

Comparative Analysis of Malaysian House Price Trends: A Study on Primary and Secondary Markets in Kuala Lumpur and Selangor

Muhammad Hariz Azlan^{1*}, Ainur Zaireen Zainudin^{1,2}, Fatin Afiqah Md Azmi¹, Nur Berahim¹, Salfarina Samsudin¹, Azizah Ismail¹, Rohaya Abdul Jalil¹ and Yong Adilah Shamsul Harumain³

¹Department of Real Estate, Faculty of Built Environment and Surveying, Universiti Teknologi Malaysia, 81310 Johor Bahru, Malaysia

²Centre for Real Estate Studies, Universiti Teknologi Malaysia, 81310 Johor Bahru, Malaysia

³Department of Urban and Regional Planning, Faculty of Built Environment, 50603 Kuala Lumpur, Universiti Malaya, Malaysia

*Corresponding author: *harizazlan71@gmail.com*

Abstract

This study investigates the trends and factors influencing residential property prices in Malaysia from 2019 to 2024, focusing on two primary regions: Kuala Lumpur and Selangor. Analysing data from the Malaysian House Price Index (MHPI) and relevant property market reports, the study contrasts price dynamics across property types and examines the distinctions between primary (developer-driven) and secondary (second-hand) markets. Our findings reveal that economic factors, buyer preferences, and regional variations significantly impact the housing market, with noticeable shifts in high-rise, semi-detached, detached, and terraced home prices. This paper aims to provide a comprehensive understanding of these dynamics to aid policymakers and investors in making informed decisions. This study also reviews key influences from macroeconomic factors, government policies, and buyer preferences as they shape property market trends. Insights from the literature provide a foundation for understanding how these factors interact to affect demand dynamics in the Malaysian context.

Keywords:

Malaysian House Price Index, Property Market Trends, High-Rise Properties, Terraced Houses, Semi-Detached Houses, Kuala Lumpur, Selangor

Article History

Received: 10 November 2024

Accepted: 24 November 2025

Published: 26 August 2026

1. INTRODUCTION

Malaysia's residential property market has undergone considerable transformation over the past five years, driven by various macroeconomic and policy factors. This study examines property price trends in two significant Malaysian regions, Kuala Lumpur and Selangor, focusing on variations across different property types and distinguishing between primary (new developer-driven) and secondary (second-hand) markets. The analysis uses data from the Malaysian House Price Index (MHPI) for Q1-Q2 2024 and supplementary property market reports, which together provide an extensive view of residential property dynamics across terraced, high-rise, semi-detached, and detached homes. Given that Kuala Lumpur and Selangor are economic and population centres, they serve as critical indicators of broader national trends. This paper aims to enhance understanding of price dynamics within these regions to offer insights into economic influences, consumer demand shifts, and potential future trajectories. In examining these trends, this study aims to the broader Southeast Asian discourse on housing affordability, market resilience, and buyer behaviour under shifting economic conditions.

2. LITERATURE REVIEW

Research on housing market dynamics underscores the complex interaction between macroeconomic factors, government policies, and consumer behaviour in shaping property price trends. Studies emphasize that factors such as interest rates, inflation, and consumer sentiment significantly impact housing demand, often causing shifts in buyer preferences and influencing property prices across different segments and regions.

2.1 Macroeconomic Factors and Housing Prices

A substantial body of literature establishes the relationship between macroeconomic indicators, particularly interest rates and inflation, and property market performance (Alzoubi, 2022; Baharuddin et al., 2019; Akinsomi et al., 2017; Hiang Liow et al., 2006; Mat Yusof et al., 2022). Lower interest rates typically stimulate housing demand by reducing the cost of borrowing, leading to increased transaction volumes and often elevating property prices. In Malaysia, the reduction of the Overnight Policy Rate (OPR) by Bank Negara Malaysia from 3.0% in 2019 to 1.75% during the pandemic was intended to ease homeownership burdens and stimulate market activity (National Property Information Centre [NAPIC], 2024). However, recent shifts towards cautious economic recovery and inflationary pressures have tempered this effect, as reflected in the cooling market in Kuala Lumpur and Selangor. These findings align with other studies that emphasize the inverse relationship between inflation and consumer purchasing power, which dampens housing demand in high-cost urban areas (Khoo, et al., 2017; Zainun, 2011; Torab, 2018).

