



**VALUATION AND PROPERTY SERVICES DEPARTMENT  
MINISTRY OF FINANCE**



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**PRESS RELEASE  
THE LAUNCH OF THE PROPERTY MARKET FIRST QUARTER 2025**

**CONSTRUCTION ACTIVITY REMAINED ACTIVE IN THE FIRST QUARTER OF 2025**

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**PUTRAJAYA, 9 Mei 2025** – Construction activity in the residential property subsector recorded significant growth in the first quarter of 2025, where the number of completion units surged by 30.2% to 9,329 units (Q1 2024: 7,168 units), while housing starts rose by 32.5% to 28,344 units (Q1 2024: 21,391 units). This encouraging growth indicates a strengthening development trajectory for the residential subsector. Nevertheless, property transaction performance experienced a slight decline, with the volume and value of transactions decreasing by 6.2% and 8.9%, respectively, to 97,772 transactions valued at RM51.42 billion, compared to 104,194 transactions worth RM56.47 billion in the same period of 2024.

The Director General of Valuation and Property Services, Valuation and Property Services Department, YBrs. Sr Abdul Razak Yusak, said although the property transactions began on a slower note, the robust pace of construction activity and the increase of residential new launches were supported to balance the property market growth and sustain its positive momentum in 2025.

"The continuous government support through initiatives such as the Program Residensi Rakyat (PRR), Projek Rumah Mesra Rakyat (RMR), and strategic infrastructure development has been a key driver in accelerating construction activity. Government led initiatives aimed at strengthening Malaysia's position in the global investment prospects, such as the Forest City Special Financial Zone, the Johor–Singapore Special Economic Zone (JS-SEZ), and the implementation of a duty-free zone in Pulau Satu, Forest City, have started to demonstrate significant impact. The serviced apartment market in Johor Bahru, particularly in terms of overhang units, has shown positive signs, as the number reduced by 5.6% in the first quarter of 2025 compared to the fourth quarter of 2024," he commented.

Other highlights for the first quarter 2025 property market performance include:

- The encouraging performance of residential new launches, surged more than double to 12,498 units compared to 5,585 units in the same period of 2024, with a sales performance recorded at 10.8%.
- The performance of residential overhang recorded a total of 23,515 units valued at RM15 billion, reflecting a marginal increase of 1.6% and 7.7% in volume and value compared to the previous quarter (Q4 2024: 23,149 units worth RM13.94 billion). Nevertheless, against the first quarter of 2024, the overhang performance witnessed better momentum, with the volume and value declining by 2.9% and 9.0%, respectively.
- The serviced apartment overhang recorded a robust performance, with a marginal decline to 18,246 units valued at RM14.61 billion, down by 6.7% and 6.9% in volume and value, respectively, compared to the previous quarter.
- The occupancy performance for shopping complexes recorded a marginal increase, with the occupancy rate rising to 79.0%, compared to 78.8% in the fourth quarter of 2024.
- The Malaysian House Price Index (MHPI) in the first quarter 2025<sup>p</sup> stood at 225.3 points (an average price of RM486,070 per unit), with an annual growth rate of 0.9%.

### **The Property Market Remains Sustainable and Resilient**

YBrs. Sr. Abdul Razak said the growth of the property market is expected to remain resilient, driven by positive momentum in the construction sector and a continued rise in newly launched residential units. Although the property market maintains a positive outlook, industry players and property developers are urged to remain attentive to market dynamics, global economic challenges, and an uncertain external environment.

The MADANI Government has also introduced several catalytic projects under Budget 2025 to stimulate the local economy. The initiative includes an individual income tax relief for housing loan interest payments and the introduction of the Step Up Financing Scheme under the SKJP, which serves as a government guarantee specifically to encourage first-time homeownership for the younger generation. Special financial and infrastructure incentives under the Johor-Singapore Special Economic Zone (JS-SEZ), the Special Financial Zone in Forest City, Johor, and ongoing infrastructure development are expected to further stimulate long-term growth in the property market.

The Property Market Report and all other publications can be accessed through the official NAPIC portal at <https://napic.jpph.gov.my>.

**National Property Information Centre (NAPIC)**  
**Valuation and Property Services Department (JPPH)**  
**Ministry of Finance**  
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