FOR MANY ADVANCED ECONOMIES. MONETARY POLICY SHENANIGAN

Who made the first call about stagflation in November 2020? IQI Newsletter has documented that. Has stagflation been confirmed? The second reading of U.S. Q1 2024 GDP fell to 1.3%, below the initially reported growth of 1.6% last month. This is ~60% less than the 3.4% growth in Q4 2023. This downward GDP revision primarily reflected slower consumer spending of -2.0%, down from the previously reported +2.5% expansion. Meanwhile, the Core PCE Price Index hit 3.6%, sharply from its 2.0% reading in Q4 2023. A weakening economy with rising inflation is the worst outcome for the Fed. Is the Fed trapped?

Juwai IQI

TACO HEIDINGA
Global Strategic Advisor

Where to Invest Next : Exploring Global Real Estate Trends

THE NEXT BEST INVESTMENT IN PROPERTY FOR THE SECOND HALF OF 2024

Introduction

The property market has been dynamic in the first half of 2024, with specific trends pointing towards promising investment opportunities. As we move into the second half of the year, understanding these trends can help investors make informed decisions. This article will explore the next best investment in property for the latter half of 2024, supported by data and a simple chart to illustrate critical points.

Market Overview of the First Half of 2024

In the first half of 2024, the property market witnessed significant changes driven by economic shifts, technological advancements, and evolving consumer preferences. Key trends included:

1. **Rise of Remote Work**: Continued preference for remote work has bolstered the demand for suburban and rural properties.
2. **Sustainability Focus:** Properties with green certifications and energy-efficient features have become more attractive to buyers.
3. **Tech-Enhanced Homes:** Smart homes with advanced technological integrations have seen increased demand.
4. **Urban Rental Market Rebound:** Urban areas have started to recover, with rental markets experiencing growth due to a resurgence of city life.

Identifying the Next Best Investment

Based on the trends observed in the first half of 2024, the following property investments are poised for growth in the second half:

1. **Suburban Properties:** With remote work becoming a long-term norm for many companies, suburban areas offer a blend of space, affordability, and quality of life. These areas are desirable to families and remote workers seeking a balance between work and personal life.
2. **Sustainable Developments:** Properties that are energy-efficient and environmentally friendly are popular among buyers and benefit from government incentives. Investments in sustainable real estate can yield high returns due to growing demand and favourable regulations.
3. **Urban Multifamily Units:** The rental market is resurgent as urban areas recover. Multifamily units in urban centres offer the potential for steady rental income and long-term appreciation, especially as young professionals and students return to cities.
4. **Vacation Rentals:** The travel industry is bouncing back, and vacation rentals in popular tourist destinations are seeing increased bookings. Investing in vacation properties can be lucrative, particularly in areas with year-round appeal.

Conclusion

Investors looking for the next best property investment in the second half of 2024 should consider suburban properties, sustainable developments, urban multifamily units, and vacation rentals. Each segment offers unique opportunities based on the trends observed in the year's first half. By focusing on these areas, investors can position themselves to maximise returns and capitalise on the evolving property market dynamics.

BALI REAL ESTATE MARKET ANALYSIS: Q1 2024 VS. 2023

The Bali real estate market continues evolving, presenting unique opportunities for investors and homebuyers. Understanding the latest trends and market dynamics is crucial for making informed decisions. This report provides a comprehensive analysis of the Bali real estate market, comparing data from Q1 2024 to the previous year, with insights drawn from reliable sources such as REID.

In the Bali real estate market, leasehold properties have consistently dominated, representing 71% of the market in both 2023 and Q1 2024, while freehold properties accounted for 29%. This stability reflects a preference for leasehold arrangements among buyers and investors.

The market saw a noticeable decline in median prices. The median list price decreased from $400K in Q1 2023 to $349K by Q4 but slightly recovered to $387K in Q1 2024. Similarly, the median sale price fell from $322K in 2023 to $300K in Q1 2024. This trend suggests a market correction, making Bali properties more accessible.

Regional market supply shifted slightly, with Central Badung (Seminyak to Canggu) consistently holding a significant share and Mengwi (Pererenan to Cemagi) increasing its market presence. In Q1 2024, Central Badung and Mengwi accounted for 23% and 26% of the market supply, respectively, indicating growing interest in these areas.

When examining property sizes, three-bedroom properties saw increased supply and demand. In Q1 2024, 35% of the market supply and 38% of sales were three-bedroom properties. The median price per square meter for three-bedroom properties was $1,700, down from $1,749 in Q4 2023, while one-bedroom properties decreased to $2,100 per square meter.

Rental properties experienced high supply and variability in the Average Daily Rate (ADR), with the highest ADR recorded in January 2024. The market's resilience is further underscored by the recovery in international visitor numbers, particularly from China, which contributed 10% of arrivals in Q1 2024, up from 5% in 2023.

Overall, the Bali real estate market in Q1 2024 shows signs of stabilisation and recovery, particularly in regional supply dynamics and international tourism, despite the observed decline in property prices.

We invite you to connect with us to explore these trends further and discover the best opportunities in Bali's real estate market. Thank you to REID for their invaluable data and insights, which have been instrumental in compiling this analysis. Feel free to contact *dani@teamiqi.com.* for more detailed information or personalised advice on your real estate ventures in Bali.

DUSTIN TRUNG NGUYEN

Head of IQI Vietnam

An expert says a rosier outlook for Vietnam's real estate market could emerge in the second quarter of 2025 as investor confidence increases and interest rate pressures ease.

As this happens, there is an anticipation that the apartment segment will generate the most significant interest.

Starting Q4, the market will see a gradual return of investors, with increased liquidity in segments catering to actual demand. At this time, buyers will prioritise apartments with guaranteed legal status and affordability, Anh noted.

From Q4/2024 to Q2/2025, the market will see a consolidation phase with more favourable monetary conditions. In this period, detached houses and shophouses may see an uptick in transactions.

Buyers will continue prioritising affordability and legal status during this period, favouring residential properties.

In Q2-Q4 2025, the "untouched" land and villas will take the spotlight, with buyers focusing more on investment demand and price growth potential rather than selling price and legality of properties.

Starting Q1/2026, the realty market will stabilise, with most segments returning. Buyers will seek opportunities in high-demand properties with limited availability and potential for quick price hikes.

According to the Vietnam Association of Realtors (VARS), the property market recorded an absorption rate of 31% with 6,200 transactions closed in Q1/2024, up 8% from Q4/2023 and double that of the same period of the previous year.

THE HONG KONG PROPERTY MARKET: NAVIGATING CHANGING TIDES

Executive summary

The Hong Kong property market has recently faced significant shifts, influenced by the COVID-19 pandemic and the upward trend in U.S. interest rates. This report provides an overview of the current state of the market, highlighting key developments and transactions.

Market Overview

- The sale and purchase transaction volume has dramatically declined, with the record showing only a few hundred deals closed in February 2024.
- In response to the market conditions, the Financial Secretary of Hong Kong announced that all cooling measures on the property market would be removed in late February.
- Furthermore, the Hong Kong Monetary Authority (HKMA) extended relaxations on mortgage regulations, increasing the maximum Loan-to-Value (LTV) ratios for properties valued at HK$30 million (US$3.85 million) or below and removing the stress test requirement for property mortgage lending.

