



Thinking of buying a bungalow lot?

Bungalow lots could be a lucrative form of real estate investment. Find out what you should consider before buying one on Pages 6 and 7.



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Penang will remove tenants' Astro to recover RM18 million PPR rent

The Penang state government has discovered that some PPR (People's Housing Project) rent defaulters appear to have satellite dishes installed, indicating subscriptions to the pay-TV network Astro.

"If they can pay for Astro, why can't they pay for the maintenance fees?" Jagdeep Singh Deo was quoted as saying by a local daily on Wednesday.

The local government and housing development committee chairman revealed the total arrears owed from PPR units and other state-owned flats in all its five districts have amounted to RM18 million.

"When I first took over this portfolio in 2013, the arrears owed was RM14 million and now, this year, it is over RM18 million," he added.

Jagdeep said such tenants will be notified to settle their dues, failing which authorities will remove the satellite dishes to disrupt their subscriptions.

KL sees expat rentals rise after years of decline

The average cost of rental for expatriates in Kuala Lumpur has seen an increase in 2018 after a sustained decline between 2015 and

**1 Utama to open first Korean themed retail zone in Malaysia**

Regional mall 1 Utama Shopping Centre has soft launched the first Korean-themed retail zone in Malaysia.

Dubbed District K, the four-level retail zone is located within the hip and trendy "1 Utama E" new extension of the mall in Bandar Utama, Petaling Jaya, Selangor.

Spanning over 80,000 sq ft, District K features an authentic

Korean street experience driven by the popularity of K-pop and K-drama. There will be a Korean artiste meet-and-greet viewing gallery, a performance and hologram theatre, augmented entertainment, famous Korean restaurants, retail, skincare and beauty.

District K is targeted for completion by the end of this year with an investment value of RM120 million.



2017, according to international research house ECA International in a press release on Wednesday.

Data based on ECA's September 2018 Accommodation Survey,

which was based on the average rental price for an unfurnished, three-bedroom apartment in the mid-range of the expatriate market revealed that the average rental cost for expatriates now stands at US\$1,621 (RM6,632) per month, an increase of US\$112 from the year before.

"The domestic economy has been comparatively weak in Malaysia over the past few years, and the delivery of large stocks of prop-

erties to the rental market was not balanced by weaker demand. Rents for apartments staged a recovery in 2018," said ECA International regional director of Asia Lee Quane.

**Johor may buy Khazanah's Legoland and other properties**

The Johor government has indicated that it is possible it might buy several properties owned by Khazanah Nasional Bhd in Iskandar Puteri, Johor, including Legoland Malaysia.

Khazanah, through its subsidiary, Iskandar Investment Berhad (IIB), held several catalyst projects within the Iskandar Malaysia area. IIB's investments in the southern region are mostly in properties, such as Medini, EduCity and Legoland Malaysia.

"We have not been informed if they wanted to sell Legoland Malaysia," State International Trade, Investment and Utilities committee chairman Jimmy Puah Wee Tse told an English daily.

Puah said the state government was willing to discuss buying some of the properties, including Legoland.

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LAUNCHES + EVENTS

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

**Jazz it up with Jasmine Chen**

Date: March 16 (Sat)
Time: 11am to 6pm (Jasmine Chen's performance @2pm)
Venue: The Roof Garden, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, Bukit Kiara, Kuala Lumpur
Contact: (016) 299 1787
Immerse yourself in soulful jazzy tunes by Jasmine Chen, singer from Crazy Rich Asians, while enjoying the stunning panoramic view of TPC KL's Green Fairways. Guests also get to discover Senada KL's latest development progress and its homeownership package. RSVP required.

Farm Fresh Highland Veggies

Date: March 16 and 17 (Sat and Sun)
Time: 7.30am to 11.30am
Venue: Greenwoods Sales Gallery, No 32A and 36, Jalan Belian 1, Taman Salak Perdana, Bandar Baru Salak Tinggi, Sepang, Selangor
Contact: (012) 422 9003
Paramount Property is organising a fun weekend for you where healthy food is brought to the table to be enjoyed with friends and family. Bring home three packets of fresh produce for only RM5!

Kite Fest

Date: March 16 (Sat)
Time: 11am to 6pm
Venue: Trio Sales Galleria, No 82623, Jalan Langat / KS06, Bandar Bukit Tinggi 1, Klang, Selangor
Contact: (03) 3162 3322
Head over to Trio Sales Galleria to find out more about the final launch of Block C and the Home Ownership Campaign (HOC 2019) by S P Setia Bhd. There will be kite-



flying activity, Wind Dance performance, refreshing mocktails and finger food served.