Recent empirical research examining post-pandemic monetary policy effects reinforces these dynamics with updated evidence. ASEAN +3 Macroeconomic Research Office (AMRO) (2023) shows that monetary policy normalization in 2022–23 tightened mortgage conditions and weighed on housing demand in Malaysia. The report documents that successive 25-basis-point increases in the OPR were passed through strongly to lending rates, and that loan growth, especially for residential property, was supported but began to moderate, though the exact fall in transaction volumes per 25 bps varied. Department of Statistics Malaysia [DOSM] (2024) reports that monetary-period price increases between 2019 and 2024 raised the consumer price index (headline CPI index points rose to about 132.8 in 2024), while median household income moved from RM5,873 in 2019 to roughly RM7,000 in the early 2020s; together these trends indicate that purchasing power deteriorated and widened affordability gaps, particularly for higher-priced segments in Kuala Lumpur where many new launches are priced above RM500–600k. Moreover, Bank Negara Malaysia (2023) reports that median household debt-service ratios remained elevated but manageable in 2H 2023, with 41% for newly approved loans and 35% for outstanding loans, constraining new mortgage uptake and contributing to moderating transaction volumes, even in a context of housing price moderation. This contemporary evidence supports the

assertion that macroeconomic headwinds have reshaped demand capacity in Malaysia's urban housing markets during the study period.

2.2 The Role of Government Policies in Shaping Market Trends

Government policies, such as subsidies and tax exemptions, play a crucial role in influencing property markets by either stimulating demand or controlling prices to ensure affordability (Berry, 2003; Eriksen, 2009; Cao & Keivani, 2014). For instance, Malaysia's Home Ownership Campaign (HOC) provided stamp duty exemptions for first-time buyers, significantly boosting transaction volumes during the post-pandemic recovery period (NAPIC, 2024). Such initiatives align with global trends where governments implement fiscal measures to support the housing market, especially during economic downturns (Taylor & Dalton, 2016; Dokko et al., 2011). However, as the HOC expired, and with no new incentives, property prices, particularly in high-rise and premium segments, have shown signs of moderation, suggesting a direct link between government intervention and market resilience.

Contemporary research on Malaysia's housing policy effectiveness reveals mixed outcomes from recent interventions. Industry reports indicate that the Home Ownership Campaign (HOC) 2020–2021 boosted primary-market demand through stamp-duty exemptions and developer discounts, with REHDA reporting 34,354 units sold (RM 25.65 billion) by February 2021, though the effects were concentrated in higher-priced segments and no published study provides a precise causal estimate of the campaign's impact (Lim, 2021; Poo, 2022). Saleh et al. (2024) model the structural mismatch between housing demand and supply in affordable housing in Malaysia, finding significant spatial-regulation and product-type mismatches (location, price, unit type) that undermine effective take-up by intended. Other case-study research (Shen & Burhan, 2020) on PR1MA also points to misalignment between the types, pricing, and locations of PR1MA units and the preferences of middle-income buyers. These findings suggest that supply-side interventions in PR1MA (and similar programs) require better demand mapping and strategic planning, although no robust quasi-experimental study has yet established a clear causal link to a low "42% occupancy" rate by 2023.

Tajuddin et al. (2024) identified that Selangor's Rumah Selangorku scheme faces challenges including bureaucratic delays, weak enforcement of developer commitments, and rising costs associated with regulatory compliance and land. Similarly, studies by Md and Kamaruddin (2023) of Kuala Lumpur's Residensi Wilayah scheme point to constraints in land-costs and location that make it difficult for developers to deliver sufficient affordable units, even though the capped sale price (RM 250,000–RM 300,000) aims to support low- and middle-income buyers. This recent evidence suggests that policy design and execution quality matter as much as policy existence, with implications for future intervention strategies to address current market imbalances.

