

EdgeProp.my

A PULLOUT EVERY FRIDAY WITH **FD** FINANCIAL DAILY MARKET RECORDS

FRIDAY, FEBRUARY 8, 2019 . ISSUE 2823/2019 . PP19055/06/2016(034530)

PRINT + DIGITAL

EP
04
FEATURE



What's in store for you in the Year of the Earth Boar

EP
05
DEALMAKERS



Former engineer finds greater satisfaction in real estate

EP
07
PROPERTY CHAT



Strata living: Can an unregistered owner vote?

AVAILABLE ONLINE + OFFLINE

Missed our past issues? Scan this code to visit our digital archive!



www.EdgeProp.my

Did you know that Malaysian homes are among the largest by global standards? Find out more about the housing size trend on **Pages 6 and 7**.



NEWS HIGHLIGHTS from www.EdgeProp.my



EdgeProp.my

The Edge Property Sdn Bhd
(1091814-P)
Level 3, Menara KLK,
No 1 Jalan PJU 7/6, Mutiara
Damansara, 47810 Petaling Jaya,
Selangor, Malaysia

EdgeProp.my

Managing Director/Editor-in-chief
Au Foong Yee

EDITORIAL
Executive Editor Sharon Kam
Editor Lam Jian Wyn
Deputy Chief Copy Editor
James Chong
Copy Editor Vanessa Gnanasurian
Senior Writers
Rachel Chew, Tan Ai Leng
Writers
Natalie Khoo, Shawn Ng
Art Director Sharon Khoh
Senior Designer Jun Kit
Designer Rajita Sivan

For New Launches/Events/
Press Releases/News Tips
email: editor@edgeprop.my
Tel: (03) 7721 8211 **Fax:** (03) 7721 8280

ADVERTISING & MARKETING
Associate Account Director,
Advertising & Marketing
Heidee Ahmad (019) 388 1880
Senior Account Manager
Ian Leong (012) 359 1668

Marketing Support & Ad Traffic
Madeline Tan (03) 7721 8218
email: marketing@edgeprop.my

BUSINESS DEVELOPMENT
Manager Nimalen Parimalam
Account Manager Stannly Tan

PRODUCT DEVELOPMENT
& CUSTOMER ADVISORY
Senior Manager Elizabeth Lay
Associate Omar Nawawi,
Mahandev Singh

For enquiries and listings
email: support@edgeprop.my
Tel: (03) 7733 9000

EdgeProp.my pullout is published
by The Edge Property Sdn Bhd. It is
available with *The Edge Financial*
Daily every Friday. The pullout
is also distributed at more than
200 offices, shopping complexes,
condos, medical centres and F&B
outlets in the Klang Valley. You can
also download it for free at
www.EdgeProp.my

The Edge Malaysia

Publisher and Group CEO
Ho Kay Tat

EDITORIAL
Editor-in-chief Azam Aris
CORPORATE
Chief Operating Officer
Lim Shiew Yuin

ADVERTISING & MARKETING
Chief Commercial Officer
Sharon Teh (012) 313 9056
General Manager
Kingston Low (012) 278 5540
Senior Sales Managers
Fong Lai Kuan (012) 386 2831
Gregory Thu (012) 376 0614
Creative Marketing
Chris Wong (016) 687 6577
Head of Marketing
Support & Ad Traffic
Lorraine Chan (03) 7721 8001

Perak folk concerned with hill-clearing at Kledang Saiong

About 10ha of Kledang Saiong Forest Eco Park have been "cleared for an unknown project" and this is worrying Perak folks. Some brought up the issue with the Perak Forestry Department and non-governmental organisations (NGOs) when they saw the hills cleared of vegetation.

"My concern is, why didn't the developer put up signage on the project? We want to know what kind of project is planned here," said Sahabat Alam Sekitar field officer Meor Razak Meor Abdul Rahman.

He was also concerned that the land-clearing could result in landslides and rockfalls "as the hill is located near residential areas along the Ipoh-Lumut highway".

Parkson to close Suria KLCC outlet, says report

The Parkson group is closing its outlet in Suria KLCC, Kuala Lumpur after 20 years of operations, reported an English daily on Feb 2.

The report is based on a Facebook posting by the company that there will be a "moving out sale" at its KLCC outlet until Feb 17, adding that "everything must go".

According to records, the three-level, 126,000 sq ft, Parkson store was one of Suria KLCC's earliest tenants, opening its doors back in 1998. Parkson also shuttered its 220,000 sq ft, Maju Junction store in Kuala Lumpur last year. It was an

MACC has started investigations on Taman Rimba Kiara

It looks like the Malaysian Anti-Corruption Commission (MACC) has already started a probe on the redevelopment of Taman Rimba Kiara (TRK) in Taman Tun Dr ismail (TTDI), Kuala Lumpur by the previous administration.

According to a news report, a source said investigation papers have been opened and all parties involved will be called to have their statements recorded.