Primary Market Transactions:

- The primary market has seen a resurgence in activity, with an accumulative transaction volume of over 8,000 units recorded from March till mid-June.
- Significant bulk purchases have occurred, with investors under shell companies acquiring 24 units on an entire floor of the Belgravia Place development in Cheung Sha Wan, Kowloon, for HK$167 million (US$21.4 million).
- The saleable areas of these units ranged from 198 to 756 square feet, with average prices from HK$18,400 to HK$27,000 per square foot (US$2,360 to US$3,500 per square foot).
- Investors purchased 9 units of THE HOLBORN development in Quarry Bay on Hong Kong Island.

Office Market:

- Full-floor units on 23rd and 30th at the Bank of America Centre in Central, Hong Kong Island, were sold for around HK$250 million and HK$260 million (US$32 million to US$33 million), at approximately HK$18,000 and HK$19,000 per square foot (US$2,300 to US$2,400 per square foot), respectively.
- These transactions represent a significant drop of over 60% from the peak price per square foot of HK$53,800 (US$6,900) recorded in 2019.

Retail Market:

- In Tsim Sha Tsui, Kowloon Peninsula, two street-facing shops on Cameron Road (totalling 1,950 square feet) were acquired for HK$63.0 million (US$8.07 million) at HK$32,308 per square foot (US$4,150 per square foot), with an estimated initial yield of 5.0%.
- Another street-facing shop (300 square feet) at Carnarvon Mansion was sold for HK$26.0 million (US$3.3 million), at HK$86,667 per square foot (US$11,110 per square foot), with an estimated yield of 4.5%.

The Hong Kong property market has recently experienced significant volatility, with the COVID-19 pandemic and rising U.S. interest rates contributing to a sharp decline in transaction volumes. However, the relaxation of cooling measures and mortgage regulations has resulted in renewed activity, particularly in the primary market and select office and retail segments. As the market continues to navigate these changing tides, it will be crucial for investors and stakeholders to monitor the evolving trends and make informed decisions closely.

UNDERSTANDING COMMERCIAL REAL ESTATE INVESTMENTS

Commercial real estate offers unique investment prospects beyond typical residential properties. Here, we explore the types of commercial properties, potential returns, and risk factors to help you make informed decisions.

Types of Commercial Real Estate

- **Office Buildings**

Include high-rises, mid-rise buildings, medical offices, and single-tenant offices. Post-pandemic, this sector faces challenges with high vacancy rates and declining value.

- **Industrial Properties**

Consists of warehouses, factories, and logistics facilities. Benefits include long-term leases and steady returns, though properties often need customisation for tenants.

- **Multifamily Rentals**

Comprise apartment buildings, townhouses, and other multi-unit properties. They offer stable income but have seen a decline in rental rates recently.

- **Retail Spaces**

Cover supermarkets, strip malls, and large shopping complexes. This segment has performed well compared to other commercial real estate, with minimal declines in value.

- **Special-Purpose Commercial Real Estate**

Includes hospitality properties like hotels and senior living facilities. These sectors are influenced by tourism trends and demographic shifts, respectively.

Factors to Consider in Commercial Real Estate Investments

- **Location**: Affects value and utility significantly.
- **Zoning Laws**: Dictate acceptable property uses and constraints.
- **Market Trends**: Assess population growth and demographic changes.
- **Financial Assessment**: Include capital requirements, ongoing expenses, and revenue strategies.

Most Profitable Types of Real Estate Investment

- **High Tenant Count:** Properties with many tenants, like residential vehicle parks and storage facilities, offer higher returns.
- **Triple Net Leases:** Tenants handle rent, taxes, and maintenance, reducing owner costs.
- **Flex Industrial Space:** Considered lower risk due to tenant stability and property flexibility.

Benefits and Risks of Commercial Real Estate Investing

Pros:

- **Consistent Returns:** Regular rent payments provide steady income.
- **Passive Income:** Especially when managed by investment funds or property management companies.
- **Capital Appreciation:** Potential for properties to increase in value.
- **Leverage:** Loans can increase return potential.

DANTE AZARMI
Head of Business Development

Cons:

- **High Costs:** Significant initial investments and potential reliance on debt.
- **Market Fluctuations:** Economic shifts can impact vacancy rates and property values.
- **Property Management:** Requires effective oversight or reliable management services.

Tips for Successful Commercial Real Estate Investing

- **Diversification:** Invest in multiple properties or those with multiple tenants to spread risk.
- **Network Building:** Connect with local real estate professionals for insights and resources.
- **Due Diligence:** Thoroughly evaluate potential deals and consider worst-case scenarios.

Evaluating Commercial Real Estate Investments

- **Location and Market Trends:** Consider how location and demographic changes impact the property's success.
- **Financial Analysis:** Ensure the potential return justifies the risk.

Tax Implications

Commercial properties have more extended depreciation periods and specific capital gains tax implications. Seek advice from a tax professional to navigate these complexities.

Conclusion

Investing in commercial real estate requires careful consideration of location, market trends, and financial factors. Diversification, thorough due diligence, and professional advice are critical to successful investments. Align your investment strategy with your financial goals to navigate the complexities of this landscape effectively.

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.

Beyond the impressive nominal price increase of Turkish properties lies a more exciting and involved investor narrative.

As we look ahead to the second half of 2024, Turkey's property market finds itself at a crossroads where foreign investors have multiple choices.

The CBRT's shift to aggressive interest rate hikes to rein in inflation and stem the lira's slide could significantly influence Turkey's real estate market in the second half of 2024. On the one hand, the rate hikes should help stabilise the lira and tame rampant inflation – restoring confidence among domestic and foreign buyers who know the market's dynamic moves. A stronger lira would also boost the purchasing power of local buyers, potentially spurring demand and competition with foreign buyers.

However, the flip side is that higher interest rates would make mortgages more expensive for locals, thus dampening domestic demand. This could price out domestic buyers, but it could also – by default – produce a rental market surge. Foreign buyers, critical market drivers in recent years, may also pull back if the lira strengthens significantly, as Turkish real estate would become more expensive.

The primary driver for foreign-based investments has been that Turkey is a ground-floor real estate opportunity where millionaires live like billionaires. Investors are nowhere else in Europe able to get Turkey's value-for-dollar proposition – especially on the Mediterranean coastlines.

Developers may also feel the squeeze of higher borrowing costs, potentially leading to a slowdown in new construction. This could help rebalance the market and prevent oversupply. However, it could also lead to job losses in the construction sector, a key engine of economic growth for local Turkish economies.

Much will depend on the pace and consistency of the CBRT's tightening cycle and the government's broader economic and fiscal policies.

If the rate hikes are sustained and coupled with prudent fiscal measures, it could lay the foundation for a more stable and balanced real estate market for the foreseeable future. However, if the tightening is short-lived or undermined by contradictory policies, it could fuel the dynamics of the market's history. With cooling demand and slowing price growth, the CBRT's hawkish turn could be a headwind for Turkey's property market.

However, if it succeeds in stabilising the macroeconomic environment, it could pave the way for a healthier, more sustainable market in the long run. As always, the key will be striking the right balance between curbing excess and supporting growth.

In May 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 7,013 sales through the Toronto Regional Real Estate Board (TRREB) MLS® System in May 2024 – down by twenty-one per cent compared to May 2023. New listings were up by 21.1 per cent over the same period. Sales edged lower on a seasonally adjusted monthly basis, while new listings were up compared to April.