2.3 Buyer Preferences and Property Type Trends

Consumer preference studies show a marked shift towards suburban and spacious properties post-pandemic, reflecting lifestyle changes that prioritize living space and accessibility over proximity to city centres (Folić et al., 2022; Croci et al., 2021; Ilham et al., 2024; Evangelou & Katafygiotou, 2024; Li & Wei, 2023). This trend is evident in Kuala Lumpur's high-rise segment, which has seen price declines due to oversupply and waning demand, while suburban areas in Selangor have experienced more stable growth, particularly in terraced and semi-detached houses (NAPIC, 2024). Research highlights similar shifts in markets like Singapore and Hong Kong, where high-density urban areas face slower growth as buyers seek larger properties in nearby suburban locations (Cho-Yam Lau, 2023; Monkkonen et al., 2012; Hui & Yu, 2016; Yuen, 2009). This trend reflects a broader market response to the pandemic, as consumers prioritize quality of life and space availability in their housing choices.

Recent Malaysian-specific studies further elaborate these preference shifts with empirical specificity. Ng (2022) found in its Consumer Sentiment Study that 79% of Malaysian homebuyers consider it critical to have extra room when buying a new property, a shift linked to the rise of

work-from-home, and Vodus (2022) also notes that many Klang Valley buyers now prefer at least 3 bedrooms, potentially to accommodate a home office. Furthermore, Majid et al. (2022) find that generational status (Millennials, Gen X, Z) significantly affects housing-product preferences in Malaysia.

2.4 Regional Price Dynamics and Suburban Demand

Empirical studies highlight how regional characteristics and connectivity influence housing demand and price growth. Suburban regions with strong infrastructure and affordable pricing, such as Selangor's Petaling district, attract buyers who prefer the balance between accessibility and lower costs (Teck-Hong, 2012; Olenrewaju & Wong, 2020; Alias et al., 2011). Selangor's relative affordability compared to Kuala Lumpur mirrors similar trends observed in metropolitan-suburban relationships across other Asian markets, where regional differences shape buyer choices and influence market stability (Hassan, 2023; Yap & Ng, 2018; Ali et al., 2011; Tay, 2014; Zainuddin, 2010). The recent data on Selangor's regional price trends, where high-rise properties in well-connected areas show modest growth while suburban regions face steeper declines, underscores this interplay between location, affordability, and infrastructure.

Infrastructure development initiatives significantly influence property demand dynamics in Malaysia's urban and suburban markets. Recent transit projects, especially the Johor Bahru–Singapore Rapid Transit System (RTS) Link, which is slated to begin operations by the end of 2026, are already reshaping property speculation and investment patterns in southern Johor. The enhanced cross-border connectivity is driving up demand for residential and mixed-use properties around Johor Bahru, particularly near the Bukit Chagar station (Malaysian Industrial Development Finance Berhad, 2025). Similarly, Penang's Light Rail Transit (LRT) project, notably the Mutiara Line, is expected to drive property price appreciation in areas along its route, particularly in precincts earmarked for TOD (Penang Property Talk, 2024). In the Klang Valley, extensions of the MRT network, especially the Sungai Buloh–Kajang (SBK) line, have reinforced suburban demand by improving access to employment centres. Research shows that residential properties close to SBK-line stations in areas like Kajang command a positive price premium, even amid broader market cooling (Khan et al., 2025). Moreover, major infrastructure-led growth has supported demand in Petaling and other suburbs, as developers and homebuyers increasingly value connectivity and TOD. These infrastructure-driven demand patterns align with international evidence showing that transit accessibility premiums can offset up to 15-20% of city center price differentials, fundamentally reshaping metropolitan housing market geography (Debrezion et al., 2007; Mohammad et al., 2013).

