Housing affordability in Malaysia Insufficient supply of new houses compared to the increase in households during 2012-2014 Net increase in number of households Completion of new houses Annual average ('000) 140 123 118 85

150 -120 -90 -60 -30 -() . 2007-2009 2012-2014

During 2012-2014, the growth in median house prices has

outpaced the growth in median household income Median house prices

Median household income **CAGR* (%)** 20 17.6

15 12.4 5.1 5.5

10 -5 -2007-2009 2012-2014

NOTE: *CAGR refers to compound annual growth rate New housing launches have been increasingly skewed towards the higher-end property segment

Less than RM250,000 RM250,000 - RM500,000 Above RM500,000 Launches

[average per year, units ('000)]

23.6 11 4.9 11.3

70 60 50 40 30

20 34.7 27 10 18.5 (-8.5)(-7.7)0

2008-2009¹ 2010-2011 2012-2014

Sources: NATIONAL PROPERTY INFORMATION CENTRE AND DEPARTMENT OF STATISTICS,

MALAYSIA STRAITS TIMES GRAPHICS