Effective Financial and Taxation Talks

Date: March 16 (Sat)
Time: 12pm to 3pm
Venue: M Centura, Jalan Sentul Pasar, Sentul, 51000 Kuala Lumpur
Contact: (03) 9212 8309
Organised by Mah Sing Group Bhd, the talks will be presented by Dr Choong Kwai Fatt who will speak on tax planning for homeownership and succession; as well as Michael Yeoh who will share ways one could convince banks to lend to you. Light refreshments will be served.

Marry Me Wedding Fair

Date: March 16 and 17 (Sat and Sun)
Time: 11am to 5pm
Venue: Grandeur Hall at Eco Grandeur, Persiaran Mokhtar Dahari, Bandar Puncak Alam, Selangor
Contact: (03) 3270 2525
Check out the wedding fair at



Eco Grandeur where specialists will be on hand for consultation to help you plan the wedding of your dreams. You can even book Grandeur Hall as your wedding venue on the spot.

Trion KL private preview

Date: March 16 and 17 (Sat and Sun)
Time: 10am to 6pm
Venue: Trion KL Sales Gallery, Jalan Chan Sow Lin, Kuala Lumpur
Contact: (017) 555 5422
There will be a private preview held this weekend for the Trion KL project with lucky draw prizes worth up to RM5,000 to be given out. Light refreshments will be provided.

Great Fortune with Good Feng Shui

Date: March 17 (Sun)
Time: 10am to 5pm
Venue: Maxim Sales Gallery, Faber Towers, 207, Jalan Desa Bahagia, Taman Desa, KL
Contact: (03) 4023 6622
Maxim Holdings will be holding a talk by renowned Feng Shui master Henry Fong who will teach you to enhance your fortune by optimising your living environment and property layout. Registration starts at 10am.

Platinum Victory to offer sports-themed project in Old Klang Road

BY TAN AI LENG

KUALA LUMPUR: Platinum Victory will be unveiling its first project in Old Klang Road, Kuala Lumpur called Platinum Arena with an estimated gross development value (GDV) of RM421 million, within the second quarter of this year.

Platinum Victory Holdings Sdn Bhd executive director Gan Yee Hin told EdgeProp.my that the 2.9-acre leasehold development will offer 728 units of serviced apartments housed in two 36-storey blocks; and 36 shopoffices housed within two floors.

The serviced apartments have built-ups ranging between 650 sq ft and 1,008 sq ft, with average selling price of RM620 psf. The piling works started early this year and the project will take about three years to complete.

"Build-before-sell has been our strategy since day one. It shows that we are confident with our projects," Yee Hin emphasised.

Meanwhile, Gary Gan who is also an executive director of the company, is confident that Platinum Arena units will be sold within six months of the project's launch.

"Old Klang Road is a mature



Gary (left) and Yee Hin explained the design concept of Platinum Arena.

Piling work on Platinum Arena started early this year.

area with a growing population of young families and people who work in Kuala Lumpur city. Many from the neighbouring residential areas such as Taman Sri Sentosa are also looking for new homes with modern features," he added.

On the project's design concept, Yee Hin said the main planning di-

rection was based on a sports theme as the tract is located adjacent to the Sports Arena Sentosa.

"Hence we named the development [Platinum] Arena. The two blocks carry the names of world famous sportsmen — Armstrong (former American road racing cyclist Lance Edward Armstrong) and Boris

PHOTOS PLATINUM VICTORY



(German tennis star Boris Becker).

The overall design of the building and facilities follow the sports theme which aims to encourage residents to have more outdoor activities and adopt a healthy lifestyle, Yee Hin noted.

Among the facilities at Platinum Arena is a basketball court, swimming pool, gymnasium, playground, yoga deck, canopy walk, jogging track, viewing deck and a sky lounge.

At the end of December last year, the developer had soft-launched Residensi Platinum Teratai. The 3-acre freehold condominium project at Jalan Langkawi, Setapak, Kuala Lumpur has a GDV of

RM374 million. It offers 800 units of 928 sq ft. Almost 80% were sold within a month.

Most of the buyers were first-time homebuyers purchasing for their own stay, said Gary.

"This project is now 90% completed, which means buyers are able to see what they are buying. This is also the biggest advantage of our 'build first, sell later' strategy. People are more willing to buy a property nearing completion as this could save them loan interest during construction period," he added.

The company also plans to roll out PV9 in Setapak in the second half of this year. Located within walking distance to the Tunku Abdul Rahman College and Taman Melati LRT station, the 5.5-acre development will offer around 1,300 units housed in three blocks with unit built-ups ranging between 1,000 sq ft and 3,000 sq ft.