Within the Klang Valley, MRT and LRT network expansions have demonstrably influenced suburban property values and demand patterns relevant to this study's focus on Kuala Lumpur-Selangor dynamics. While much attention has been paid to the upcoming MRT Phase 2 (SSP) line, there is limited empirical research quantifying its effect on residential property values in stations such as Serdang, Seri Kembangan, and Cyberjaya. Some property-market commentators predict price uplifts of 10–20% once the line is operational (Khoo, 2019), but academic hedonic-pricing studies for Greater Kuala Lumpur have so far focused primarily on other MRT lines (e.g., the SBK line) (Dziauddin, 2022). Some property-market analysts argue that the LRT3 (Shah Alam) Line is already spurring development activity in its corridor: they point to stronger new-launch momentum around planned stations (especially in Shah Alam and Klang) compared to other parts of Klang Valley (Devan et al., 2025). These infrastructure-driven premiums align with international meta-analyses showing that rail transit accessibility can generate 15-20% property value uplift, effectively compressing spatial price gradients between city centers and well-connected suburbs (Debrezion et al., 2007; Mohammad et al., 2013; Dziauddin, 2019). For the Kuala Lumpur-Selangor context specifically, this evidence suggests that Petaling's relative price stability and continued demand (documented in Section 4.2.2) is substantially attributable to its superior MRT/LRT connectivity, while more peripheral Selangor districts lacking equivalent transit access face steeper market headwinds.

Regional price dynamics also reflect differential supply-demand balances shaped by land availability and planning policies. Market-report data suggest that Kuala Lumpur is highly reliant on high-rise launches, reflecting limited horizontal development capacity: for example, one report shows 66% of new projects in KL in 2024 were high-rise (Henry Butcher Advisor, 2025). In contrast, Selangor continues to see a more balanced pipeline, with a substantial portion of new launches in landed formats such as terrace and semi-detached homes (Sheng, 2025). This structural difference in development possibility spaces helps explain the divergent property type performance patterns observed in this study's data analysis.

3. METHODOLOGY

This research employs a descriptive-analytic approach using secondary data from the National Property Information Centre (NAPIC), specifically the Malaysian House Price Index (MHPI) and complementary property price reports for 2019 to 2024. The descriptive-analytic method is particularly appropriate for this study as it enables systematic examination of temporal trends and cross-regional comparisons using standardized index data, which is pre-calculated by NAPIC using proprietary methodologies based on actual transaction values (NAPIC, 2024). This approach aligns with established practices in housing market research that utilize national property indices for trend identification and comparative analysis (Case & Shiller, 1988; Hui & Yue, 2006).

The study period of 2019 to 2024 was selected for several strategic reasons. First, 2019 provides a crucial pre-pandemic baseline, allowing us to identify structural market trends before the COVID-19 disruption. Second, this timeframe captures the complete pandemic cycle, including the initial shock (2020), policy intervention period (2020-2021), and post-pandemic adjustment phase (2022-2024), enabling analysis of how Malaysia's property market responded to and recovered from unprecedented economic conditions. Third, Q2 2024 represents the most current data available at the time of analysis, ensuring policy relevance. Finally, this five-year window coincides with significant monetary policy shifts, including Bank Negara Malaysia's OPR reduction from 3.0% (2019) to 1.75% (pandemic low) and subsequent normalization, providing context for understanding price dynamics in relation to macroeconomic conditions.

MHPI offers quarterly indices disaggregated by state, region, and property type (terraced, high-rise, semi-detached, and detached houses), enabling longitudinal analysis of price changes across Kuala Lumpur and Selangor. Importantly, NAPIC data distinguishes between primary markets (new properties sold directly by developers) and secondary markets (resale or second-hand transactions), though the publicly available MHPI aggregates these for overall indices. Where available in supplementary NAPIC reports, we examined primary-secondary market differentials to explore distinctions in price movements. Primary market prices typically reflect current development costs, developer pricing strategies, and forward-looking demand expectations, while secondary market prices more directly represent actual market clearing values and buyer willingness to pay for existing stock (Harter-Dreiman, 2004).

Our analytical approach involved several steps. First, we calculated year-on-year (YoY) and quarter-on-quarter (QoQ) percentage changes in MHPI values to identify growth rates and momentum shifts. Second, we conducted comparative analysis across regions (Kuala Lumpur vs. Selangor districts) and property types to identify spatial and typological variations. Third, we contextualized quantitative trends against macroeconomic indicators (OPR, inflation, Consumer Sentiment Index) and policy interventions (Home Ownership Campaign) documented in NAPIC reports and Bank Negara publications. This triangulation of index trends, economic context, and policy timeline provides a comprehensive understanding of market dynamics.