Over the weekend, TTDI residents had called for action against former Federal Territories Minister Tengku Adnan Tengku Mansor over

his involvement in the planned development of TRK.

"Isn't (there enough) to show a conflict of interest (in order to take action against Tengku Adnan). What is happening?" Save Taman Rimba Kiara (STRK) coordinator Leon Koay had asked.

Tengku Adnan is currently facing two charges of receiving RM3 million in bribes linked to another development in Jalan Semarak, Kuala Lumpur but no action has been brought against him over the proposed development in Taman Rimba Kiara.



anchor tenant at the mall, kicking off operations more than four years ago. The company still has more than 100 stores in the region, with more than 40 in the country.

Leeway needed for B40 group to take housing loans

Banks and financial institutions in the country have been advised to give leeway to housing loan applicants, especially those in the B40 group, by taking into consideration their income from part-time jobs.

"Most financial institutions combine the income of husband and wife to determine whether or not they qualify to take a housing loan,

so why not take into account their side income as well? But of course, the applicants will have to show evidence of their side income for a reasonable period of six to 12 months to support their applications," said Deputy Housing and Local Government Minister Datuk Raja Kamarul Bahrin Shah Raja Ahmad.

Perak to provide affordable houses that cost from RM20,000

The Perak government will provide affordable homes for as low as RM20,000 for low-income households (B40) to enable them to own their

own homes through a new housing policy to be implemented soon.

Menteri Besar Datuk Seri Ahmad Faizal Azumu said under the new policy, the state government through the Perak Housing and Property Board would finance the construction of affordable housing from development costs imposed on housing developers following pre-defined terms.

"We really want to help the B40 group especially Bumiputera to have their own home. This policy is also to address the problem of housing developers who are forced to suffer losses due to the unsold Bumiputera quota housing units in housing projects," said Ahmad Faizal.



How do I get past issues of this weekly pullout?
Go to www.EdgeProp.my to download for free



LAUNCHES + EVENTS



If you have any real estate-related events, email us at editor@edgeprop.my. Events listed here will also appear on www.EdgeProp.my.



ONG with Sunsuria

Date: Feb 9 & 10 (Sat & Sun)

Time: 11am to 2pm

Venue: Celebration Centre @ Sunsuria City, Persiaran Sunsuria, Bandar Sunsuria, Sepang, Selangor

Contact: (03) 6145 7777

Celebrate Chinese New Year with Sunsuria Bhd with a special appearance by the God of Fortune, lion dance performance, and Ang Pow and mandarin oranges give-aways. And if you purchase a Sunsuria property from Jan 19 to Feb 17, you stand a chance to get a lucky gold piece.

Chinese New Year Celebration at Ari Permaisuri

Date: Feb 11 (Mon)

Time: 10am to 3pm

Venue: Ari Permaisuri Sales Gallery, Jalan Sri Permaisuri, Bandar Sri Permaisuri, KL

Contact: (010) 211 9605

Join EH Group and Dwtasik to celebrate Chinese New Year. Lunch and refreshments will be served. There will also be a lion dance performance and a Yee Sang tossing ceremony.



Lou Sang with UEM Sunrise

Date: Feb 12 (Tues)

Time: 11am to 12pm

Venue: The Boulevard, Publika Shopping Gallery, Jalan Dutamas, KL

Contact: (03) 6211 7877

UEM Sunrise Bhd will be hosting a Yee Sang tossing at Publika in conjunction with the Lunar New Year. Enjoy performances and activities for the whole family such as lion and dragon dances, God of Prosperity appearances and a Chinese Opera.

Setia's Yum Cha Treats

Date: Feb 16 (Sat)

Time: 6pm to 9pm

Venue: TRIO Sales Gallery, Jalan Langat, Bandar Bukit Tinggi 2, Klang, Selangor

Contact: (03) 3162 3322

Celebrate Chinese New Year with S P Setia Bhd with fun activities and stage performances such as lion dance, acapella performances, face mask changing, Wushu performance and a lucky draw.



Residensi Platinum Teratai CNY Open House

Date: Feb 16 (Sat)

Time: 10am to 5pm

Venue: Residensi Platinum Teratai Sales Gallery, PV21 Residence, Jalan Usahawan 3, Setapak, KL

Contact: (03) 4141 8899

Bring your family and friends to Platinum Victory's open house to enjoy various types of lion dance performances as well as face painting and sand art.



Old Master Q lost in YanXi Palace

Date: Feb 16 & 17 (Sat & Sun)

Time: 3pm to 10pm

Venue: d'Tempat Country Club, Jalan Pusat Dagangan Sendayan, Bandar Sri Sendayan, Seremban, Negeri Sembilan

Contact: 1-800-88-2688

Enjoy a weekend full of festive performances and activities hosted by Matrix Concepts Holdings Bhd. The highlight will be the famous Old Master Q show, a mask changing performance and arts & crafts activities.

