



A DECADE OVERVIEW OF RESIDENTIAL PROPERTY: A CASE STUDY OF HOUSING CONSTRAINTS

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ABSTRACT

Residential property is not the new issues but this issues should be concerned over the time. It is because the property sector is the largest contributor to the countries' economy development. The aim of study is to overview the summary of literature review on residential property in the context of housing constraints that obtained in several papers and reports. Moreover, by review these constraints, then will help to know the sources that need to be concentrated by government in residential property will be sorted by developed and developing countries and Malaysia. This paper reviewed in seventeen journal articles, papers and reports in 2007 to 2013 in Malaysia (searched via Science Direct, Google Scholar, Wiley, Emerald Insight and other government reports). In addition, constraints of other countries were also referred which consisted of nineteen articles journals and papers during 2005 to 2014. From the result, found that there were four type of constraints always became problem between Malaysia and others countries housing that were price & affordability, supply and policy constraints.

KEYWORDS: Housing constraints.

I. INTRODUCTION

Residential property is important in the investment for a country. Liang and Cao (2007) explained the property sector is accounted as the largest contributor to the countries' economy development. Residential property constraints is not the new and strange to every countries. Although many researches has been explored to overcome this constraints before, but scenario and related activities should be continuously monitored and reviewed from time to time. This is because it is not only very important issue that affects social, economic and politic for a country (Abdul Kadir et al., 2005). Recently, the property sector has been declared as a pillar in the official documents of the China's State Council. This is due to the increasing of economy growth in years 1978-2005. However this study is concentrate on of residential property on housing constraints. It is due to one of residential property ownership problem is related to housing in Malaysia and other countries. According to Green (1997) and Mahmud (2004), housing investment will change gross domestic product (GDP) and next will change GDP in non-housing sector. The right to housing is a basic need while good quality and affordable housing is a reflection of a high quality of life. However, housing remains a major problem for most, especially for the bottom billions. Satisfaction on housing and neighborhood conditions are one of the important indicators that reflect quality of life (Salfarina, et. al., 2011). To achieve the objective, this study reviewed the article journals, other papers and reports in 2007 to 2013 in Malaysia and 2005 to 2014 in others countries (searched via Science Direct, Google Scholar, Wiley, Emerald Insight and other government reports). Then this study will compare the housing constraints in Malaysia and other countries (developed and developing countries). The developing country defined by a country that has a low standard of living of the mass of the population (Szirmai, 2005) and while the developed country is a country with negligible poverty at such a poverty line (Nielsen, 2011).

REVIEW OF RESIDENTIAL PROPERTY

Housing Constraints in Developed and Developing Country

There are several constraints that can be highlighted in several observed papers on residential property issues in developed and developing countries. Most of residential property focused on housing issues. It is because the housing problem is more critical than land problem.

Price and Affordability Constraint

According to Barros, et. al. (2014), Beijing is a city that has experienced a high increase in housing prices due to high demand. The high demand was due to rapid urbanization of migration those from rural to urban place. The migration was impacted from occupation factor. Then housing prices continued to increase in 2001, it was because this country



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had been selected as a host of the 29th Olympic Games. However, lack of housing sold due to high housing prices in Beijing in a short time. The alternatives that should be tackled is to produce a quality and affordable house.

Besides, Yu & Cai (2013) explained that higher living cost in urban areas of Beijing lead to low cost housing demand. However, the programs that were organized still not able to overcome this problem. It is due to most of existing population who got benefit from this programs but not the right population. Effect of social status and low education among the rural migration to the cities made them difficult for them to earn a high income in urban place. Next to overcome this problem, the Chinese government provided the basement. However, this alternative was only for rent and not for ownership. The basement critical issue that should be focused was the lack of appropriate management and instability of Beijing Municipal Government (BMG) policies. Moreover, high demand problem still could not be solved due to unsecure and poor sanitary basement.

Mulliner, et. al (2013) disclosed that housing affordability was a complex issue that was not only necessary in the economic viability. Results of this study found that the consideration of environmental and social networks could greatly affect the ability, compared to the focus on the financial statements. Therefore, it was important to address the capacity and sustainability issues at the same time. Other important issues were overlooked such as sustainability, quality and location of housing. Tsai (2013) proved that from his study, when housing price increased then increased mortgage and then decreased housing affordability index followed by decreasing of housing demand in Taiwan.