"One of the blocks will be a RU-MAWIP project while the others will be condominium units with an estimated selling price starting from RM560,000," said Gary.

Platinum Victory has developed 26 projects across the Klang Valley with a strong presence in Setapak, KL.

Singapore-listed Debao ventures into KL's luxury high-rise residential market with RM2.2bil project

BY SHAWN NG

PETALING JAYA: Kuala Lumpur will soon usher in a new skyscraper in the form of Singapore-listed developer Debao Property Development Ltd's twin-tower residential high-rise called The Landmark@KL City.

With an estimated gross development value of RM2.2 billion, The Landmark@KL City will come up on the 2.07-acre freehold former site of SJK (C) Imbi School at Jalan Horley next to Berjaya Times Square.

Upon completion in 2023, it could be the tallest twin tower residential building in the city with one of the towers reaching heights of 225m, said the China-based property developer.

"This is our first wholly-owned overseas project. We set foot in Malaysia about 10 years ago, but the projects that we have done in the past are joint-venture projects outside KL city," said Debao Property Development deputy CEO Zeng Yong Bao.

"We decided to venture into the Malaysian market because of the good ties between China and Malaysia and the latter's stable political and business-friendly environment.

We also see KL as an international city where one can get a high quality house at a relatively low price," Zeng told EdgeProp.my.

According to Debao Property Development sales director Alan Wong, The Landmark@KL City consists of the 72-storey North Tower and the 73-storey South Tower, both sharing a 13-storey podium which will house the lobby, a multi-storey and mechanical car park and common facilities. The two towers will have a total of 1,338 serviced apartments with built-ups from 558 sq ft to 1,150 sq ft.

The project is expected to be launched by end of the second quarter or early third quarter of this year with an initial 300 units to be open for sale at an average price of RM2,500 psf, said Wong.

"When a China developer has a project here, people think that the target market is China. But that is not true, because we are targeting both local and international buyers, not only from China but also from Hong Kong, Taiwan, Japan, Korea, Singapore and Indonesia," he added.

On the current competitive market in the luxury high-rise residen-



The Landmark@KL City could be the tallest twin tower residential building upon completion in 2023.

tial market in KL, Zeng said it offers a good opportunity for Debao to set itself apart in the market.

"Competition is not an issue, the issue is how we can stand out from the others," he said.

"We are very careful with our planning and marketing strategy. This is a very important project for



From left: Zeng, Ooi and Wong at the company's office in KL.

us as it will be the first step in establishing our brand and presence in the Malaysian market," he added.

For this project, Debao is banking on its strategic location and construction quality.

"It is located in the heart of the KL Golden Triangle with great accessibility and connectivity to major roads, public transport and amenities.

"In order to ensure the quality of the units, we have appointed China State Construction Engineering Corporation, one of the best construction companies in China, as the contractor of this project," Zeng elaborated.

Meanwhile, Debao Property Development project director Ooi Teik

Kaie said the project has obtained a development order in 2016 while its advertising permit and developer licence was approved recently.

The project offers various layouts including studio, 1-bedroom, 2-bedrooms, 3-bedrooms, 3+1 bedrooms, 4+1 bedrooms and duplex units to suit the needs of various types of buyers. Facilities include a sky restaurant, rooftop garden, a 53m-long infinity pool and a mechanical car park system.

The Landmark@KL City is being developed by Elite Starhill Sdn Bhd, a subsidiary of Debao. According to Ooi, Elite Starhill purchased the land at RM388 million or about RM4,311 psf and the transaction was completed in 2016.

REHDA SURVEY:

Optimistic about 2H2019 despite current low take-up rates

BY SHAWN NG

PETALING JAYA: More developers are optimistic about the industry's performance and growth in the second half of this year (2H2019) although take-up rates for new launches are expected to remain at 50% and below.

"The market has been challenging for us but based on feedback from industry players, most of them are holding a neutral stance, and there is more optimism for the second half of 2019 than the first half," Real Estate and Housing Developers' Association Malaysia (Rehda) president Datuk Soam Heng Choon told reporters at a media briefing on Rehda Property Industry Survey 2H2018 today. Also present at the briefing was Rehda deputy president Datuk Khor Chap Jen and secretary general Tiah Oon Ling.

Based on the survey, which gauged Rehda members' views on the property market outlook for 1H and 2H2019, the percentage of respondents who felt that the market will do better in 2H2019 is at 27%, while for 1H2019 only 6% are optimistic about the outlook of the market.

"But the percentage of respondents who are pessimistic also increased in 2H2019 [from 28% for 1H2019 to 35%]. This might be due to some of them having stock in less favourable locations," he noted.