EUPE Chinese New Year Celebrations

Date: Feb 16 (Sat)

Time: 12nn to 5pm

Venue: Parc 3 Sales Gallery, Jalan Pudu Perdana, Taman Pudu Ulu, KL

Contact: (017) 275 7188

Enjoy lion dance performances, various Chinese calligraphy, paper cutting and more at the event hosted by Eupe Corp Bhd. Guests can redeem and bring home a limited edition family portrait too.



缘喜缘聚
缘

Share the warmth and come together.

Conversations, connections and relationships brew over a pot of tea. This Chinese New Year, let's stay close and start the year with the warmth of time spent together.

We wish you a Happy Chinese New Year, spent close with your family and friends.

Stay Together. Stay Setia
livelearnworkplay

Setia

FEATURE



Pig

Birth year: 1923, 1935, 1947, 1959, 1971, 1983, 1995, 2007

Staying cool and level-headed in all your endeavours would be recommended. Be quick on your feet and you can adapt to any circumstances. No matter the obstacle, you can always rely on your friends and family as long as you keep an open mind. You can find the solutions to your difficulties once you let go of your ego and pride. People are willing to help you if you are willing to receive help. Though love may not come easy this year, it shouldn't be the only thing that matters in your life. See this instead as an opportunity to pick up a new skill, enhance your own value and increase your self-worth.



Ox

Birth year: 1925, 1937, 1949, 1961, 1973, 1985, 1997, 2009

Look inwards and find the cause of your problems. Identifying the root of your dilemma will allow you to find a resolution and get you back on track. Your personal finances can be managed better if you keep track of your income and expenses. Take your time with your plans by doing ample research before coming to any conclusion. Be careful with your items and belongings so you do not misplace them. Challenges in your relationships can be resolved with tolerance and understanding.



Rabbit

Birth year: 1927, 1939, 1951, 1963, 1975, 1987, 1999, 2011

Be mindful to do everything by the book without taking any shortcuts and you will prosper. Don't be afraid to pursue any opportunity when they present themselves. Your career is set to advance should you perform at work. Helping hands are around you if you require any assistance to get the job done. Be wary of litigations and avoid illegal activities. Make rational and logical decisions instead of relying on your emotions. If you're looking to get married or looking for a romantic partner, now is a good time.



Snake

Birth year: 1929, 1941, 1953, 1965, 1977, 1989, 2001, 2013

Prepare yourself for a year of changes and challenges. With that in mind, have the right mind-set and you'll be able to persevere through the year. Plan and set your goals realistically to avoid disappointment. Don't bite off more than you can chew and finish your current tasks first before taking on more. Remember to have back-up plans in case things go awry. Cut down on unnecessary expenditure and plan your budget responsibly. Focus on the other aspects of your life besides your love life this year.

What's in store for you in the Year of the Earth Boar

Romance, a new career, exciting business opportunities? **Dato' Joey Yap** forecasts the year ahead.

Rat

Birth year: 1924, 1936, 1948, 1960, 1972, 1984, 1996, 2008

Good luck happens when you're adequately prepared to capitalise on opportunities. As long as you're willing to put in the effort, your skills will shine and you'll be able to climb the career ladder. Being bold and proactive in your work would be favourable and earn you much deserved recognition. When it comes to investments and ventures however, play it safe instead. Take advantage of your increased popularity to expand your social network as it will open more doors. Always remember to spend time with your loved ones and don't let them feel neglected.

Tiger

Birth year: 1926, 1938, 1950, 1962, 1974, 1986, 1998, 2010

Steadfast work and dedication will earn you respect and recognition. Keep it up and you will be handsomely rewarded with some form of career advancement. People around you can always offer you guidance and support, particularly from female figures in your life. Don't be afraid to showcase your talent and go all out this year. Pay extra attention in how you communicate with others to avoid misunderstandings. Clarity of mind will ensure a smooth-sailing life journey. For every step you take, be aware of the consequences.

Dragon

Birth year: 1928, 1940, 1952, 1964, 1976, 1988, 2000, 2012

It's a good year for socialising, so go out there and meet new people. Take the time to improve your relationships platonically, professionally and romantically. Make the right connections and you'll be well on your way towards success. At the same time, be vigilant with your money and keep an eye out for pick pockets. Think of ways where you can diversify your income. If you are single, open your heart to love and you may find the right person for you. You can expect further happiness if you're already attached.

Horse

Birth year: 1930, 1942, 1954, 1966, 1978, 1990, 2002, 2014

Be proactive in your investments and businesses and you will find your wealth increase. Spend your profits wisely and use your newfound gains to kickstart future endeavours. Guidance and assistance are at your beck and call should you ever need them. You'll be able to resolve any problems that crop up with great ease. Execute your plans carefully so that they won't backfire on you. Those looking for love should take the first step and initiate romance rather than stand idle.