McCord, et. al. (2011) stated the residential real estate market downturn problem in Northern Ireland, UK which facing housing expenses were more than income plus with loans. Moreover, impacted the major problem of unaffordability. His finding showed that there existed a relationship between financial deregulation and capabilities in the UK housing market. Affordability had become a major constraint due to increasing the number of housings that did not match the affordability. This analysis suggests that the issue of the ability of the housing market has a paradigm shift for the issue of home prices, income and repayment, over the issue of access and the ability to purchase. The ability to save of 10 percent given deposit with low wage structure had become a problem, plus continuously economic austerity measures. Affordability measured in a variety of different aspects of the housing market cycle in different periods. However, the affordability always been concerned in the housing market cycle.

In Australia, housing affordability problem among first and second time buyers who were in low income groups, were caused by increasing of housing cost. From this research, the policies should be proposed to improve housing affordability among low-income groups by weakening the overall housing demand. However, these efforts were only effective in a short time that in favor of the request and then finally became inflationary. To improve housing affordability in the long term, government policies should focus on increasing the supply of existing housing stock (Curtin, 2008)

Otto (2007) disclosed in his study focused on eight countries in Australia, lack of systematic economic variables affected the growth capital gain's rate in several urban places. About 40 to 60 percent variation of housing price growth rate were explained by economic factors. Despite many proposals, including interest rates, demographics, real income, new housing supply constraints, government policies and the stock market performance were still not clear but these variables have an important effected on property prices.

Supply Constraint

According to Curtin (2008), the supply of the housing stock which did not fulfill the high had given impact on problems of housing shortage. This condition occurred due to the rapid growth of population. Hui, et. al. (2014) said that effect of the housing supply had been prevalent in recent years which was the higher price of the private housing sector. This impacted the decreased in housing purchase in private sector. However at the same time, the public housing became a concern because this type of housing was cheaper than private housing. It caused the housing supply problem due to the higher demand for resale flats under the Home Ownership Scheme (HOS) have been remarkably



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higher than they were years before. In addition, the amount of people on the waiting list for public rental housing (PRH) has shown noticeable growth in recent years.

In Jayantha & Hui (2012) study, inadequate housing and overcrowded were the serious problem in Hong Kong. The finding had shown the land supply for new housing was significant contributed to this problem. The results also showed that the basic land supply had been affected due to uncertainty use of housing land supply statistics. He mentioned that 10 percent increase in the land supply will increase the use of space by 0.4 percent. The use of residential has been adversely affected by the land supply. Land supply were clustered in urban areas covering 77 percent of the overall city. This is due to the government's policy which was based on the high land price by preferring land reclamation and did not focus on rural areas. According to him, the land supply was a very important determinant in influencing residential overcrowding in Hong Kong.

Finance Constraint

Palancioglu & Cete (2014) clarified that the financial problems became one of the issues for low income earners to own their own home. Government played an important role in providing adequate housing according to the needs and affordability. Sidawi (2014), lack of finances would only not give the negative effects on the socio-economic needs for the present and future but also affected the environment. Gültür & Basti (2014) described that population and economic growth in Turkey had increased the housing demand. Production and mortgage financing were an important issue needed to be addressed due to the real estate sector interest effects. Problems of high inflation and interest rates would decline the housing market. To tackle this problem, the number of loans had increased. In addition, to fulfill the primary and secondary market needs, the mortgage system should be more efficient. However, mortgages in the secondary market was critical in providing liquidity and long-term funding of the housing sector and increase the number of housing loans in Turkey. There is no specific of housing finance system that could be applied to all countries. Moreover, this issue is important to emphasize the need for appropriate housing finance system according to market conditions and to help the urban poor.

Based on Warnock & Warnock (2012), too small financing system could not solve the problem large spending on housing in many countries. United States financing system became as a guide to other countries. This study has identified the small financing system in increasing the market growth. However, the larger financing system was not necessarily better. Mortgage market is influenced by the price dynamics, the ratio of loans to housing prices and taxes. By this observation, time series and a panel analysis were proposed to assess the mortgage of GDP and understand mortgage market. Warnock and Warnock (2008) studied the market which enables the provision of housing finance across different countries. Moreover, it could be observed that there was no evidence to support the government in developing the housing finance system security for a new markets. Low economic volatility and credit risk, changes in the law explained the extent of housing finance.