- The MLS® Home Price Index (HPI) Composite benchmark was down by 3.5 per cent year-over-year. The average selling price was down by 2.5 per cent to $1,165,691. On a seasonally adjusted month-over-month basis, the MLS® HPI Composite the average selling price edge up slightly compared to April 2024.

Sales & Average Price by Major Home Type

	Sales			Average Price		
May 2024	416	905	Total	416	905	Total
Detached	851	2,387	3,238	$1,826,370	$1,392,699	$1,506,675
Semi-Detached	274	342	616	$1,416,496	$979,394	$1,173,819
Townhouse	255	894	1,149	$1,044,874	$919,286	$947,158
Condo Apt	1,297	645	1,942	$767,064	$657,925	$730,815
YoY % change	416	905	Total	416	905	Total
Detached	-11.4%	-21.9%	-19.4%	-4.5%	-3.5%	-3.2%
Semi-Detached	-3.5%	-31.5%	-21.3%	1.3%	-9.6%	-2.0%
Townhouse	-16.9%	-26.2%	-24.3%	-2.2%	-6.9%	-5.6%
Condo Apt	-23.2%	-25.8%	-24.1%	-2.3%	-3.0%	-2.4%

Year-Over-Year Summary

	2024	2023	% Chg
Sales	7,013	8,960	-21.7%
New Listings	18,612	15,363	21.1%
Active Listings	21,760	11,869	83.3%
Average Price	$1,165,691	$1,195,409	-2.5%
Avg. LDOM	19	14	35.7%
Avg. PDOM	28	20	40.0%

Vancouver

- The MLS® Home Price Index composite benchmark price for all residential properties in Metro Vancouver is currently $1,212,000. This represents a 2.3 per cent increase over May 2023 and a 0.5 per cent increase compared to April 2024.

- The total number of properties currently listed for sale on the MLS® system in Metro Vancouver is 13,600, a 46.3 per cent increase compared to May 2023 (9,293). This is 19.9 per cent above the 10-year seasonal average (11,344).

- Greater Vancouver REALTORS® (GVR) reports that regional residential sales totalled 2,733 in May 2024, a 19.9 per cent decrease from the 3,411 sales recorded in May 2023. This was 19.6 per cent down the 10-year seasonal average (3,398).

Quebec

Residential: Summary of Centris Activity

	May			Year-to-date		
	2024	2023	Variation	2024	2023	Variation
Total sales	9,104	8,664	↑ 5%	39,618	34,359	↑ 15%
Active listings	39,101	31,548	↑ 24%	37,188	31,021	↑ 20%
New listings	13,945	11,970	↑ 16%	63,495	52,206	↑ 22%
Sales volume	$4,579,255,816	$4,175,407,022	↑ 10%	$19,360,361,454	$15,624,826,684	↑ 24%

The Saudi Arabian real estate market is experiencing a significant surge, driven by factors that present substantial opportunities for investors. Key elements such as government investment, economic reforms, and a growing population fuel this dynamic growth.

Investor Confidence and Record-Breaking Deals
Since the beginning of 2024, Saudi Arabia has witnessed over 280,000 real estate transactions, totalling more than $170 billion. This remarkable activity reflects strong investor confidence and a vibrant residential, commercial, and industrial market. Experts point to several reasons for this confidence:

- **Government Policies and Economic Stability**: There is a widespread belief in the stability and effectiveness of the government's policies.
- **Robust Regulatory Framework**: Investors are attracted to solid regulatory protections.
- **Safe Haven Investment**: Real estate is increasingly considered a stable investment option compared to the stock and gold markets.

Vision 2030 and the Rise of Mega-Projects
The growth of the real estate market is a result of strategic planning and visionary initiatives. Key among these is Vision 2030, a government initiative aimed at diversifying the economy and reducing dependence on oil. Ambitious mega-projects like NEOM and the Red Sea project significantly contribute to this growth, attracting substantial foreign investment and creating numerous job opportunities.

Recent activity in the real estate stock exchange, exceeding SAR 331.7 million a week, highlights increased transparency and accessibility, further bolstering investor confidence.

Looking Ahead

The future of the Saudi Arabian real estate market is optimistic, with some analysts predicting it could become the world's largest construction market by 2028. Several factors support this optimistic outlook:

Continued Government Spending: Ongoing investment in infrastructure and mega-projects will provide a solid foundation for growth.
Urbanisation Trends: As Saudi Arabia's population increasingly concentrates in cities, the demand for housing and commercial space will rise.
Economic Diversification: Vision 2030's focus on economic diversification beyond oil is expected to create new jobs and attract foreign talent, further driving demand for real estate.

The Saudi Arabian real estate market presents a compelling opportunity for investors and developers. Its stability, strong government support, and favourable prospects make it an attractive domestic and international investment destination. The market's future is bright, and the time to participate in this burgeoning sector is now.

SAFEGUARDING REAL ESTATE INVESTMENTS

The Real Estate market in Dubai is predicted to reach a staggering value of 710 billion dollars by the end of 2024. Wealthy investors and HNWIs were active in the luxury segment, where over 1,000 transactions exceeded 10 million AED during the quarter. Apartment deals above this price point swelled 51% quarterly. The top neighbourhoods where they purchased items include Dubai Marina, Downtown Dubai, Business Bay, Dubai South/Expo City, Dubai Canal, Dubai Hills Estate, Palm Jumeirah and Jumeirah Bay Island, and others. According to Knight Frank, Dubai's luxury prime market hit a record last year as sales of $10 million-plus homes nearly doubled to $7.6 billion, performing better than London and New York. Prices of $10 million-plus homes in Dubai also grew at one of the fastest rates globally at 26% last year, as overseas demand for prime residences in Dubai continues to grow.

Market experts believe that the current prices of properties in Dubai are set to triple or quadruple, considering the strong demand due to the influx of new residents worldwide. Considering the strong demand for real estate, the supply is increasing, with multiple off-plan projects launched in the last twelve months. There are two main property acquisition options: off-plan and secondary properties. Off-plan property sales are increasing in popularity as investors believe that purchasing a property during its construction phase brings a better price than after its completion. Off-plan purchases require lower initial investments and often have flexible payment plans. It also has the potential for significant capital appreciation. However, purchasing an off-plan property carries some risk in the form of possible project cancellations or delays from the developer that could cause the schedule to be extended or even jeopardise the investment. Property values may also fluctuate because of market conditions, possibly yielding a lower-than-expected return on investment.

Dubai's off-plan real estate laws and regulations increase investor confidence and attract more foreign investment. Off-plan real estate investment in Dubai is governed by a set of real estate laws and regulations aimed at protecting buyers' interests, and the most important ones are covered below.

