



## This week's spotlight

Tiny Homes, Big Demand: High-rise Trends Shift to Compact Living

### **What's going on here?**

In Kuala Lumpur and Selangor, smaller condo units are gaining traction amidst the mushrooming of new high-rise residentials, raising questions about market preferences and future trends.

### **What does this mean?**

The analysis of transaction data from EdgeProp and the National Property Information Centre (Napic) reveals a decade-long trend towards smaller condo units in Kuala Lumpur (KL) and Selangor. From 2010 to 2020, the median condo size in KL decreased by 38.32 sq ft, while in Selangor, it reduced by 44.78 sq ft. This shift is attributed to land scarcity and high costs in KL, and developers focusing on affordability in Selangor. The most transacted size groups in the past decade for both regions are 751-1,000 sq ft, reflecting urbanites' preference for practicality, easy maintenance, and access to amenities. Despite the decreasing median size of high-rise units in KL, there has been a gradual uptick in the above 1,501 sq ft category since 2005, indicating sustained demand for larger units due to factors such as land scarcity and rising costs of landed homes.

### **Why should I care?**

The shift towards smaller condo units in Kuala Lumpur and Selangor reflects changing preferences, affordability concerns, and future trends that could impact homeseekers' investment decisions and lifestyle choices.

For **01 April - 14 April 2024**

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