In Otto (2007) findings, housing prices were highly sensitive toward mortgage especially in Sydney and Melbourne. In addition, the results of his study showed that mortgage rates have an impact to monetary policy widely. Mortgages movement caused uncertainty in housing prices and indirectly led to uncertainty ownership affordability and housing demand.

Policy Constraint

Zenou (2011) mentioned that in view of the past, many researchers argued that there were less government intervention than others housing experts. Less of government intervention in the housing market competitiveness would lead to less efficiency in the housing market. According to him, the problems related to the housing sector is due to the large transaction costs of search costs, transfer fee and inaccurate information. In his study, it was observed that there was a problem of housing in the US, Europe and China. Through his research findings, the US had emphasized on the type of housing policy, namely ownership and targeting low-income earners. US government has provided various housing subsidies, through the income tax payment for the first and second home buyers. The targeted groups to receive these



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subsidies were low-income earners. However, this problem could not be addressed by the subsidies provision. It was because it would give impact on deterioration of the US economy due to the needs for others expense. In addition, the government policy is focused on the ownership than renting. Because of unaffordability, the residents had to choose to live in areas where were far from suburbs.

Moreover housing problems in Europe that home ownership was is directly proportional to the unemployment rate in developed countries. It is because home ownership was not changed due to high housing costs that could not be covered by revenues (many living in the family home), while unemployment rate always increase. In addition, bias in favor of owner-occupation tax breaks and subsidies should be reconsidered. Subsidized in rental housing only solved the problem in the short term. However, with rising unemployment, lack of social insurance and poverty problem was an issue and increase support needs among households. Most of housing projects were targeted to the commercial real estate which only gave benefit to developers and middle class. It could affect poverty and unaffordability among low income group problem due to migration of urban to rural areas. He suggested that the government needed to take action to take this problem.

Poon & Garratt (2012), UK had faced housing price problem due to unaffordable income in the long term. This problem occurs effect of decreasing in the housing supply and the situation becomes worse when housing interest rates increase. Housing policies an important role in identifying the needs of the housing supply to meet the demand pressures in the short and long term. Build new homes could not solve the unaffordable housing according to the limited land. However, therefore, it is important for policy makers to investigate the use of the existing housing stock to reduce the affordability problem. Policy development related to existing housing stock also potentially solved the problem of market segmentation. However, these efforts were still being studied either affected the housing problem in the UK or not.

From Huang & Tang (2012) study found in US urban population data for the year 2000 to 2009, the land constraint problem was linked large boom of housing prices. This problem is caused by natural and man-made constraints led to an increase in the credit and subprime mortgage loans in this decade. However, he believed that there was a difference between the results of the study compared to other researchers using who different data periods. He also explained that the controlled cities which had underdeveloped land price increases between January 2000 to June 2006 and decreased prices in June 2006 to July 2009. Additionally, the housing supply constraints caused by the expansion of the subprime mortgage market and increase in the housing market price that had limited supply.

Wadud (2012) examined the effect of monetary transmission in the Australian housing market. Higher interest and inflation rates show positive and negative effects on house prices. Results showed that high house prices increased the quantity of new built housing. Results of his study found that a contractionary monetary policy reduced the housing activity, increase the number of new homes but did not give a negative effect on real house prices. Otherwise housing prices and material costs increased in the short term. Housing prices was related to demand, supply and other variables. House prices also increased significantly with the shocks of real economic activity aggregate. Although housing supply and demand increased a new home construction significantly, but there was a shock of inflation which were negatively affected the production of housing. Our study clearly shows that there were some basic ways to both Australian government and the central bank policy. Our findings suggested that the monetary transmission mechanism plays an important role in the Australian housing market then needed of Research Bank of Australian (RBA) compatible to perform the monetary policy objectives. However, the decline in both price and production took a long term to display the impact on consumer costs, wealth and the transmission credit channel. This could ensure a prudent monetary policy decisions due to the increasing housing prices in Australia.

Yu (2005) addressed the housing issues in Sydney consequence of increasing housing price reduced ownership affordability. This can affect the quality of life for low-income group who were difficult to own the home due to the lack of low cost housing. The recent housing crisis is caused by an unbalanced of socio-economic development,



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inappropriate government policies unhealthy real estate investments. According to him, government policy was the most important factor to overcome the problems related to housing, particularly on housing market, housing loans management, tax reform, interest rates and public housing financial. He also argued that the government should rethink the policies regarding real estate investment market and provided the accurate information to the public.