FEATURE



Goat

Birth year: 1931, 1943, 1955, 1967, 1979, 1991, 2003, 2015

Communicate your intentions clearly and make sure you are understood to avoid confusion. Review your goals to ensure they are aligned with reality. Present any creative ideas you might have to earn recognition and personal satisfaction. Don't let your emotions get the better of you and watch your tongue. Indulge in your hobbies especially if they are artistic in nature. Any financial problems you might have can be resolved with the help of friends and family. Unmarried couples will enjoy a prosperous marriage if they tie the knot this year.

Rooster

Birth year: 1933, 1945, 1957, 1969, 1981, 1993, 2005, 2017

Focus your time and energy this year on personal development and knowledge. Learn and research all you can on useful subjects. Success will follow if you can maintain focus. Take care of your personal belongings when you travel. Gossip and miscommunication may affect you, so be mindful with how you present yourself to others. Keep your finances in check and refrain from overspending. Exercising patience will allow you to continue striving for your financial goals. Relationships might not bode well for you all-year round but there will be months when it gets better.

Monkey

Birth year: 1932, 1944, 1956, 1968, 1980, 1992, 2004, 2016

It's a good year to acquire assets such as stocks or property. However, prior to that, it would be advisable to do proper research and seek advice from those around you. Business owners will find the opportunity to expand their business. Employees should showcase their talents as they will impress their bosses and reap rewards. Petty rumours and malicious slander might affect you but pay no heed to them. Always remember that your friends and family are there for you if you're feeling lonely. Love might just be around the corner in the form of an acquaintance you already know.

Dog

Birth year: 1934, 1946, 1958, 1970, 1982, 1994, 2006, 2018

Prepare contingency plans to deal with delays and setbacks. Be resourceful and flexible and don't fret with the little things. Interpret the obstacles you face as lessons to be learned and a test of your capabilities. Avoid confrontations and petty arguments. If it's something serious, put your foot down and be assertive. Now's the time to put your long-term investment plans into action. Clear your debts if you have any. If you're single and have your eyes on someone already, don't hesitate to ask them out.



DATO' JOEY YAP is the world's leading Chinese Metaphysics consultant and bestselling author of more than 160 books which have sold over four million copies worldwide. He is chief consultant of the Joey Yap Consulting Group and founder of Mastery Academy of Chinese Metaphysics. His nearly two decades of professional consultancy includes working with Microsoft, Sime Darby, UEM, Prudential and Citibank. He has students in more than 30 countries.

If you have any Fengshui-related questions for Yap, please log on to www.EdgeProp.my and go to the **Homeadvisor: Property Tools** section to pose your questions.



Note: The information provided is only good enough for a preliminary reading of your fate in 2019.



DEALMAKERS

Former engineer finds greater satisfaction in dealing real estate

BY RACHEL CHEW

“Every day I woke up to a predictable life and no sense of satisfaction. I asked myself, what is the point? So I decided to take a leap of faith, quit civil engineering and try something else,” recalls Kevin Teh who is now Propstar Realty team manager. That “something else” turned out to be selling real estate.

That was seven years ago when Teh left a high-paying job as an engineer to become a property agent.

Born in Melaka and raised in Kuala Lumpur, Teh is a civil engineering graduate from a UK institution who then did his master's in New Zealand. Following that, he worked for a firm in Auckland, New Zealand as a civil engineer.

“I was with a large consulting firm (in New Zealand) for five years when I realised my career and pay were stagnant for some time. I found there was little chance for me in a foreign country to take my career to another level. So, I decided to pack my bags and go home to see what opportunities lie in Malaysia,” Teh shares.

He joined a local firm in Malaysia as a site engineer in 2010 but found little job satisfaction.

“It was a boring work routine and I did not see myself growing. There was an itch inside me to try my hand at sales so I explored different sales-related areas – insurance, property and unit trust. I took all exams, courses and training for all three but ended up picking unit trust and real estate,” Teh notes.

He started as a real estate negotiator with Reapfield Malaysia in June 2012. After 4½ years, he moved on to Propstar Realty, a boutique agency specialising in Kuala Lumpur's Mont'Kiara property market.

“Choosing Reapfield was a right choice because it is a very established and systematic agency. You will be trained professionally. There were no hard feelings between me and my mentor and colleagues from Reapfield when I moved on to a smaller agency,” Teh reveals.

Today, he is a specialised agent in Mont'Kiara and Dutamas properties. His team is also slowly expanding its focus to Bangsar as both markets attract similar buyer groups.

“The property market was at its peak when I first started in real estate. Even a fresh guy like me could close a deal easily then. My first deal was a townhouse in Damansara Jaya. The second viewer made an offer within a day. I was only three weeks old in the field then,” he recalls.

He describes that first year in property as a “honeymoon” period. “Closing four deals a month was a norm. It was a good time, but it was also bad

because you tend to take things for granted when times are good.”

But from mid-2013, he began to see signs of a market downturn as deals were closed less frequently.

“Many agents and colleagues gradually left the industry. They could not maintain the lifestyle they used to enjoy as they did not prepare for rainy days,” he says.