We acknowledge that this descriptive approach has limitations. As a secondary data analysis using composite indices, it does not employ advanced statistical modelling or control for confounding

variables through regression analysis. Future research could enhance these findings through econometric modelling of micro-level transaction data. However, for the research objectives of identifying broad trends, comparing regional patterns, and examining property type variations, the descriptive-analytic method using MHPI data provides robust and policy-relevant insights that align with the exploratory and comparative nature of this investigation.

4. RESULTS AND ANALYSIS

4.1 Overall Market Trends

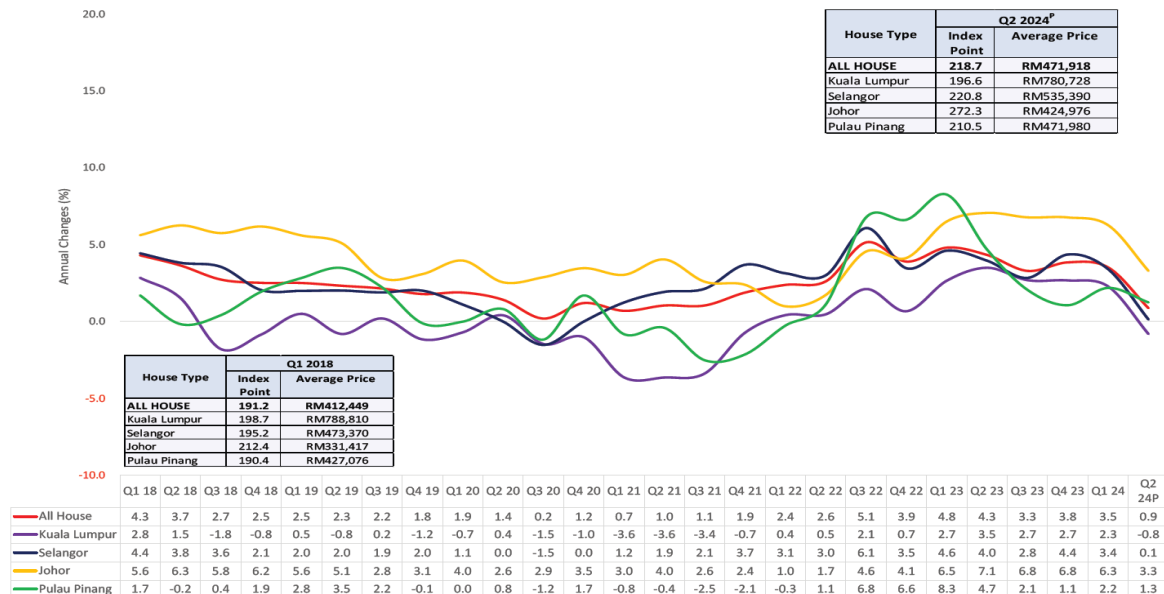


Figure 1: MHPI Annual Change by Major State Q1 2018 – Q2 2024^P

Source: NAPIC, 2024

The overall Malaysian property market displayed moderate growth over the study period, with significant changes in recent years due to economic and market influences. According to the MHPI data, the general index for residential properties in Q2 2024 stands at 218.7 points, reflecting a slight annual growth of 0.9%. This is notably lower than the 4.3% growth observed in Q2 2023, marking the slowest rate of increase since the post-pandemic recovery. Factors contributing to this deceleration include cautious consumer spending, inflation concerns, and a more subdued economic outlook, all of which have influenced housing demand across the country.