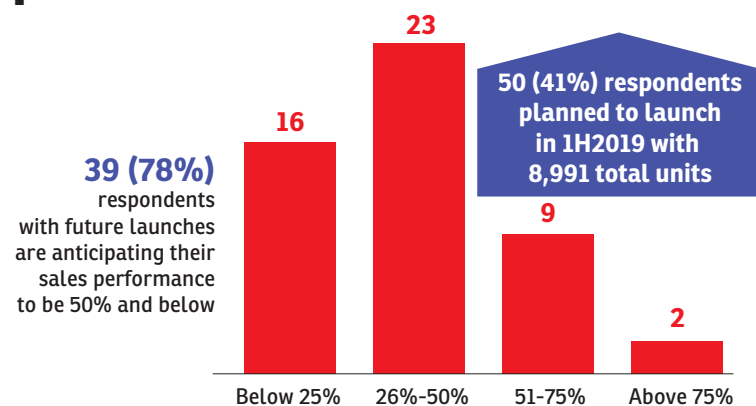
Nevertheless, the percentage of respondents who feel 'very pessimistic' and 'neutral' has been reduced to 2% and 36% in 2H2019, respectively.

In comparison, more than half (61%) of the 121 Rehda members who took part in the survey said they were neutral (54%), optimistic (6%) and very optimistic (1%) about the industry outlook in 1H2019 while the rest of the respondents held pessimistic (28%) and very pessimistic (11%) views.

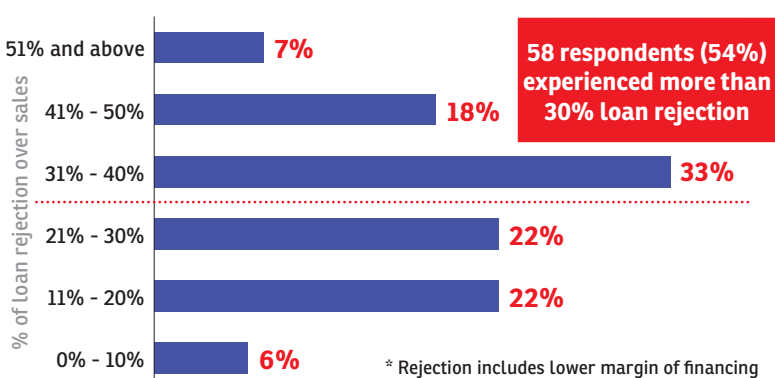
Zooming in on the residential sector, respondents had similar sentiments and the property sub-sector is expected to experience better growth in 2H2019.

"In the survey, 57% and 11% of respondents were neutral and optimistic about the residential sector in 1H2019, respectively, whereas for 2H2019, 43%, 17% and 1% of respondents were neutral, optimistic,

1H19 anticipated sales performance



Loan rejection over sales (%) in 2H18



and very optimistic," he said.

Soam explained that developers are feeling slightly more upbeat about the second half of the year because of the recent increase in enquiries they have received on their projects.

"Developers feel that there are now more walk-ins and customers coming to their sales galleries, which they think give them a better chance to close a deal compared to six months ago, when hardly anyone came into their sales galleries," he elaborated.

However, with regards to sales performance, a majority of developers anticipate sales will remain at 50% and below in 1H2019 - similar to levels achieved in 2018. This year, 41% of respondents plan to launch 8,991 units in 1H2019 but 78% of them anticipate sales to be 50% and below within that period.

According to the survey, about 13,233 and 11,463 units were launched in 1H and 2H2018 re-

spectively, of which 51% and 43% were taken up, respectively.

Fewer developers with unsold units in 2H2018

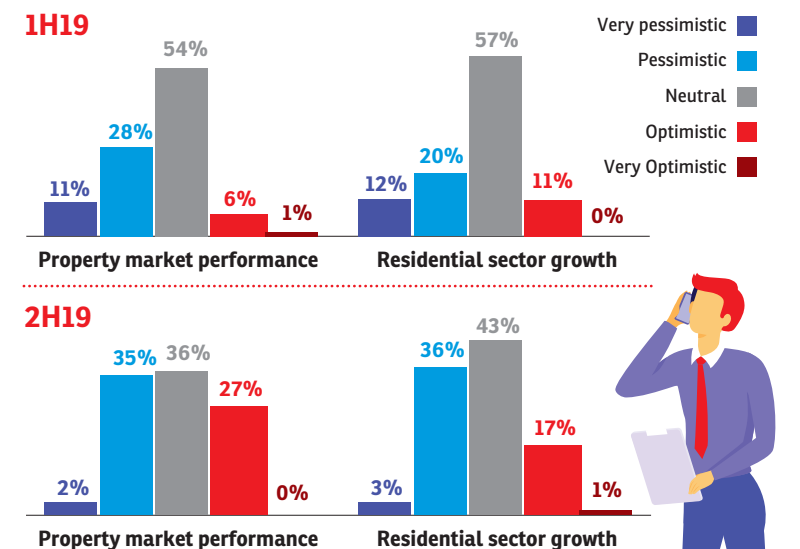
The survey also found that the percentage of developers with unsold units was 62% in 2H2018, the lowest since 2H2015.