The market downturn hit everyone with no exception. Teh had to start making cold calls which he never needed to do previously.

“When you really love what you do, you will try all ways to stay afloat. I arranged more viewings, invested more time on online listings, studied the market more and met more people to build my network,” he says.

Today, Teh has information about all the residential projects in Mont'Kiara at his fingertips and he is still closing deals regularly despite the market slowdown.

“Sales is like opening your own shop where you have to dump time and money into it. If you can stay through the down cycle, the market will reward you,” Teh says.



LOW YEN YEING | EdgeProp.my



When you really love what you do, you will try all ways to stay afloat.”
— Teh

COVER STORY



BY RACHEL CHEW

Look at your grandparents' single-storey 3,000 sq ft bungalow house with a car porch and lush garden in Petaling Jaya that only cost them less than RM100,000 40 years ago. Now take a look back at your 900 sq ft condominium unit with a tiny balcony and two tandem parking lots at the basement car park which you paid RM450,000 for in the same city five years ago. Our living space has certainly shrunk tremendously over the years!

According to the United Nations Commission on Human Settlements (UNCHS), the availability of sufficient space for dwellers is an important element of housing.

In fact, according to UNCHS, adequate space not only means the provision of physical accessibility and basic infrastructure, such as water-supply, sanitation, and waste management facilities, but also includes adequate privacy, lighting, heating or ventilation, suitable indoor environmental quality, and health-related factors; all of which should be available at an affordable cost.

So now, the question is: Do Malaysians have sufficient living space today?

Based on data collated from the Valuation and Property Services Department, UNCHS and the World Bank, MKH Bhd came up with "The Quality of Living Space — Larger House Means Better Living Quality" research report. It found that in the global context, Australia has the biggest average house size of 2,592 sq ft, followed by the US at 2,163 sq ft and Canada at 1,948 sq ft.

Interestingly, Malaysia came in ninth with an average house size of about 1,264 sq ft — the only Asian country that made it to the top 10 in a list of 52 countries.

But house size and individual living space are two different things.

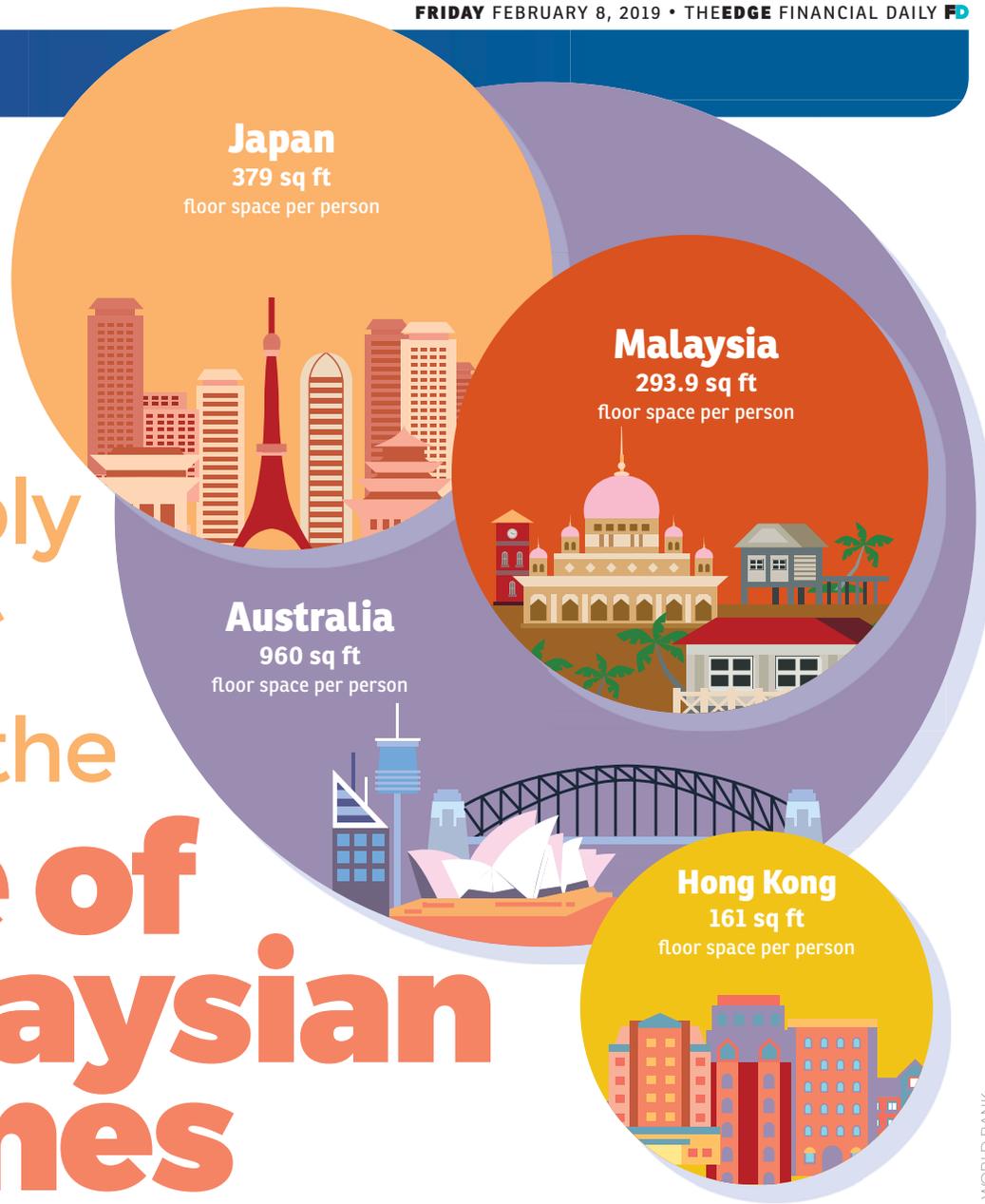
While comparisons of average house size is informative, it does not truly reflect housing quality because household size varies among countries. For instance, the Philippines has an average household size of five and Sweden's only two.