The Interim Registration law requires all sales (and all other disposals) of off-plan units to be registered on the interim real estate register maintained by the Dubai Land Department DLD. If a sale is not registered, it is considered null and void. The law also gives the developer's right to terminate a sale contract for an off-plan unit if the buyer defaults and sets out (i) the termination procedure to be followed and (ii) the monies that the developer may retain in the event of termination which is linked to the percentage of completion of the off-plan unit as follows:

if the percentage of completion of the unit exceeds 80%, the developer may retain up to 40% of the price of the unit specified in the off-plan sale contract;

if the percentage of completion of the unit is between 60% and 80%, the developer may retain up to 40% of the price of the unit specified in the off-plan sale contract;

if the developer has commenced construction work on the project according to the designs approved by the competent authorities and the percentage of completion of the real estate unit is less than 60%, the developer may retain up to 25% of the price of the real estate unit specified in the off-plan sale contract; and
if the developer has not commenced the project execution for reasons beyond his control and without negligence, the developer must refund all purchase price amounts paid by the buyer.

Additionally, the Trust Account law protects buyers by requiring developers selling off-plan units to be registered with the Real Estate Regulatory Agency (RERA) and to deposit all amounts paid by purchasers into an escrow account with an escrow agent (bank) accredited by the DLD. The amounts deposited in the escrow account are exclusively allocated for the purposes related to developing the particular real estate project (and directly related activities). The developer may only withdraw them on application to RERA following the law.

Although off-plan buyers can take comfort in the protections afforded by the legislation described above, the real estate lawyers recommend that purchasers check that:

a. The developer and real estate project is registered with RERA;
b. the developer owns the land, or there is a development agreement between the owner and the developer;
c. the developer has the required permits and approvals from the DLD and RERA to sell units off-plan in that particular real estate project;
d. there is an escrow account for the real estate project and
e. the percentage of completion of the real estate project and the expected completion date.

Moreover, to safeguard investment interests in an off-plan property, sound professional advice, especially from a reputable legal counsel, is immensely valuable. They can provide professional advice and guidance in:

Thorough Due Diligence: A good lawyer can conduct thorough due diligence on behalf of their clients, verifying the legal standing of developers and ensuring project compliance with all relevant regulations, especially those set by RERA and DLD.

Comprehensive Review of SPAs: a competent lawyer can negotiate Sale and Purchase Agreements (SPAs) that outline transaction conditions, payment milestones, and critical clauses such as force majeure, providing clarity and protection for clients committing a substantial part of their investments.

Safeguarding Investment: The specialist lawyer can secure essential documents like No Objection Certificates (NOCs) and Title Deeds, which are crucial for safeguarding investments and ensuring compliance with procedural requirements.

Dispute Resolution: finally, in the undesirable event of disputes, a good lawyer can bring strong representation, drawing on their expertise and experience in dispute resolution and litigation to protect their client's interests.

Working with an international professional real estate firm is critical. The real estate market in Dubai continues to outperform other popular cities like New York, London, Singapore and Hong Kong, with no apparent signs of a slowdown. Considering the strong demand and increase in residency, the experts believe the property prices and rents in Dubai will maintain an upward trend.

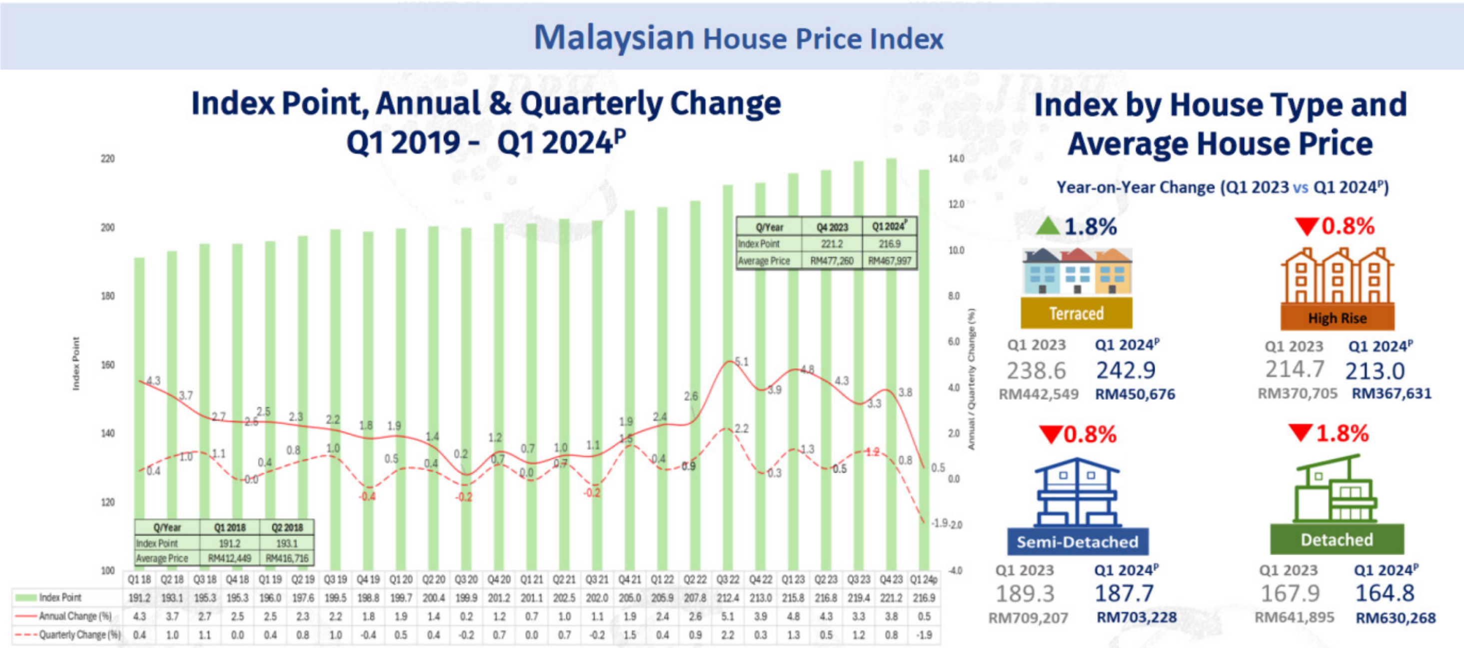
MUHAZROL MUHAMAD
GVP, Head of Bumiputra Segment

Analysing the Malaysian House Price Index (MHPI): Trends and Insights for Q1 2024

The Malaysian House Price Index (MHPI) is a critical tool for understanding the trends and dynamics of the housing market in Malaysia. This report focuses on the key findings from the MHPI for Q1 2024, providing insights into market movements and what stakeholders can expect going forward.

What is the Malaysian House Price Index (MHPI)?

The MHPI measures the changes in house prices across Malaysia, offering a comprehensive view of the market's health. It is calculated based on data from property transactions across various residential property types, including terraced houses, high-rise units, semi-detached houses, and detached houses.



	Q1 18	Q2 18	Q3 18	Q4 18	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24p
Index Point	191.2	193.1	195.3	195.3	196.0	197.6	199.5	198.8	199.7	200.4	199.9	201.2	201.1	202.5	202.0	205.0	205.9	207.8	212.4	213.0	215.8	216.8	219.4	221.2	216.9
Annual Change (%)	4.3	3.7	2.7	2.5	2.5	2.3	2.2	1.8	1.9	1.4	0.2	1.2	0.7	1.0	1.1	1.9	2.4	2.6	5.1	3.9	4.8	4.3	3.3	3.8	0.5
Quarterly Change (%)	0.4	1.0	1.1	0.0	0.4	0.8	1.0	-0.4	0.5	0.4	-0.2	0.7	0.0	0.7	-0.2	1.5	0.4	0.9	2.2	0.3	1.3	0.5	1.2	0.8	-1.9

Key Findings from Q1 2024

Index Point and Price Changes

- Average House Price: The average house price for Q1 2024 is RM467,977, reflecting a decrease from RM477,260 in Q4 2023. This indicates a quarterly decline, suggesting a market adjustment period.