"In the first half of 2018, 75% of respondents had unsold units but this has been reduced slightly to 62% in the second half of the year," Soam pointed out, adding that the definition of unsold units are properties which remain unsold nine months after completion over the last three years.

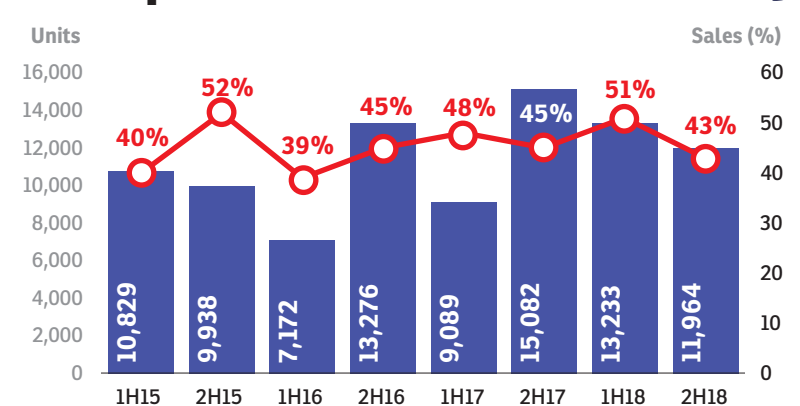
End-financing is still the main reason for the unsold units as reported by 90% of respondents while 54% said they experienced a rejection rate of more than 30% in 2H2018.

"Until today, end-financing is still an issue. This could be due to various reasons, such as insuffi-

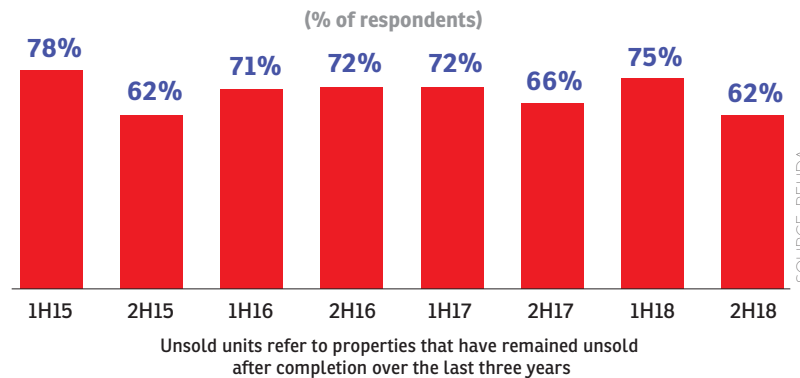
Property industry outlook for 2019



Overall launches and sales performance



Respondents with unsold units



cient income and bad credit record.

"While we support Bank Negara's policy of not giving loans to those who don't qualify and to ensure that there is no systemic failure in the financial system, we hope banks can consider people who are creditworthy but lack documentation," Soam said.

Reduce cost of doing business

Soam also noted that the cost of doing business for developers remained high in 2H2018 and the top three cost components affecting cash flow were compliance costs, material and labour cost and land cost.

In order to cope, developers have taken cost-cutting measures such as freezing new recruitments, cutting benefits and perks, rescheduling project launches and reducing the scale of their launches.

"Compliance costs includes land conversion fees, development

charges, infrastructure improvement fund and payment to utility companies, which is very high. If we can bring down any of these, property prices can come down," he said.

He noted that Rehda has been engaging with local authorities, state governments and other stakeholders to study ways to bring down compliance costs, such as reducing minimum parking requirements and contributions to utility companies.

Meanwhile, the association is also working with the Housing and Local Government Ministry to collate relevant data from various government agencies, such as the Finance Ministry, National Property Information Centre and the Department of Statistics Malaysia to establish a data system, which aims to provide a clearer picture for developers in their planning for new projects.

This story first appeared on www.EdgeProp.my.

RM285mil worth of homes booked at HOC 2019 Expo KLCC



BY RACHEL CHEW

PETALING JAYA: Some 496 units worth RM285 million were booked at the recent Home Ownership Campaign 2019 (HOC 2019) Expo held at the Kuala Lumpur Convention Centre from March 1 to 3.