Thus, floor area per person has become a better indication of a country's housing conditions. So in that case, how does Malaysia fare?

The floor area per person in Malaysia is about 293.9 sq ft, putting it in seventh place among 14 countries in Asia (in 2017). It is worth noting that Malaysia is even behind some Asian countries often presumed to have smaller dwelling units, such as Japan (379 sq ft), Taiwan (370 sq ft) and South Korea (357.4 sq ft).

So what else is interesting about the size of our homes?

Five things you probably did not know about the size of Malaysian homes



1 Malaysia's living space per capita is smaller than Japan's

While the average Malaysian house size is among the largest in Asean and maybe even in the world, it is nowhere as impressive when we look at the country's floor area per person where Malaysia even falls behind some developed Asian countries such as Japan and Taiwan, which are known for their small dwellings.

Top 10 countries with the biggest floor area per person

RANK	COUNTRY	SIZE (SQ FT)
1	Australia	960
2	USA	832
3	Canada	779
4	New Zealand	594
5	Denmark	585.1
6	Cyprus	525.3
7	Italy	461.9
8	Sweden	449.4
8	Iceland	449.4
10	Austria	440.9

Asian countries' floor area per person

RANK	COUNTRY	SIZE (SQ FT)
1	Japan	379
2	Taiwan	370
3	South Korea	357.4
4	China	339.1
5	Singapore	322.9
5	Thailand	322.9
7	Malaysia	293.9
8	Vietnam	204.5
9	Sri Lanka	180.8
10	Hong Kong	161

2 Malaysia probably has the biggest house size in Asean

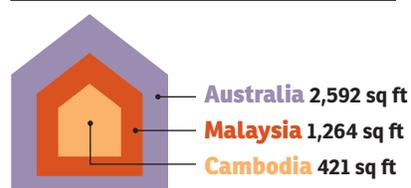
Among seven selected Asean countries, Malaysia emerged top of the list with the largest average house size.

Top 10 countries with the largest average house size

RANK	COUNTRY	SIZE (SQ FT)
1	Australia	2,592
2	USA	2,163
3	Canada	1,948
4	Cyprus	1,628
5	New Zealand	1,604
6	Mexico	1,522
7	Turkey	1,489
8	Ireland	1,303
9	Malaysia	1,264
10	Denmark	1,229

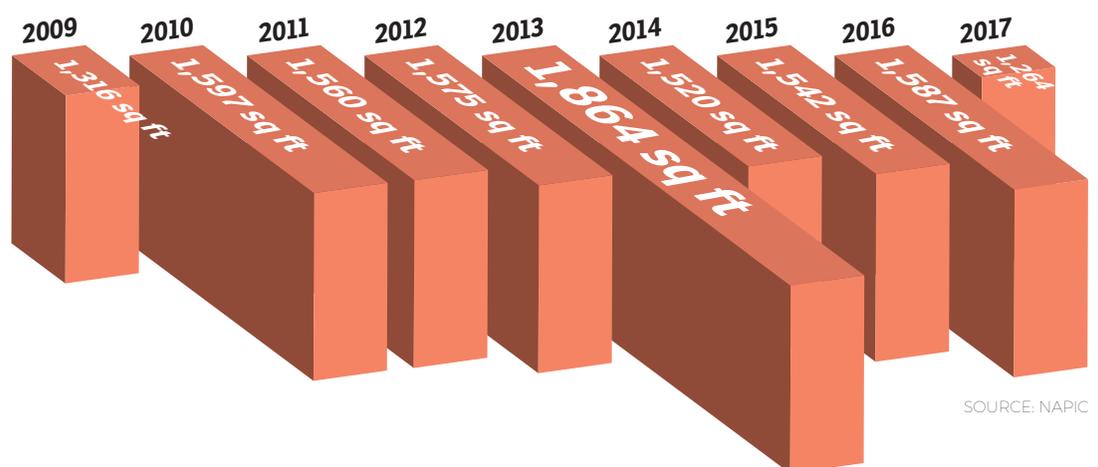
Average house size (selected ASEAN countries)