Annual and Quarterly Changes

- Annual Change: The index shows a 0.5% increase from Q1 2023 to Q1 2024. This modest rise indicates steady but slow growth over the past year.
- Quarterly Change: The index experienced a -1.9% change from Q4 2023 to Q1 2024, suggesting a slight contraction in the market quarterly.

Price Movements by House Type

The MHPI report highlights varied trends across different house types:

- **Terraced Houses**: Prices increased by 1.8% from Q1 2023 to Q1 2024, with the average price rising to RM450,676 from RM442,549 in Q1 2023. This steady increase indicates continued demand for terraced properties.

- **High-Rise Units:** This segment saw a slight price decrease of 0.8%, dropping the average price from RM370,705 to RM367,631. This may suggest an oversupply or shifting buyer preferences.

- **Semi-Detached Houses**: Prices for semi-detached houses fell by 0.8%, with the average price declining from RM709,207 in Q1 2023 to RM703,228 in Q1 2024.

- **Detached Houses:** Detached houses faced the most significant price drop of 1.8%, with the average price falling from RM641,895 to RM630,268, indicating potential market corrections or changing buyer priorities.

Market Insights and Future Expectations

The MHPI data provides several key insights into the current state of the property market and future expectations:

- **Stabilising Market Conditions:** The overall stability in the index points to a balanced market without extreme volatility, which benefits investors and homeowners.

- **Diverse Trends Across Property Types**: The varied trends across different house types reflect shifting consumer preferences and market dynamics. Stakeholders should monitor these trends to adapt their strategies accordingly.

- **Opportunities for Strategic Investments:** Investors should consider focusing on segments showing stable or increasing prices, such as terraced houses while exploring opportunities in segments with price declines for potential long-term gains.

Recommendations for Market Participants

- **Homebuyers:** Should consider stable segments like terraced houses for their investments, as these have shown steady price increases.

- **Investors:** Might find opportunities in the high-rise and detached house segments where prices have decreased, potentially leading to bargains and future appreciation.

- **Developers:** Need to focus on sustainable practices and innovative solutions to meet changing consumer demands and address overhang issues.

Conclusion

The Malaysian House Price Index for Q1 2024 provides a comprehensive market overview, highlighting stability and diverse trends across different property types. Understanding these trends is crucial for stakeholders to make informed decisions, whether buying a home, investing in property, or planning future developments. As the market adapts to economic conditions and consumer preferences, staying informed through reliable data sources like the MHPI remains essential.

EMMANUEL ANDREW VENTURINA

Head of IQI Philippines

BCDA announces plan to redevelop market! Market!

The Bases Conversion and Development Authority (BCDA) disclosed that the market! Market! The site in Bonifacio Global City will be redeveloped into a mixed-use development once its lease ends in 2027. The project will likely feature retail, residential, and office components. The BCDA plans to redevelop the site under a public-private partnership (PPP). According to BCDA, Ayala Land, the current operator of the retail component, is still allowed to be involved in the planned redevelopment.

Cebu Landmasters eyes Cavite for expansion.

Cebu Landmasters Inc. (CLI) plans a joint venture development with landowners in Cavite as part of its expansion plans in Luzon. CLI's first project in Luzon will be in Naga City under its Casa Mira economic housing brand, launched in H2 2024. The property firm has PHP27.7 billion (USD495 million) of projects in its pipeline. CLI also allotted PHP14.5 billion (USD259 million) of capital expenditure (capex) in 2024 to support its expansion plans.

Eton is launching residential and hotel projects.

Eton Properties Philippine Inc. plans to launch two new residential enclaves and introduce a new hotel brand in the next two to three years. The residential communities will be within prime locations in Metro Manila and offer large open spaces for its residents. Eton is also exploring joint venture partnerships and launching new projects in the Visayas region.

Megaworld eyes P40-B real estate launches this year

Megaworld Corporation (MEG) plans to launch PHP40 billion (USD687 million) worth of real estate projects this year. The firm also aims to book PHP145 billion (USD2.5 billion) in reservation sales in 2024. MEG is allocating PHP55 billion (USD 944 million) for its capital expenditures this year to develop townships and acquire land. Meanwhile, the firm aims to add 4,100 room keys to its hotel portfolio by 2029.

Federal Land targets 2030 turnover for The Observatory's Sora Tower.

Federal Land NRE Global Inc. (FNG) expects to turn over Sora Tower, the first building of The Observatory, by 2030. The Observatory is a 4.5-hectare (11.1-acre) mixed-used development featuring eight residential towers, an office building, and retail spaces. Sora offers 650 studio to three-bedroom units with sizes ranging from 28 to 205 square meters (300 to 2,200 square feet). The tower's amenities include a sky and garden lobby, a children's playroom, a coworking facility, an entertainment room, and a pet park. Each unit will also have Japanese-inspired features such as multi-functional sink modules and adjustable wardrobe shelves.

SOMSAK CHUTISILP

Head of IQI Thailand

The condo market still has to rely on foreign demand as total transfers in the first quarter were mainly driven by foreign buyers, whose proportion rose to the highest in history.

The number and value of condo units nationwide transferred to foreigners in the first quarter of 2024 rose by 4.3% and 5.2% year-on-year, respectively, to 3,938 units worth 18 billion baht.

In contrast, the total number and value of condo transfers nationwide dropped by 0.6% and 10.7%, respectively, to 23,531 units worth 63 billion baht.

The proportion of condo transfers by foreigners also highlighted the situation, as the proportion of condo units transferred to this segment rose to 16.7%, up from 12.8% in the fourth quarter of last year and 15.9% in the first quarter of the previous year.

At the same time, the proportion of condo value transferred to foreigners in the first quarter this year hit a record high as it increased to 28.6%, up from 26.1% in the fourth quarter of last year and 24.3% in the first quarter of the previous year.

Last year, 14,449 units worth 73.1 billion baht were transferred, marking a growth of 25% and 23.5%, respectively, from 11,561 units worth 59.2 billion baht in 2022, soaring 41% and 49%.

Key drivers were the tourism growth and uncertainties in some countries, which attracted foreigners to buy properties in Thailand.

Top 3 Nationalities in Terms of Condo Transfers Made in Q1, 2024 (by Location)

Nationality	Province	Number of units	Value (Million baht)
China	Bangkok	701	5,141
	Chon Buri	594	1,630
	Chiang Mai	161	366
	Samut Prakan	66	175
	Phuket	40	174
Myanmar	Bangkok	323	1,988
	Samut Prakan	37	105
	Chon Buri	12	78
	Chiang Mai	9	21
	Tak	3	4
Russia	Chon Buri	211	560
	Phuket	67	306
	Prachaub Khiri Khan	6	17
	Bangkok	5	32
	Rayong	5	7

Source: The Real Estate Information Center

BANGKOK POST GRAPHICS

Notably, buyers from Myanmar ranked second in the first quarter of 2024 for the first time.

Buyers from Myanmar were among the top 10 nationalities with the most significant number and value of condo transfers nationwide in 2022 for the first time and have continued to stay in the top 10 since then.