"The expo also recorded a total of 43,000 visitors over the three days," said expo organiser Real Estate and Housing Developers' Association Malaysia (Rehda) president Datuk Soam Heng Choon at a media briefing on Rehda's Property Industry Survey 2H2018 and Market Outlook for 2019 yesterday.

According to a HOC Expo visitors' survey, 99% of the 1,747 respondents were Malaysian, with the majority (75%) aged 39 years and below. More than half of the visitors were married (54%).

"Half (50%) of the visitors were first-time homebuyers who were mostly looking to buy a home for self-dwelling (39%).

"One thing that showed up in the survey was that the buyers were realistic people. We can tell this from the budget they have and the property type they were looking for," Soam added.

In the survey, 62% of respondents were looking to buy property priced between RM201,000 and RM500,000 while 41% wanted to buy an apartment or condominium unit.

"We would be worried if they wanted to buy a bungalow with a budget of RM500,000. We can tell buyers are more realistic now and they had done their homework," Soam noted.

The majority of respondents preferred units with built-up sizes of 1,001 sq ft to 1,500 sq ft, as well as 3-bedroom 2-bathroom units. Only 1% chose studio units while another 1% chose 1-bedroom units.

"I think the shoe box unit is no longer attractive to buyers today," he said.

The survey also found that the top three preferred locations for home buyers in the Klang Valley were Petaling Jaya in Selangor, Cheras and Wangsa Maju in Kuala Lumpur.

The top five factors influencing the choice of locations were good transport network, being close to commercial centres, availability of public transport, close to family and friends, and close to the workplace.

The campaign, which runs from Jan 1 to June 30, 2019, is organised

SUHAIMI YUSUF | THE EDGE



“One thing that showed up in the survey was that the buyers are realistic people. We can tell this from the budget they have and the property type they were looking for.”
— Soam

in collaboration with the Housing and Local Government Ministry (KPKT) and aims to encourage home ownership among Malaysians.

During the campaign period, all homebuyers of participating projects will get a minimum 10% discount on the price of the homes and stamp duty waivers on the instrument of transfer (up to RM1 million) and loan agreement (up to RM2.5 million).

"Almost 77% of respondents said they would buy a house within the HOC period. In fact, 44% of them visited the HOC 2019@KLCC because of the incentives such as stamp duty exemption (8%), at least 10% discount by developers (19%) and attractive packages (17%)," Soam revealed.

HOC 2019@KLCC is the flagship expo of the HOC. Participants included 55 property developers and government affordable housing agencies.

When asked about the estimated sales target for the entire HOC 2019 period, Soam is confident of achieving the RM3 billion target within the 6-month HOC period.

"Some property consultants think RM3 billion is not achievable but we (Rehda) are very confident. We are not only looking at these three days of sales (HOC Expo) but over six months," he emphasised, adding that many visitors only make their buying decision after the expo.

"Our members have reported that their sales galleries have more footfalls the week after the expo. Not forgetting the fact that HOC 2019@KLCC is just one of the many expos that will be held during the HOC period. Each Rehda branch in various states will hold at least one HOC expo locally.

"We are very confident that HOC 2019 can achieve at least RM3 billion sales," he said.

He added that Rehda will not be requesting for an extension of the HOC period for now.

"We hope people looking to buy a home will act now. However, if there is a need for an extension at the end of the HOC, we will see what we can do."

