

Selamat Hari Raya  
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# Impact of West Coast Expressway Project on Local Property Market



West coast expressway (WCE) is a privatised project approved by the federal government which would connect the southern part of Selangor (Banting) to northern part of Perak (Taiping). It had started its construction since December 2014. WCE expressway is designed to provide as an alternative route towards the north apart from the existing North-South Expressway (NSE). The 233km long route commences at a junction which runs from Banting, Selangor and ends at Changkat Jering toll plaza of the NSE interconnection in Taiping, Perak.

The project aims to shorten the travelling distance between Perak and Selangor, as well as to ease the traffic congestion in west coast area. Subsequently, improving the socio-economic development of the surrounding areas simultaneously boosting the local property market. Furthermore, the affordability of toll rates and proximity to the toll exit also plays a major role in creating positive impact to the local market.

## Alignment and the interchanges

The highway has a total of 21 interchanges (10 in Selangor and 11 in Perak) with 20 toll plazas (Selangor:9; and Perak: 11) which were linked to existing highways such as PLUS, SKVE, NKVE, NNKSB, LATAR and KESAS.

As at to date, construction of five (5) interchanges spanning 77.9km from Klang to Kapar in Selangor, and Hutan Melintang to Beruas in Perak are completed and expected to be ready before Aidilfitri celebration in June.



Source: NSTP Online

**Developments near these interchanges**

The expressway is anticipated to stimulate growth in areas stretching from Taiping to Banting on the west coast of both Perak and Selangor by bringing more development activities in Peninsular West Coast area.

Introduction of such infrastructure would create more job opportunities and lift Perak’s economy as main industrial areas by providing Lumut Port and Kamunting Industrial Park with better connection to Port Klang. Furthermore, main tourism spots such as Kuala Selangor, Teluk Intan, Pulau Pangkor and Taiping would be attracting more visitors through the WCE construction and generate many downstream economic activities in areas that was previously accessed only by state roads.

**Price trends of properties within impacted locality**

WCE commencement suggests continuous acceleration of Perak’s residential development, especially in the northern, north-western and western regions, covering Lenggong, Taiping and Pangkor due to enhanced accessibility to such location.

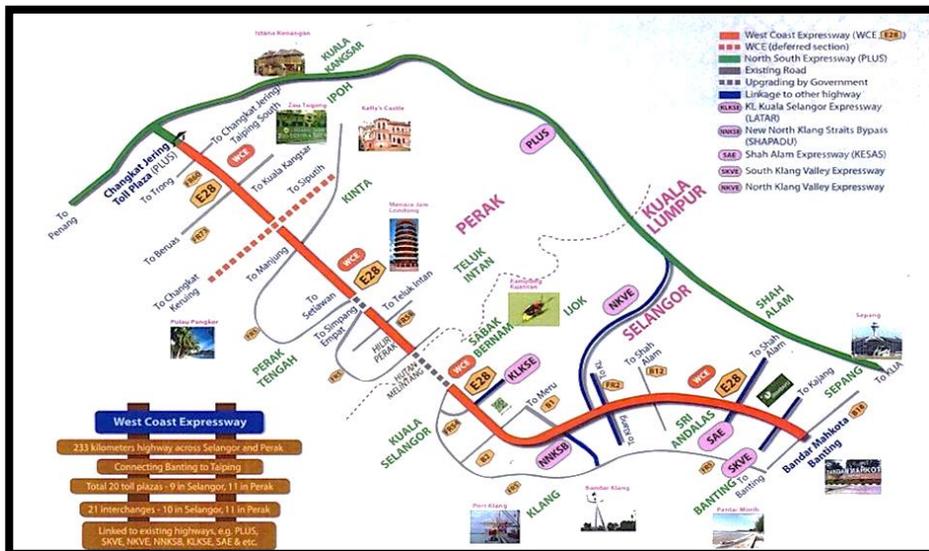
Since the project was announced in 2015, local residential market displayed positive movement in terms of both demand and supply. Residential property transactions shown upward trending for the past 3 years. Potentially impacted districts in both Selangor and Perak simultaneously portrays upward trend in residential property price.

Area/ District	Average Price PSF (RM)			Trend
	2016	2017	2018	
Selangor	517	557	567	▲
Kuala Langat	396	428	424	▲
Klang	442	483	513	▲
Kuala Selangor	350	361	423	▲
Perak	225	230	240	▲
Perak Tengah	211	211	229	▲
Manjung	286	261	261	▼
Kuala Kangsar	178	175	183	▲

*Source: NAPIC & Raine & Horne Research*  
Top three (3) most transacted residential types in Selangor includes 2 – 3 storey terrace house, condominium/apartment and single storey terrace and remain unchanged since 2016. Meanwhile in Perak, top three (3) most transacted residential types were landed properties such as single storey terrace, 2 storey terrace and low cost houses. This is supported by the numbers of incoming supply of such development.

As of 2018, overall demand for housing unit increased by approximately 6% (82,039 units) from 1,455,261 units and 5% (22,353 units) from 456,698 units in 2016, for Selangor and Perak respectively.

Once fully completed in 2022 (delayed from initial April, 2020) WCE expressway is anticipated to promote residential market along the routes, hence continue to attract more investors in the near future.



Source: WCE Holdings Berhad (website)