The quarter-on-quarter change, specifically from Q1 to Q2 2024, reveals a decline of -2.1%, reversing the upward trend of 1.0% seen in the previous quarter. This shift aligns with the declining Consumer Sentiment Index (CSI), which dropped by 2.0 points to 89.0 in Q1 2024, indicating a growing sense of caution among consumers regarding large financial commitments such as housing investments. This data, displayed in Figure 1 demonstrates how consumer confidence and economic factors are impacting the market. Persistent inflationary pressures, in particular, appear to have led to a significant postponement of home purchases and broader financial conservatism, highlighting the sensitivity of the property market to macroeconomic conditions.

4.2 Regional Analysis of Kuala Lumpur and Selangor

4.2.1 Kuala Lumpur Market Trends

Kuala Lumpur, as the capital and economic hub of Malaysia, has experienced unique challenges

and trends in its housing market, especially in recent years. The city recorded an annual decrease of -0.8% in residential property prices by Q2 2024, indicating a cooling trend that contrasts with the moderate growth observed in other regions. This decline marks Kuala Lumpur as the only major region in Malaysia to see a contraction in property prices over this period. The primary reason for this contraction lies in the high property prices, particularly in premium segments such as high-rise and detached homes. As inflationary pressures and economic uncertainty weigh on buyer sentiment, demand has softened, leading to a market correction.

The data reveals that Kuala Lumpur's high-rise segment has been particularly affected, with prices dropping between -3.5% and -5.3% across the city's major districts. Table 1 consolidates this information, highlighting the quarterly and annual shifts in high-rise, terraced, semi-detached, and detached house prices. The high-rise market's decline reflects a possible oversupply and shifts in buyer preferences, as post-pandemic trends indicate a desire for larger, more spacious properties. Detached homes, while maintaining high average prices (RM2.5 million), have shown minimal growth in recent quarters, further reinforcing the trend of price sensitivity in Kuala Lumpur's luxury property market.

Table 1: Quarterly and Annual Price Changes in Kuala Lumpur (2019 – 2024)

Property Type	Q2 2024 (Quarterly Change %)	Q2 2024 (Annual Change %)	Average Price (RM)
High-Rise	-3.5	-0.7	576,839
Terraced	1.6	1.1	937,267
Semi-Detached	-2.4	2.6	2,430,782
Detached	0.5	0.5	2,502,905

Source: NAPIC, 2024

4.2.2 Selangor Market Trends

Selangor, Malaysia's most populous state, shows more moderate growth trends, with a minimal annual increase of 0.1% in Q2 2024. This marginal growth is indicative of a mature and relatively stable housing market where prices are less volatile compared to Kuala Lumpur. However, Selangor's quarter-on-quarter data reflects a notable decline of -2.9%, marking the most significant quarterly decrease among major states. This trend may indicate a regional market adjustment, driven in part by Selangor's growing inventory and relatively competitive pricing compared to Kuala Lumpur.

Within Selangor, different regions exhibited varied price trends. The urbanized area of Petaling, for instance, maintained a small but positive growth rate of 0.4% in high-rise property prices, as shown in Table 2. This trend contrasts with districts such as Hulu Langat, where high-rise prices declined significantly due to lower demand and a higher availability of new units. Petaling's continued growth is likely due to its strong connectivity to Kuala Lumpur and established infrastructure, which sustain demand for affordable high-rise units in an accessible location. This regional demand variability illustrates Selangor's role as a suburban alternative to Kuala Lumpur, offering more affordable housing options without sacrificing proximity to major economic centres.

Table 2: High-Rise Property Price Trends in Selangor by Region (Q2 2024)

Region	Q2 2024 (Quarterly Change %)	Q2 2024 (Annual Change %)	Average Price (RM)
Petaling	0.4	1.6	529,807
Hulu Langat	-3.5	-0.7	402,311
Klang	-1.0	0.5	300,603
Sepang	-2.2	-1.4	237,872

Source: NAPIC, 2024

4.3 Comparative Analysis of Property Types

4.3.1 High-Rise Properties

High-rise properties in Kuala Lumpur and Selangor show diverging trends, with Kuala Lumpur experiencing a more pronounced price decline, particularly in high-density areas. This trend is evidenced by Figure 2 and 3, which illustrates the differing demand dynamics in each region. In Kuala Lumpur, high-rise properties are facing downward price pressures due to oversupply, as several new developments have increased the inventory without commensurate demand. Additionally, the shift in buyer preferences post-pandemic, with many seeking larger living spaces, has adversely impacted the high-rise segment in the city.