Reasons for visiting HOC @ KLCC

33% Surveying housing prices

24% Surveying locations

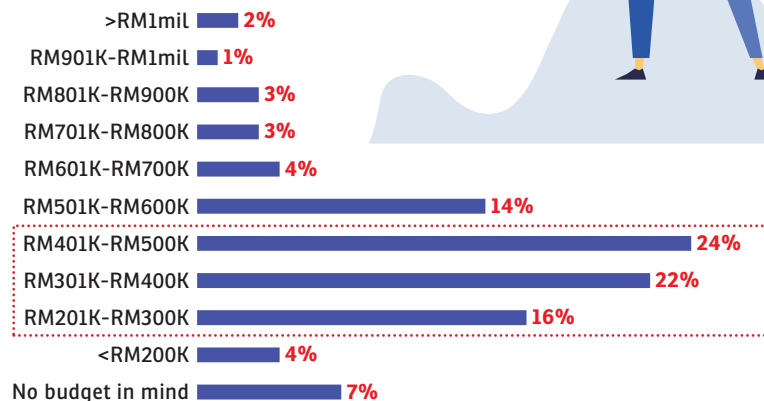
19% Discounts

17% Attractive packages

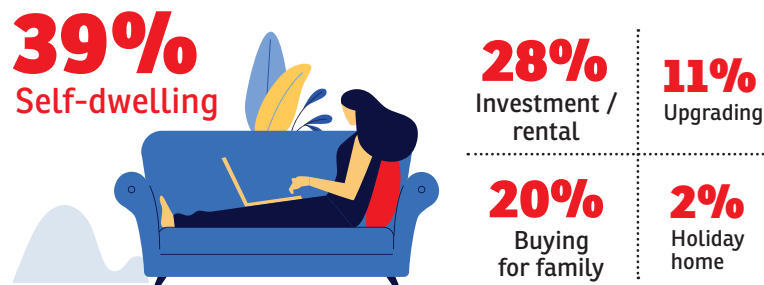
8% Stamp duty exemptions



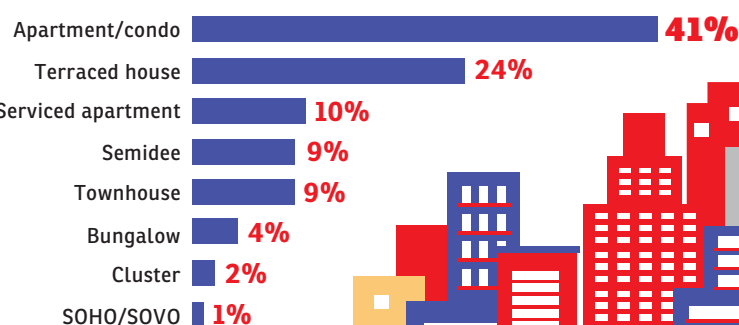
Property price budget



Purpose of property purchase



Type of property most desired



Top 5 factors that influence the choice of locations

- ☒ Close to **work** place
- ☒ Close to **family & friends**
- ☒ Close to **commercial** centre
- ☒ Availability of **public transport**
- ☒ Good **transportation** network



SOURCE: REHDA



Should you buy a BUNGALOW

LOT?



FERNSTATE SDN BHD



BY TAN AI LENG

Bungalow plots are lands that come with residential titles that enable owners to build their own dream houses.

According to Maxland Real Estate Agency senior negotiator Frankie Tham, there are constant enquiries for bungalow land and interest often comes from individuals who want to design and build their own homes. Others are mostly investors and boutique property developers.

What kind of investors would choose to invest in bungalow land which often comes in small tracts enough for only one or two houses?

"Bungalow land investors are often those in strong cash position who just want to hold on and wait to earn from capital appreciation.

"They do not want the hassle of renting out, or to upkeep and maintain a completed property," offers the negotiator who specialises in land deals.

Fernstate Realty principal Shawn Fernandez has similar observations, saying that most people who purchase bungalow lots hold the desire to build their own dream homes with a particular design in mind.

"A smaller number of purchasers see land as a stable investment. They will often buy in prime residential areas and sell when prices appreciate in future," he adds.

Tham however, notes that bungalow plots are considered "exclusive" and hard to come by especially in established mature locations in the Klang Valley. Most developers, he adds, would prefer to keep the land for themselves and develop it later rather than sell them to individuals.

Nevertheless, once in a while, a property developer may decide to sell bungalow plots in a development scheme, or owners who initially bought the plot with the intention to build just changed their minds.

Freehold bungalow plots in good locations are preferable for long-term investment.



PATRICK GOH | THE EDGE

Tham: One good indicator of the investment value of bungalow plots is whether banks are willing to finance up to 80% and above for the purchase.

Prices reflect lack of supply

"Land prices vary quite widely depending on location, market segment, exclusivity and address of the bungalow plots. Prices can range from a low RM30 psf (in Greater KL locations) all the way up to RM800 psf or higher for prime locations," says Tham.

Plot sizes usually range from 4,000 sq ft to 10,000 sq ft or even above an acre, he adds.

Fernandez says the price of a bungalow plot tends to reflect its lack of availability especially in places like Bangsar, KL where an empty residential plot can command RM400 to RM500 psf, while in Damansara Heights, they could go for RM700 to RM800 psf.

Tham notes that in prime housing areas where bungalow plots are rare, investors may enjoy good capital appreciation when the time is ripe, especially if they are freehold lands.

"Over a period of 10 years and above, the capital appreciation for bungalow lands can range from 8% to 10%, or even higher. One good indicator of investment value of a bungalow plot is when the bank is willing to finance up to 80% and above for its purchase," he says.

Unlike ready-built properties, land assets normally take a longer time to see price appreciation due to low demand. However, it also depends on the infrastructure and development in the area.

Tham notes that location and future potential development are usually the main factors that contribute to capital appreciation.