REVIEW OF RESIDENTIAL PROPERTY: HOUSING CONSTRAINTS IN MALAYSIA

Based on Jabatan Perumahan Negara (2013), the issues that should be highlighted in Dasar Perumahan Negara (DRN) to ensure that the housing sector in the country to achieve healthy development and continue to contribute in positively to economic growth, various issues and housing-related challenges need to be addressed effectively.

Housing Price and Affordability Constraint

Through the Tenth Malaysia Plan (RMK-10), from 2011 to 2015, the objective are concentrated by the government is developing viable and attractive residential area as well as ensuring in access to quality and affordable housing. Focus on the provision of affordable and available housing are targeted to those at low-income urban and rural areas. Therefore, three strategies have been focused in the RMK-10 are to strengthen the distribution system of affordable housing, to strengthen efforts to provide high quality housing and environmentally sustainable housing industry and produce a healthy and sustainable (Unit Perancang Ekonomi Malaysia, 2011).

Jabatan Perumahan Negara (2013) disclosed that some main issues identified were the quality of homes built, abandoned housing project, the ability and accessibility of public to buy or rent a home provided, demand exceeds supply for low-cost and medium-cost housing, development of *Program Rumah Mampu Milik* (PRMM) in non-strategic location and the issue of distribution PRMM. Besides, the government play important role to tackle the issues of housing in Malaysia such inadequate PRMM preparation of low and medium cost housing, low quality of construction, weakness in ensuring the implementation and compliance of the delivery system housing-related services, vulnerability control, monitoring and enforcement, the implementation of the quota PRMM problem, increasing level of sustainability of the housing and environment and also social facilities less conducive. Then objectives of DRN is provided to overcome these problems that are providing sufficient housing with completed facilities and conducive environment, increasing capacity and accessibility of community to own house and setting the aim sustainable housing sector.

Malek & Husin (2012) Malaysia always has been faced the common constraints of residential property in Malaysia until now. These common problems are supply on low cost and affordable housing and increasing housing price by drastic. The supply became a problem when there were too many housing demand more than supply. This issues were caused by urbanization process that resident migration from rural to urban place. Then the impact of high migration lead to the high housing demand and land in urban areas. Thus, the increasing the residential property demand will affect the price of the residential property. Although there were low cost housing programs in urban areas but still have those of urban areas cannot own a home. Problems had faced by the poor buying the low-cost housing, it is because this market is high. Based on his surveys, factors like housing price and income were affected residential ownership among urban community. The need of low cost housing is still high due to the increasing of urban population. However, according to them, the government should play the roles to increase the permanent income among the community to be affordable to buy own house.

According to Azima Abdul Manaf et. al. (2012) after explore statistic reports in Jabatan Penilaian dan Perkhidmatan Harta in years 1999-2008 and explained that the phenomenon of unsold properties raised a concern when around 20,000 units of Malaysia's residential unsold in year 2005 until 2008. This amount was higher than first five years phase after economic crisis in 2007. Hence, this issue became the main focus in Malaysia 9th Plan upon it was detected in the develop state in Malaysia. National Property Information Centre (NAPIC) defines unsold property as residential units in Malaysia, shops and industries that have been completed and get the certificate of living (CFO) but unsold more than nine months after launching in one year (Tan, 2011).



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Besar et. al. (2012), the housing problem in Malaysia was lead to access housing for those who had the low income. The inability of public and private sectors to produce low cost housing to buy will cause the lack of low cost housing supply in the market. Besides, poverty and low income problem is another factor that affected them who could not afford to buy a house. Both of these problems impacted the existent of squatter settlement particularly in major cities and crowded settlements. One of the Malaysian Government's efforts to overcome the problem of housing is to form housing policy. Among of these policy was the provision of PPR as one the core of Dasar Perumahan Negara (DRN) which can be translated by core 1 of DRN that was providing adequate house based on need especially those who need to own house. Nevertheless, there were still insufficient housing among those low income group level.

Based on studies Zain (2012), until now the issues of housing faced by Malaysia were still the same, so that advanced countries. Housing problem in Malaysia was not only caused by rapid population growth, but also the prosperity and development of the country. Government faced enormous pressure to provide affordable housing, particularly housing for lower income groups. He added that the problem of high prices, policies and procedures was too bureaucracy, location far from the city center, decreasing in housing supply, lack of facilities and usage issues also become one of the major issues because occasionally government had to face the problem unbalanced of demand and supply.