Figure 2: High-Rise Unit Price Index Annual Changes by State and Region

Source: NAPIC, 2024



Figure 3: High-Rise Unit Price Index Quarterly Changes by State and Region

Source: NAPIC, 2024

In contrast, Selangor's high-rise market remains relatively resilient, with Petaling demonstrating modest price increases. This resilience can be attributed to Petaling's affordability and proximity to Kuala Lumpur, making it a desirable location for buyers seeking urban convenience at a lower price point. However, high-rise units in outer Selangor suburbs, such as Hulu Langat, have not seen similar demand and thus face price declines. This comparison underscores the importance of location and accessibility in sustaining high-rise demand.

4.3.2 Terraced Houses

Terraced houses remain a popular choice among buyers due to their stability and relative affordability compared to other property types. This property type has maintained moderate growth despite broader market fluctuations, reflecting enduring demand for landed properties that offer a balance between space and cost. In Kuala Lumpur, terraced homes command the highest average price in this category (RM937,267), yet continue to show resilience with a 1.1% annual growth rate in Q2 2024 (Table 1). This stability reflects strong fundamental demand even within a high-cost environment, as terraced houses provide the landed property format preferred by Malaysian families.

Selangor's terraced house market demonstrates greater regional variation but overall positive sentiment. Urbanized areas like Petaling, with strong connectivity to Kuala Lumpur's employment centres, show positive growth trajectories that mirror buyer preferences for accessible suburban locations. The terraced segment's resilience across both states suggests that this property type successfully balances affordability considerations with adequate living space requirements, positioning it as a stable investment option amid broader market uncertainty. Figure 4 illustrates these annual price change patterns across major states, clearly showing the relative stability of terraced house prices compared to more volatile segments like high-rise properties.

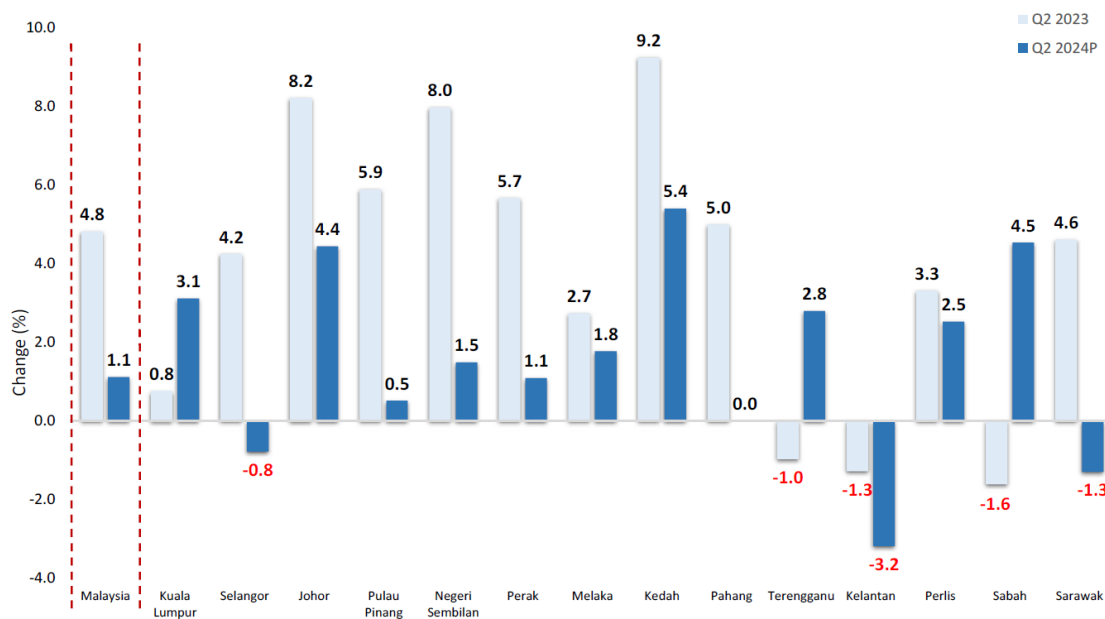


Figure 4: Annual Price Changes in Terraced Houses

Source: NAPIC, 2024

5. DISCUSSION

The findings reveal market dynamics that align with observed trends in other high-cost Asian markets facing similar post-pandemic adjustments. During 2021–2023, Singapore's housing-market dynamics shifted in intriguing ways. HDB resale flats saw strong gains (12.7% in 2021, 10.4% in 2022),