RANK	COUNTRY	SIZE (SQ FT)
1	Malaysia	1,264
2	Singapore	1,162
3	Thailand	1,033
4	Vietnam	777
5	Philippines	646
6	Indonesia	428
7	Cambodia	421



3 Malaysia's average house size is shrinking

Many speculate that rising house price coupled with stringent lending regulations in Malaysia are shaping the trend for even smaller house sizes in the country in the near future. Already, the country's average house size has fallen to 1,264 sq ft in 2017 (based on new launches) – the smallest since 2009.





4 Negeri Sembilan has the largest average home size while KL has the smallest

The average sizes of new residential launches among the Malaysian states in 2017 provided some interesting data. In urbanized Klang Valley and Kuala Lumpur, homes launched had an average size of 827 sq ft mostly comprising high-rise residences. Sarawak, Kelantan and Terengganu also had relatively small houses. The state with the largest average size among its new residential projects is Negeri Sembilan at 1,970 sq ft followed by Perlis (1,833 sq ft) and Johor (1,785 sq ft).



SOURCE: NAPIC

5 Malaysians are more concerned about facilities than house size

According to MKH's research, developers are building housing environments that foster the desired lifestyle of the younger generation, who wants to socialise, engage, and connect with each other.

When this younger generation enquires about a project, questions about the facilities and views are often asked followed by questions about the size of the unit and number of bedrooms.

Hence developers are offering more facilities and amenities within their residential developments and niche facilities such as yoga rooms, movie rooms and lounge areas with a view are becoming increasingly common.



PROPERTY CHAT

Strata living: Can an unregistered owner vote?

The issues of maintenance charges and contribution to sinking fund (collectively 'Maintenance Fees') are always the subject of great contention in the context of strata management. Further complications could arise when a management body seeks to recover from a current purchaser of a parcel, the outstanding Maintenance Fees accrued by the previous owner.

You read it right. You could be buying a stratified property from the secondary market but if you are not careful or properly advised, you could find yourself having to foot the bill although you are not even the owner of the parcel yet.

This was what happened in a recovery action initiated by a management corporation (MC) against two purchasers of multiple stratified properties.

The Court of Appeal in that case interpreted subsections 45(5) and (6) (now repealed) of the Strata Titles Act 1985 (STA) where subsection 45(5) provides that any contribution levied by a MC in accordance with subsection 45(3) may be recovered as a debt from:

- (a) a proprietor; or
- (b) his successor in title to the parcel/s.

Section 45(6) STA further provided that the word 'proprietor' includes:

- (a) the person for the time being receiving the rent of the parcel, whether as an agent or a trustee or a receiver, and who would receive the same if the parcel were let to a tenant; or

BY DATUK CHANG
KIM LOONG



- (b) a purchaser to be duly registered as a proprietor.

The Court of Appeal concluded that section 45 of the STA envisages that the debt may be recovered from two 'parties' namely the existing proprietor or the proprietor's successor in title. But the section clearly refers to one and the same debt, that debt being the sum outstanding as Maintenance Fees. In

other words, that single debt is recoverable from either the proprietor or the proprietor's successor in title.

This decision was certainly welcomed by MCs struggling to recover dues vis-à-vis parcel units that have undergone ownership change over the years. However, for a prospective purchaser, in light of this decision, it is imperative that prior to buying a parcel, he or she must ensure that the parcel is free of any debt owed

to the MC. This can be done by requesting a certificate from the MC stating the outstanding amount of Maintenance Fees payable by a vendor to the MC before the signing of the sale and purchase agreement (SPA). A purchaser could also insert relevant clauses in the SPA imposing an obligation upon the Vendor to settle the dues, if any.

On the other hand, the ramifications of the decision of the Court of Appeal above is arguably limited given that section 45 of the STA has since been repealed by the Strata

Titles (Amendment) Act 2013 which came into force in June 2015.

However, in an interesting development, one of the purchasers in the suit above has filed a separate suit at the Kuala Lumpur High Court seeking amongst others, a court declaration to nullify a resolution passed during an EGM on the grounds that this purchaser had been denied of voting rights during the said EGM. The resolution approved the collection of RM3,000 from each owner/proprietor to settle the extra legal fees incurred by the MC in resisting the appeal of the purchaser at the Court of Appeal. The purchaser argued that it has the right to vote during the EGM although strata titles have not been transferred to his favour.

The High Court ruled that following the decision of the Court of Appeal and in reliance of section 52(8) of the Strata Management Act 2016 (SMA), it would be absurd to suggest that the purchaser who is required to pay Maintenance Fees is not entitled to attend and vote at general meetings. Section 52(8) of the SMA imposes obligation upon a purchaser who has yet to have the strata title transferred to his favour to pay Maintenance Fees.