Supply and Abandoned Constraint

Rahman et. al. (2013) in their study, overviewed abandoned housing projects in Peninsular Malaysia overall by identifying the causes, effects, and initiatives to address the problem. Abandoned housing projects have occurred in the past 20 to 30 years ago due to the economic downturn. In addition, system weaknesses sales and purchases, the difficulty in obtaining project approvals and licenses were identified. They also explained that the housing projects would not only affect the buyers and developers, but the socio-economic and environmental. Effect on the buyer was a buyer did not get compensation from the irresponsible developers. While these developers would be evaluated unwell by investors and other buyers that had affected developer's reputation. The problem of abandoned housing projects were still ongoing despite of many government actions to prevent the housing problem. This factors that caused the problems still did not identified. They suggested that further research could find a solution to overcome the difficulties encountered in the housing system, such as a lack of coordination among developers, consultants and government authorities. The issues related to land ownership, pending legal action between the important parties in abandoned housing projects; lack of the necessary information about the project; and the issues raised in the submission of the project approval documents.

Through the Tenth Malaysia Plan (RMK-10), from 2011 to 2015, other challenges are also faced by the Malaysian housing industry is abandoned housing projects and decreasing of housing quality due to poor quality control and maintenance during construction. (Unit Perancang Ekonomi Malaysia, 2011). Salfarina, et.al (2011) explained that although the government emphasis on increasing the supply of housing, but housing is still become an issue. The issues identified is the ability of home ownership and housing quality. Quality is not only related to the physical design, size and facilities, but also neighborhood quality, housing affordability and location. Housing research in Malaysia mainly focused on housing satisfaction, which still limited and fragmented. Based on his observation, the identified major housing problems were housing price, location and distance from work. Most respondents felt that house prices in Malaysia is too high and this caused those could not afford to own home. Furthermore, the location and the distance from the place of work should be focused too.

Zainun, et.al (2011) explained that low cost housing is one of the government main agenda in fulfilling nation's housing need. According to Sibly, et.al. (2011) there are many complaints about the serious problems which encountered in the housing industry in Malaysia such as defects, delays in supply and abandoned projects. However, the problem that always faced by the buyer is unexpected defects during the warranty period. Moreover, based on National House Buyers' Association statistic in 2006 showed that 7 percent complaints of relating to shoddy workmanship and defects comprises of 7% out of other complaints which consist of strata issuance (30%), property maintenance (24%), abandoned projects (14%), late delivery claims (12%), certificate of fitness (9%) and non-compliance with building plans and infrastructure (2%). Result from 2000 to September 2009, there were 148



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abandoned housing projects throughout Malaysia which involved nearly 50,000 housing units and more than 31,000 home buyers. However, Malaysia is considered safe from natural disasters such as earthquakes and volcanoes compared to other countries. Although housing industry in Malaysia was protected by Housing Development (Control and Licensing) Act 1966, nevertheless these problems were still occurred and had impacted towards many home buyers. These problems could not be handled completely by the acts and laws but the support of stakeholder is important to ensure that housing delivery system is perfect and efficient.

According to Tan (2008), one the factor that contribute the sustainable development was housing industry. The housing problem faced from 1980s is oversupply which housing supply were over than housing demand. These is driven by various factors such as housing high price and suitable location. Even though, housing ownership was the complex issues that affecting from many determinant including housing characteristics (house types and property types), employment and income trends, and socio-cultural and demographic descriptors. He also disclosed that to overcome the oversupply housing problem was by analyzing the details knowledge of determinant of housing ownership. Homeownership is strongly correlated with income, education, stage in life cycle, the existence of children, employment types, *employees provident fund* (EPF) withdrawals, liquidity constraint, and relative price of owning. For example, householders with a higher educational background, where careers tend to be more established, have high valence on most of homeownership externalities.

Alaghbari, et. al. (2007) explained the delayed housing projects delayed were caused by two factors: internal and external problems. Internal problems be attributed owner, designers, contractors and consultants. The external problem is the government, suppliers or weather. He also examined the factors that led to the housing project delayed due to issues of delayed projects was a serious problem in the construction industry.