In the first quarter, Chinese buyers received condo transfers for 1,596 units worth 7.57 billion baht, followed by buyers from Myanmar with 392 units worth 2.2 billion baht and Russians with 295 units worth 924 million baht.

Americans came fourth with 164 units worth 919 million baht, followed by Taiwanese with 143 units worth 680 million baht, French with 129 units worth 550 million baht, Germans with 151 units worth 485 million baht and British with 108 units worth 373 million baht.

However, Indian buyers had the highest average value per unit and the largest average size per unit, at 6.5 million baht and 72.7 square metres, respectively.

PM Modi's New Term Kicks Off with Major Housing Initiative

In a significant move just hours after taking office for a third consecutive term, Prime Minister Narendra Modi's newly appointed Union Cabinet announced its first major policy decision: the construction of an additional 3 crore rural and urban houses under the Pradhan Mantri Awas Yojana (PMAY).

Since its inception in 2015-16, the PMAY has aimed to provide eligible rural and urban households with housing that includes basic amenities. Over the past decade, this initiative has completed 4.21 crore houses for eligible low-income families.

Prime Minister Modi emphasised the government's dedication to addressing the nation's housing needs and improving the quality of life for its citizens. This initiative aims to provide shelter to the poor and middle class, generate employment and stimulate the economy.

Following the announcement, real estate stocks saw a positive trend on the National Stock Exchange (NSE), with experts projecting the Indian real estate market to be worth Rs 65,000 crore by 2040. In FY23, India's residential property market achieved a record high in home sales, reaching Rs. 3.47 lakh crore (USD 42 billion), a 48 per cent year-on-year increase.

The extension of PMAY is anticipated to profoundly impact living standards, inclusive growth, employment generation, and support for ancillary industries, potentially driving revival and growth across the entire real estate sector, particularly in the affordable housing segment.

The government's renewed commitment to housing will likely spur demand and investment in the real estate sector.

India's GDP Growth Forecast Revised Upwards by World Bank

The World Bank has upgraded India's GDP growth forecast, solidifying its position as the fastest-growing major economy. The World Bank has revised its forecast for India's GDP growth for the financial year 2024-25, increasing it by 20 basis points to 6.6 per cent from the previous projection of 6.4 per cent. India's GDP growth exceeded all expectations, reaching 7.8 per cent in January-March 2023. The full-year 2023-24 GDP growth has been revised upwards to 8.2 per cent from the second advance estimate of 7.6 per cent, as per data released by the Ministry of Statistics and Programme Implementation on May 31.

The central bank forecasts India's GDP to grow 7.2 per cent in FY25. The World Bank also highlights solid public investment in infrastructure, improving connectivity and creating new development opportunities in previously untapped areas. This bodes well for property markets in these developing regions. India's flourishing industrial activity signifies a growing need for commercial office space, warehouses, and logistics facilities, presenting exciting opportunities for investors and developers in the commercial real estate segment. The increase in public and private investments, especially in infrastructure, is expected to spur demand for residential and commercial properties. The strong GDP growth projections reflect a robust economic environment that will likely drive the country's real estate development and investment opportunities.

Residential Real Estate Boom in NCR: Unsold Stock Reduced by 57% in Five Years

The residential real estate sector in the National Capital Region (NCR) has experienced a significant upcycle, resulting in a massive 57% reduction in unsold stock over the past five years, the highest decline in the country. The unsold inventory in NCR dropped from approximately 2 lakh units at the end of Q1 2018 to 86,420 units by the end of Q1 2024.

In comparison, major southern cities such as Bengaluru, Hyderabad, and Chennai saw their unsold stock decline more moderately, from over 1.96 lakh units in Q1 2018 to over 1.76 lakh units by Q1 2024. This nationwide trend underscores the impressive progress made in NCR, driven by controlled supply, renewed buyer confidence, and impactful regulatory reforms. Key areas such as Gurgaon and Greater Noida have been at the forefront of this reduction, with the luxury segment notably driving demand.

This shift reduces the unsold housing stock and signals a potential surge in new projects. The upward trend in capital values attracts investors to India's critical real estate markets, further bolstering the sector. Regulatory measures, increased buyer confidence, and strategic supply control have positioned NCR as a leading example of real estate market recovery and growth.

New home sales decreased last month to the lowest level in three months. The sales decline was not unexpected as there were no significant project launches in the suburbs and city fringes, which tend to be lower-price than homes in the prime segment.

According to data from the Urban Redevelopment Authority (URA), new home sales dipped by 26.6 per cent from 301 units in April to 221 in May. This was the lowest new home sales for May since 2008, when URA records were available. On a year-on-year basis, last month's new home sales fell by 78.7 per cent from 1,039 units in May 2023.

New home sales decreased as there were limited housing options in May. Only two small projects were launched in the suburbs last month: the 21-unit Jansen House, which sold only three units, and the 16-unit Straits at Joo Chiat, which moved two units.

The 190-unit Skywaters Residences luxury project was similarly launched with only one transaction. This was the priciest transaction in May for a 7,761 sqft leasehold unit sold for S$47.3 million or S$6,100 psf, surpassing the freehold unit at Les Maisons Nassim, which was transacted at S$45 million last year in May 2023.

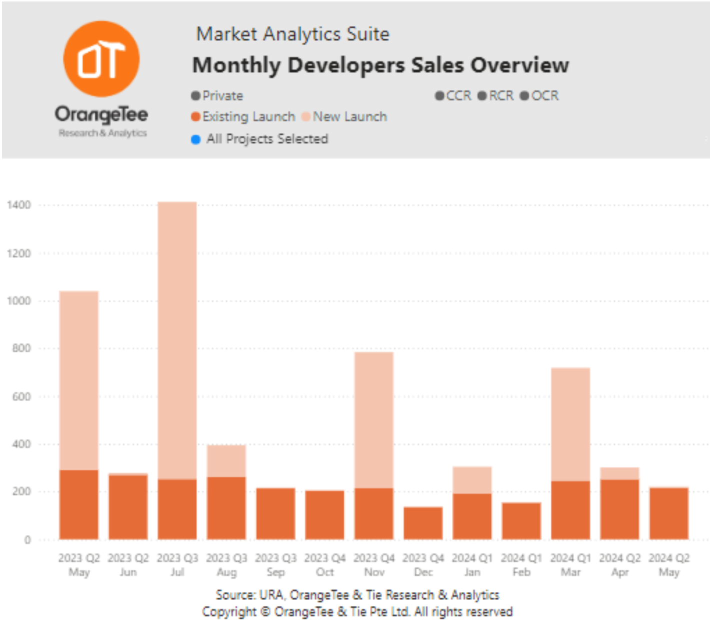
Moreover, there were only 21 new homes released from previous launches. As a result, buyers continued to purchase homes from existing launches, causing the number of launched but unsold units to decrease for a second consecutive month from 3,608 units in March to 3,576 units in April and 3,528 units in May.