Let's examine from another aspect

With due respect, the High Court's decision could be examined from the following angles.

Firstly, the Court of Appeal's decision, which is in relation to interpretation of subsections 45(5) and (6) of the STA, has little relevance to the High Court case. This is because when the resolution was passed on 30.4.2017, subsections 45(5) and (6) of the STA have been repealed and since replaced by various provisions in the SMA. In this regard, the provisions in the SMA are the

correct place to find the answer.

Secondly, Rule 21 (Voting rights of proprietor), Second Schedule of the SMA is clear that only a 'proprietor is entitled to vote' during a general meeting of a MC. The word 'proprietor' under section 4 of the STA is defined as a person or body for the time being registered as the proprietor of a parcel.

Thirdly, the adoption of purposive approach in this matter may not be appropriate for at least two reasons. There is little room to adopt purposive approach when the letters of law are clear and unambiguous like in the present case. It is also arguable that the decision of the High Court has not only failed to give effect to the true purpose of legislation (which the High Court did not elaborate much) but actually run counter to the spirit of the law itself. To allow unregistered owners to vote during general meetings will only discourage purchasers to come forward to cause the strata titles to be registered in their favour.

Look out for the decision of the Appeals Court

The appeal of the High Court decision is coming up soon. It remains to be seen whether the High Court decision will be affirmed or reversed.

HBA shall keep the readers posted of the decision.



Datuk Chang Kim Loong is the Hon. Secretary-General of the National House Buyers Association (HBA). HBA can be contacted at:
Email: info@hba.org.my
Website: www.hba.org.my
Tel: +6012 334 5676

CONGRATULATIONS on your new home!

EP 2 EdgeProp.my

FRIDAY JANUARY 18, 2019 • THEEDGE FINANCIAL DAILY FD

NEWS

'FundMyHome made my dream come true!'

BY RACHEL CHEW

SEMENYIH: Thirty-five-year-old Liau Tet Haw has finally fulfilled his long-time dream of owning a home — thanks to innovative property funding platform FundMyHome (FMH).

"I'm so excited to finally have a place to call my own!" beams Liau, who hails from Sabah. "I have always wanted to buy a property in West Malaysia where I have been working for years, Liau shared with EdgeProp.my after signing the sales and purchase agreement here yesterday.

Liau is buying a unit at the Harmoni Apartment at Eco Majestic, an up-and-coming township by Eco World Development Group Bhd.

The freehold 900 sq ft unit costing RM300,000 offers 3 bedrooms, 2 bathrooms and two parking bays. Some of the common facilities provided include a function room, swimming pool, multipurpose court, children pool, playground and anti-climb fencing.

Although FMH is a newly-introduced platform, Liau said he is very positive and confident with the scheme as it collaborates with reputable developers in Malaysia.

"My friends and family members had asked if I really want to take the 'risk' because the FMH scheme seems too good to be true.



LOW YEN YEING | EdgeProp.my

"It is not easy to get a bank loan. Without FMH, I probably can only continue to rent the unit I am now staying in and get nothing at the end of the day." — Liau

"They said it could be a scam!" he recalled with a laugh. "I'm grateful that I made the right decision. Today, I am finally the owner of an apartment unit in Eco Majestic," he added.

Liau, like many other prospective homebuyers, had made several attempts but failed to get a bank

loan to buy his first home.

"I want to settle down in West Malaysia... It is not easy to get a bank loan. Without FMH, I probably can only continue to rent the unit I am now staying in OUG (Overseas Union Garden, KL) and get nothing at the end of the day.

"FMH has made my dream come true," adds Liau.

Under FMH, Liau just had to pay 20% of the purchase price of the Harmoni Apartment to move in. There is no need for a bank loan as the 80% of the purchase price is funded by institutions. Hence, Liau has no mortgage payments to worry about for the next five years at the end of which he would decide whether to own the entire 100% of the unit or sell it.

"Since Harmoni is already completed, I can do the renovation now and move in soon after the renovation is done. I'm ready to take up the 80% share of this unit five years later so I'm ready to invest money to renovate this unit," said Liau.

Launched two months ago, FMH enables a person to buy a property listed on the platform by paying 20% of the price. The remaining 80% will be contributed by institutions keen to fund the acquisition in exchange for a pre-determined yield and a share of the potential value appreciation of the home.

EcoWorld is one of the developers participating in FMH. The developer is exploring the possibility of expanding its portfolio of units on the platform.

FundMyHome is powered by EdgeProp.my. Find out more at www.FundMyHome.com

LOOKING TO BUY YOUR NEW HOME?

Have a chat with a **FundMyHome** consultant today @ +603 7732 8820

WhatsApp: +6018 388 4165

Email: support@fundmyhome.com

Facebook: www.fb.me/fundmyhome.my



FIND OUT MORE AT

FundMyHome.com

Powered by **EdgeProp**

FundMyHOME

Where **everyone** can own a home