Finance Constraint

In Zain (2012) research also resulted that the main problem was the price. Housing prices in the Hulu Selangor District Council (MDHS) was costly and not affordable to the income of the resident. About 30 percent of their income was used to pay the rent and bank loan. In addition, the location of the residential area was not safe and peaceful which near the industrial area and no on-site facilities. Not all developers was trustworthy. The project was abandoned due to limited resources and finances. The developers had to increase prices to cover the housing financial. Some of the developers abuse the reserve land to develop housing projects, so the project had to be stopped and then had caused abandoned. In addition, the developers did not have a certificate to occupy, and this caused problems for buyers, and developers had to be involved in a court case for breach of contract by the buyer.

Alaghbari, et. al. (2007) explained that the results found that financial was the most influential factor in causing delay in construction projects in Malaysia. Based on the findings, he was suggested that the financial and technical support was important and urgent solution for construction investment according to the owner and contractor. Technical support is also needed because studies show that the problem of coordination was the key factor that both caused of delay in construction projects in Malaysia.

Policy Constraint

Abidin, et. al. (2013) pointed out that Malaysia was involved in environmental problems caused by the large projects construction due to urbanization. He added that the concept of sustainability must be extended not only to new buildings, but existing buildings. However, the number of sustainable housing development project were still in low level. Most of developers were focused more on high cost building. His research showed that sustainability practices of housing industry were influenced by four quadrants that were technological, institutional, internal action and market. Technology was included hard, soft, knowledge and information was intended to provide basic knowledge and technical capabilities. The institution consisted of government institutions, professional bodies, financial institutions and educational institutions that aimed to guide change changes and stimulate sustainability. In addition, internal actions such as interest and commitment, policy and management of resources and capabilities were to



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strengthen the platform for action. Market influence like demand and ability would sustain the industry. Most of housings did not apply the practice of sustainable housing system because most of buyers were not demanding sustainability. However, it was important to develop sustainable housing because it might protect the environment and at the same time it is very useful to other countries.

Among the issues associated with the housing and residential property in Malaysia, were problems of home ownership among low-income populations and squatters. The problems was the injustice attitude of the developers who involved in the corruption that led to the difficulties faced by the original applicant who is truly qualified. Moreover, due to the high housing demand and urgent, had caused private sector was not able to provide a home. However, these problem could be reduced by government intervention in creating the Open Registration System (ORS). ORS was a system designed specifically to buyers to apply their buying application directly to the Ministry of Housing and Local Government (KPKT) without any agents. This system is important to ensure that those really deserved to get right in buying low-cost houses in their respective qualifications. The new allocation system is not limited to the buyer for low-cost public housing, but also including those low-cost private housing. However, at the same time this system would restrict the private sector to sell low-cost houses directly into the market. But with this system, the problem of squatters in Malaysia could be reduced by 82.1 percent (Shuid, 2010).

Based on Mohit, et. al. (2010), most residents in Kuala Lumpur, Malaysia were moderate satisfied with the service of residential unit support, followed by facility and neighborhood social environment. This was because less concentration and support from public agency to increase residential and needed to build variety of residential unit to rise the quality of life the low income group in the city. Yusof, et. al. (2010) noted that many developers took advantage after Sell Then Build (STB) system was introduced in 1980s and early 1990s. Most of developers took a long time to complete a house, their skills were poor quality and this caused the existence of abandoned housing. As an alternative to reduce these problems, the government established other housing system vice versa that was known by Build and Then Sell (BTS) system. In particular, the government should create a proper mechanism for BTS, reviewing incentive plan, improving monitoring systems, and political gain.

Sufian, (2009) highlighted that squatter problem needed to be addressed in overall because it was related to the economic, social and political. Although the government had been striving to provide various housing schemes for this group, but the elements of quality housing, adequate facilities, comfortable, calmness and affordability were not handled significantly had caused squatters doubt to move into a home that were provided to them. It is because inability of them to pay squatters rent fees or to buy the houses. According to him, the government and other agencies played an important role in addressing these squatters problem. NGOs should be positioned and so that the right information would be disseminated among these squatters. Through these agencies, more public participation can be implemented. In most cases, issues of justice had become a major problem because most of developers did not follow in housing laws.

OBSERVATION

In this paper, seventeen journal articles and papers, which appeared in the period of 2007 until 2013 highlighted the property ownership in Malaysia issues were collected (search via Science, Direct, Google Scholar, Wiley, Emerald Insight and other government reports). In addition, issues of other countries were also referred which consisted of nineteen papers during 2005 to 2014. Detailed percentages of the type issues of Malaysia and other countries are shown in Table 1 & Figure 1 and Table 2 & Figure 2 respectively.