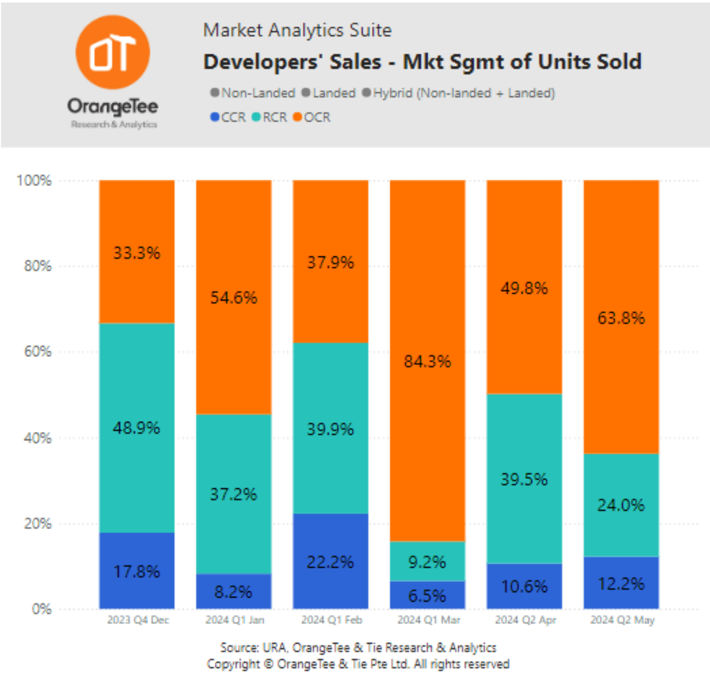
May's transactions were primarily concentrated in the city fringe areas and the suburbs. 63.8 per cent, or 141 units, were in the Outside Central Region (OCR), while 24 per cent, or 53 units, were in the Rest of Central Region (RCR). The remaining 12.2 per cent, or 27 units, were in the Core Central Region (CCR).

Demand for super luxury homes remained muted at the upper end of the market. Only one new condominium was sold for more than S$10 million last month, while another eight were sold for at least S$5 million but less than S$10 million, according to URA Realis data.

Buyers can look forward to more market activity in the upcoming months because of the prospective launch of several high-profile projects, including SORA, The Chuan Park, Union Square Residences and Emerald of Katong. Most of these developments are situated in the suburban or city fringe areas, making them attractive to HDB upgraders and local investors.

Additionally, most of these projects are undertaken by reputable developers with a strong track record of delivering exceptional developments. Therefore, we expect strong sales in these developments to contribute significantly to developers' sales in the next few months.





Cambodia's Economic Growth to Accelerate in 2024 and 2025

Samdech Moha Borvor Thipadei Dr Hun Manet, Prime Minister, said that Cambodia's economic growth will accelerate in 2024 and achieve higher growth in 2025.

His remarks were made at the groundbreaking ceremony for the construction of twin flyovers at the intersection between Samdech Techo Hun Sen Boulevard and National Road No. 2, at the border between Phnom Penh capital and Kandal province on Tuesday morning, June 17, 2024.

On Wednesday, June 12 2024, at an event, the Deputy Prime Minister and Minister of Economy and Finance H.E. Academician General Aun Pornmoniroth said that Cambodia's economy is predicted to achieve a rate of 6% in 2024, up from 5% in 2023.

H.E. Academician General Aun Pornmoniroth added that the Royal Government of Cambodia of the Seventh Legislature of the National Assembly under the leadership of Samdech Thipadei Dr. Hun Manet has been working tirelessly to solve many challenges, even as it attempts to grab the emerging economic opportunities in the backdrop of the rapidly changing socio-economic situation of the region and the world.

On Tuesday, June 17, 2024, Socio-economic research and development expert Dr Chey Tech of Dynamic Alliance Consulting (DAC) was told that Samdech Thipadei Dr Hun Manet's remarks regarding Cambodia's economic growth match the forecast of Cambodia's major development partners, such as International Monetary Fund (IMF), Asian Development Bank (ADB) and the World Bank.

He also said that Cambodia's economy is growing yearly due to the right policies and strategies of the Royal Government of Cambodia in creating an attractive investment environment.

He added that the Royal Government of Cambodia has made great efforts to attract foreign investors to invest in Cambodia, facilitated trade, improved tax laws, and brought in other service sector reforms, he also noted.

According to the World Bank's Cambodia's Economic Update (CEU) report titled Cambodia's Export Revival and Trade Shifts, the country's growth is expected to improve marginally to 5.8% this year, up from 5.6% last year. It should further strengthen to 6.1% in 2025 and reach 6.4% in 2026 due to the revival in garments, travel goods, footwear exports, and tourism.

Portugal is emerging as a standout destination in the European real estate market. Known for its beautiful coastline and vibrant cities, the country attracts a wide range of people looking for a lavish lifestyle, investment opportunities, and affordable living.

A Haven for Retirees

Portugal is becoming a top choice for retirees. Inspired by "Blue Zones" – areas known for people living long, healthy lives – Portugal offers a similar lifestyle. The country has a pleasant Mediterranean climate, a friendly community culture, fresh and healthy food, and a relaxed pace of life. This is attracting many foreign retirees, especially Britons. They are looking for homes that blend local charm with modern comforts. As a result, specialised retirement communities and luxury developments with healthcare, social activities, and fitness facilities are growing across Portugal.

Investment Potential and Growth

Investors are taking notice of Portugal's dynamic real estate landscape. The National Market is expected to see an 8.7% increase in property values in 2024, presenting a promising environment for investment. Strategic investments, particularly in areas with limited new construction and high demand, hold the potential for significant returns. The country's diverse regions offer a variety of opportunities, from the tranquillity of the Algarve to the vibrant atmosphere of Lisbon.

Affordable Options for Budget-Minded Buyers

Portugal also caters to budget-conscious buyers. While major urban centres like Lisbon, Porto, and Faro boast undeniable charm, their property prices have risen steadily. This has led many to explore Portugal's interior regions, where affordability reigns supreme. The cheapest towns to buy a house are all located inland, offering a peaceful escape and significantly lower prices than coastal or city centre locations. Here, you can find charming homes at a fraction of the cost, making Portugal an attractive option for those seeking a more cost-effective lifestyle.

A Bright Future

Portugal's real estate market caters to a diverse range of aspirations. Whether you are a retiree seeking a haven, an investor eyeing lucrative opportunities, or a budget-conscious buyer searching for affordability, Portugal offers a unique and compelling proposition. With its breathtaking scenery, rich culture, and welcoming atmosphere, Portugal is poised to remain a star in the European real estate market.

The Portuguese real estate market presents a promising outlook for investors, retirees, and budget-conscious buyers. The country's stability, diverse opportunities, and favourable prospects make it an attractive destination for domestic and international investment.

MALAYSIA'S TERRACE HOUSE MARKET: 2020-2024 TRENDS (INTERMEDIATE DOUBLE-STOREY).

Terrace housing is widespread in Malaysia, especially in Kuala Lumpur and the Klang Valley suburbs. The popularity of this type of house is evident as they are common in both urban and suburban areas, providing a good balance of affordability, space, and accessibility. Comparing double-storey terrace house transactions between 2020 and 2024 reveals notable trends and price changes in Malaysia's real estate market.

In 2020, the property market faced uncertainties due to the COVID-19 pandemic. Despite this, the prices for double-storey terrace houses remained relatively stable. The pandemic had a negative influence on the Malaysian real estate market. Because of that, there was a general slowdown in the number of transactions during this time despite the stable prices. Nevertheless, some regions performed well despite the challenging market conditions; one such location is Bandar Sri Damansara, where property values have increased dramatically.