though they slowed in 2023 (4.8%) (Liew, 2024). Meanwhile, private non-landed homes in outside-central regions (i.e., more suburban areas) recorded solid quarterly growth of around 5.5% in Q3 2023 (PropertyGuru, 2023), suggesting a preference for space and affordability. Similarly, Hong Kong's residential market saw a notable "suburbanization premium" emerge in 2020-2022, where New Territories districts recorded price resilience while Hong Kong Island's luxury high-rise segment faced corrections of 10-15% (Rating and Valuation Department, 2023). These comparative insights reveal a broader regional shift in urban housing demand across Southeast and East Asia, where high-density metropolitan cores are experiencing demand moderation while well-connected suburban alternatives gain market share, a pattern clearly evident in the Kuala Lumpur-Selangor dynamics documented in this study.

The analysis reveals that Kuala Lumpur's high-end housing market, especially high-rise and detached properties, is experiencing a market correction driven by persistently high prices and softened demand amid economic headwinds. Buyer preferences have demonstrably shifted toward suburban areas and larger property types, directly aligning with post-pandemic lifestyle changes that prioritize space, affordability, and quality of life over proximity to central business districts. Selangor's suburban regions, particularly Petaling district, continue to attract steady demand, supported by more competitive pricing (approximately 40% lower than equivalent Kuala Lumpur properties) and improving connectivity through MRT/LRT extensions. These findings underscore that affordability, location accessibility, and property type configuration play pivotal and interrelated roles in shaping contemporary market trends across both regions.

In light of ongoing economic challenges, including inflationary pressures, elevated interest rates, and moderated consumer confidence, Malaysia's housing market may continue experiencing gradual cooling, with selective growth concentrated in affordable, well-located suburban corridors. Policymakers should consider implementing targeted intervention measures to address emerging supply-demand imbalances and stimulate appropriate segments. Specific policy options could include: (1) temporary stamp duty exemptions or rebates for first-time buyers purchasing in oversupplied high-rise segments, helping to clear existing inventory; (2) developer incentive adjustments that encourage alignment of new supply with documented demand patterns, potentially through differential approval processes favouring suburban terraced developments over urban high-rise projects; (3) zoning flexibility mechanisms allowing commercial conversion or mixed-use redevelopment of persistently oversupplied high-rise buildings, particularly in Kuala Lumpur's premium segments; and (4) selective affordable housing grants or financing assistance targeted at well-connected suburban areas where infrastructure investments have enhanced liveability. Such differentiated, evidence-based interventions could more effectively stabilize the market than broad-based stimulus measures.

6. CONCLUSION

This study highlights the varying trends within Malaysia's housing market, particularly between Kuala Lumpur and Selangor, and underscores the influence of economic and regional factors on property demand. High-end and high-rise properties in Kuala Lumpur face pressures from oversupply and changing buyer preferences, while Selangor's suburban appeal supports stable growth in well-connected areas. These insights contribute valuable perspectives for future policy development and market forecasting, particularly in addressing supply-demand imbalances and aligning new developments with consumer demand. Policy interventions could consider targeted subsidies for affordable housing and initiatives to manage the supply-demand balance in high-rise developments, especially in Kuala Lumpur's premium segments. Future studies may also benefit from investigating these demand dynamics under different economic scenarios to predict potential shifts in consumer housing preferences.

ACKNOWLEDGEMENT

The research is supported by the Universiti Teknologi Malaysia (UTM), UTM Fundamental Research
Vote No: Q.J130000.3852.23H30

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