

Penang property prices expected to increase

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BUTTERWORTH: Despite the global downturn last year, the Penang property market has not recorded any significant drop in prices and is expected to improve this year in line with the economic recovery.

Henry Butcher Malaysia (Seberang Perai) Sdn Bhd's senior manager Fook Tone Huat said that development land, especially in Seberang Perai, were still in good demand, particularly those near town areas.

"Although many projects were deferred last year, we are confident that the worst is over and and the public confidence has began to come back in the property market," he said at a media briefing on the property market in Seberang Perai here on Wednesday.

The Seberang Perai area is expect to record a 10 per cent increase in appreciation rate due to its high population density compared to neighbouring states like Kedah and Perak, Fook said.

"No doubt that Penang Island has been the number one choice for property but Seberang Perai can offer a better price and location," he said.

Fook said that development land in Seberang Perai were two times larger than those in Penang island.

"The lack of land for development has caused properties in Penang island to be about 40 per cent higher than those in Seberang Perai," he said.

According to Fook, now is the time for the public to purchase properties as the base lending rate (BLR) is still below six per cent.

"As long as the BLR is below six per cent, it would not affect the number of purchasers in the property market," he said.

On the outlook for 2010, Fook said the residential sector will still be the main player in the property market in Seberang Perai and among the hotspots to be developed are Raja Uda, Bagan Lallang, Juru, Bukit Tambun and Simpang Ampat.

As for commercial properties, he said Bandar Sunway in Seberang Jaya will continued to be the prime hotspot and there is potential for new shopoffice development in the area. -
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