By 2024, the market dynamics had shifted. There was a resurgence in transaction volumes and prices for double-storey terrace houses. The first half of 2023 saw 184,140 property transactions in Malaysia, according to the National Property Information Centre's (NAPIC) Property Market 1H 2023 Report., indicating a recovery trend. During this period, they have also increased the prices of terrace houses, especially in high-demand areas like Setia Alam and Puchong, driven by their strategic locations and amenities.

The following tables show selected transaction data of the selected place; these data are actual transactions and self-explanatory:

Table 1 : Data Transactions in 2024

Sri Damansara							
Address	**Land Area**	**Built-up Area**	**Property Type**	**Transaction Date**	**Consideration**	**LA psf**	**BU psf**
Jalan Kenanga SD 9/9, BDR Baru Sri Damansara	1,799.94	1,825.99	2 Sty Terrace (intermediate)	25/3/2024	RM1,000,000.00	RM555.57	RM547.65
Jalan Kenanga SD 9/7B, BDR Baru Sri Damansara	1,799.94	1,825.99	2 Sty Terrace (intermediate)	9/1/2024	RM1,080,000.00	RM600.02	RM591.46
Jalan Ara SD 7/1A, BDR Baru Sri Damansara	1,646.88	1,657.32	2 Sty Terrace (intermediate)	8/1/2024	RM1,200,000.00	RM728.65	RM724.06
Melawati							
Address	**Land Area**	**Built-up Area**	**Property Type**	**Transaction Date**	**Consideration**	**LA psf**	**BU psf**
Jalan H16, Taman Melawati	1,259.38	1,349.90	2 Sty Terrace (intermediate)	19/2/2024	RM750,000.00	RM595.53	RM555.60
Jalan A9, Taman Melawati	1,759.94	1,480.90	2 Sty Terrace (intermediate)	28/12/2023	RM900,000.00	RM511.38	RM607.74
Jalan A2, Taman Melawati	1,758.94	1,480.90	2 Sty Terrace (intermediate)	6/12/2023	RM720,000.00	RM409.34	RM486.19
Ampang							
Address	**Land Area**	**Built-up Area**	**Property Type**	**Transaction Date**	**Consideration**	**LA psf**	**BU psf**
JLN Dagang 3, Taman Dagang Jaya	1,496.18	1,348.18	2 Sty Terrace (intermediate)	9/1/2024	RM650,000.00	RM434.44	RM482.13
JLN Bukit Indah 1/7, Taman Bukit Indah	1,302.43	1,054.97	2 Sty Terrace (intermediate)	8/1/2024	RM720,000.00	RM552.81	RM682.48
JLN Teratai 2/7B, Taman Bukit Teratai	1,302.43	1,283.92	2 Sty Terrace (intermediate)	6/12/2023	RM638,000.00	RM489.85	RM496.92

Table 2 : Data Transactions in 2021

Sri Damansara							
Address	**Land Area**	**Built-up Area**	**Property Type**	**Transaction Date**	**Consideration**	**LA psf**	**BU psf**
Jalan Ara SD 7/3D, BDR Baru Sri Damansara	1,646.88	1,657.32	2 Sty Terrace (intermediate)	21/12/2021	RM1,180,000.00	RM716.51	RM711.99
Jalan Ara SD 7/3E, BDR Baru Sri Damansara	1,646.88	1,657.32	2 Sty Terrace (intermediate)	29/11/2021	RM950,000.00	RM576.85	RM573.21
Jalan Kenanga SD 9/8, BDR Baru Sri Damansara	1,799.94	1,825.99	2 Sty Terrace (intermediate)	23/11/2021	RM1,280,000.00	RM711.13	RM700.99
Melawati							
Address	**Land Area**	**Built-up Area**	**Property Type**	**Transaction Date**	**Consideration**	**LA psf**	**BU psf**
Jalan A3, Taman Melawati	1,759.94	1,480.90	2 Sty Terrace (intermediate)	28/8/2021	RM880,000.00	RM500.02	RM594.23
Jalan C5, Taman Melawati	1,759.94	1,480.90	2 Sty Terrace (intermediate)	17/5/2021	RM870,000.00	RM494.34	RM587.48
Jalan A3, Taman Melawati	1,759.94	1,480.90	2 Sty Terrace (intermediate)	7/5/2021	RM720,000.00	RM409.10	RM486.19
Ampang							
Address	**Land Area**	**Built-up Area**	**Property Type**	**Transaction Date**	**Consideration**	**LA psf**	**BU psf**
JLN Mewah 2, Taman Pandan Mewah	1,076.39	1,102.87	2 Sty Terrace (intermediate)	30/12/2021	RM534,000.00	RM496.10	RM484.19
JLN Teratai 2/7C, Taman Bukit Teratai	1,302.43	1,283.92	2 Sty Terrace (intermediate)	11/11/2021	RM630,000.00	RM483.71	RM490.68
JLN Dagang 17, Taman Dagang Jaya	1,496.18	1,348.18	2 Sty Terrace (intermediate)	17/8/2021	RM580,000.00	RM387.65	RM430.21

Overall, Malaysia's double-storey terrace house market has shown resilience and adaptability. While a cautious market sentiment marked 2020 due to the pandemic, 2024 exhibited signs of recovery and growth. The continuous demand for well-located properties and the trend of home renovations have been pivotal in shaping market prices and transaction volumes during these periods.

DUBAI: THE NEW PORTUGAL FOR ASIAN BUYERS SEEKING GOLD VISAS

Dubai is rapidly emerging as the new Portugal for Chinese and Hong Kong investors seeking golden visas.

Juwai IQI Co-Founder and Group CEO Kashif Ansari told the South China Morning Post, "While Portugal has issued around 13,000 golden visas over the past decade, Dubai issued a staggering 158,000 in just the past year."

MR Ansari also pointed out that Dubai's sheer volume of golden visas issued translates to an estimated AED316 billion (approximately US$86 billion) in investments by visa holders.

It is a relatively small market in terms of transaction volume and total population. Nevertheless, it ranks alongside much larger countries as a popular destination for property buyers.

Dubai is increasingly popular among Chinese and Hong Kong buyers. Dubai is the 11th most popular destination for mainland Chinese home buyers, according to data from Juwai IQI. It is the 15th with Hong Kong Chinese buyers.

MR Ansari said he expects Dubai housing prices to continue to rise in 2024. "Many analysts project capital gains will hit 10-year highs, especially in the villa segment. Furthermore, apartment price growth should also set new records in 2024.

Dubai's dynamic growth and investment opportunities make it a formidable global golden visa landscape contender.

IQI Moments

Congratulations to IQI Vietnam

on the grand opening of a brand-new office!

Their remarkable journey and outstanding success over the years are truly inspiring. As they open the doors to this new facility, we are thrilled to anticipate the fresh opportunities and milestones that await.

This new office symbolises growth and IQI Vietnam's deepening commitment to providing unparalleled regional real estate services. With a track record of innovation and excellence, we are eager to see how this expansion enhances your capabilities and influence.

Once again, heartfelt congratulations to everyone at IQI Vietnam. We are confident that this new chapter will be marked by continued growth, unprecedented success, and many remarkable achievements.

Here is to more years of setting benchmarks in the real estate industry!