Figure 1 show that the number of papers by countries and type of residential property issues. The issues of residential property have been evaluated in five countries which are China, Taiwan, United States, Australia and Europe. Among the issues determined were price & affordability, supply, finance and policy. The major issues that occurred among those countries were price affordability and financial with total of six papers respectively.

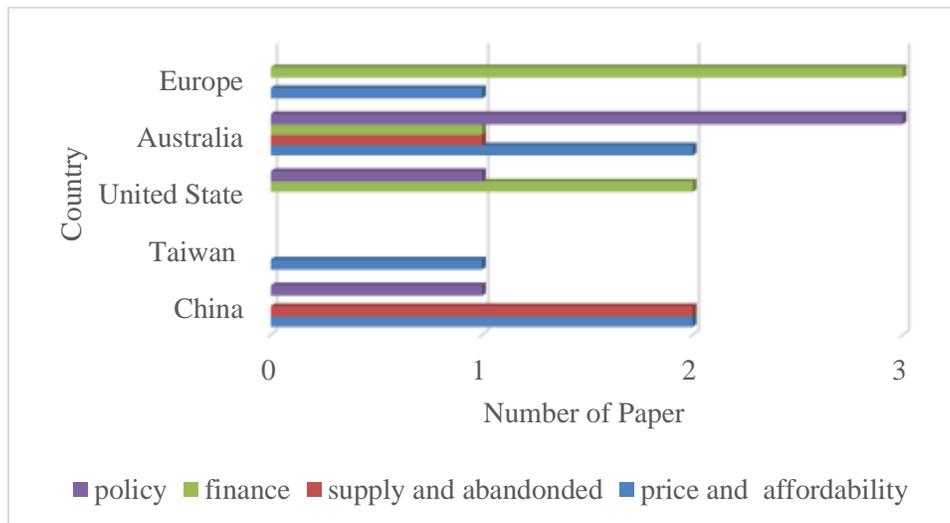


Figure 1: Number of Papers by Countries and Type of Residential Property Issues

The most important issues that should be tackled were price & affordability, supply and policy constraints (see Figure 2). However the finance issues also should be addressed because it was the one caused the residential property problem.

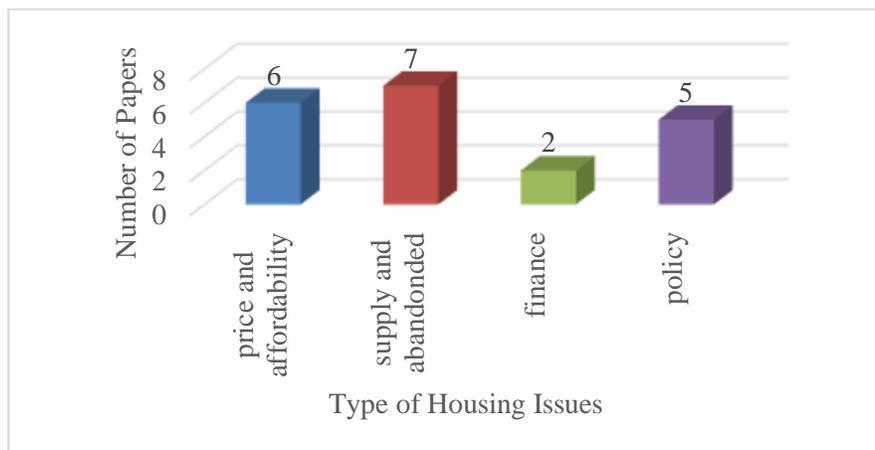


Figure 2: Number of Papers by Type of Residential Property

Issues in Malaysia

CONCLUSION

This paper overviewed the literature review on published articles, papers and reports of residential property ownership issues on Malaysia and other countries from 2007 to 2013 and 2005 to 2014 respectively. This review found that there were four type of issues that should be overcome which were price & affordability, supply and policy constraints. By this review it is hoped that could help others researcher to study the problem of residential property in Malaysia and other countries. However there were still have others several issues that related to residential property. In Malaysia,



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the major constraint that should be concentrate are supply and abandoned constraint followed by price and affordability, policy and finance constraints. In developed and developing country also show the same constraint. Malaysia should review the effort of these country as a guideline to improve the system of housing in Malaysia.

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