Fernandez concurs, and says that even if the owners bought and left the land idle for years, it would invariably increase in value as land supply becomes scarce over time.

For instance, in the high-end prime residential area of Damansara Heights, bungalow plots were sold at around RM13 psf in the early 1980s.

"Today, vacant plots there are going for anything between RM700 to RM800



THE EDGE

Fernandez: Buyers need to be mentally and financially prepared as the entry costs are high and it may take a long while to get returns.

psf. Price growth has been driven by the area's good infrastructure development over the years. The land price growth also follows the housing price growth there," he explains.

Another example would be bungalow plots in Country Heights Damansara, KL, which were once selling at RM60 psf two decades ago but are now being transacted at around RM300 psf.

The downside

Undeniably, for investors with deep pockets, bungalow land could offer decent capital appreciation in the long term but for average individuals, the high entry cost could be a hindrance. Furthermore, Fernandez notes that getting a loan for the purchase of bungalow plots is not easy.

"If one were to compare enquiries for ready-built detached homes against residential land plots, the former receives more enquiries and is in higher demand, so ready-built homes are definitely more easily financed."



Hence, residential bungalow lots are somewhat more difficult to finance, and don't be surprised to find out that certain banks do NOT include residential bungalow plots in their portfolio of properties to finance.

The size of a bungalow plot could also pose a challenge to investors. "In the current market, most sellers tend to be investors who have held the land for years. Although there are no limitations on size, if the land is small, it is tougher to sell," says Fernandez.

For instance, a small plot may seem affordable but the design and size of the homes would be limited by the size of the land.

On the other hand, if the site is too large, it would also pose certain limitations, as the upfront purchase price would be high and deter buyers. For example, a 20,000 sq ft plot in a prime area of Kuala Lumpur can cost RM12 million.

Still interested? What next?

If you are interested in getting a bungalow plot for investment, Fernandez advises buyers to be mentally and financially prepared as the entry cost could be higher than buying a property. Returns from land investments also take longer to realise.

"Always understand or appreciate what the costs are. For example, the margin of financing to purchase residential land is typically 70% to 80% of

the purchase price," he says.

For buyers who intend to build a house for their own stay, they should be aware that obtaining financing to build a new home could also be tough. Besides the cost, building a home takes time and the right expertise. It is advisable to consult architects and designers, to gain a better understanding of costs, materials, and the time frame.

"It is also a good idea to do a land survey to verify the land status of the area. A land survey will also determine if there has been any encroachment on the land by any neighbouring property. Said survey should be done before the Sales & Purchase Agreement is signed," he emphasises.

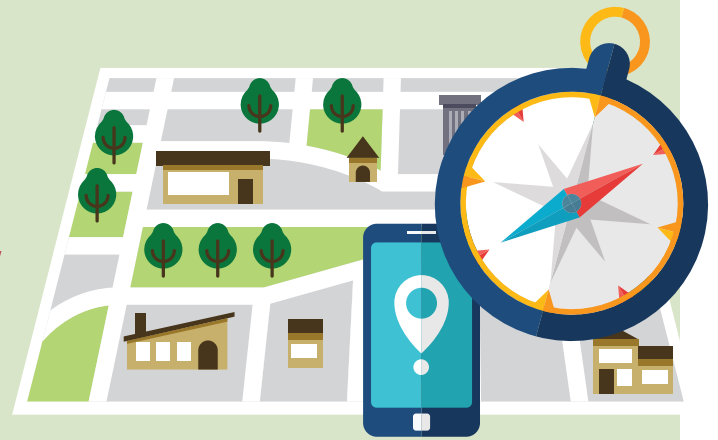
Tham says buyers should recce the area and do some pricing research before making a decision.

"Bear in mind that freehold land is always in demand and commands higher value," he says.

Other factors to consider include accessibility, amenities and infrastructure development, whether the land is located within a gated and guarded area, or whether the land orientation gives you a million dollar view.

Once you have found the property that you want to buy, engage a lawyer to perform due diligence on the subject land by doing a land title search and confirm the land boundary demarcations or by doing a land survey, advises Tham.

Interested in buying a bungalow lot?



What you should do:

1. Recce the area, check accessibility (road connectivity); amenities (eateries, medical centres, education institutes and commercial centre) and overall environment.
2. Gather information on land price trends in the area.
3. Confirm the land tenure. (Freehold is always preferable!)
4. Check the land orientation, elevation and the views as land on higher ground with unhindered views usually has a higher value.
5. Basic infrastructure such as roads, drainage and sewerage should be in place.
6. Engage a lawyer to perform due diligence on land title and related matters.

Where to look?



- KL Golden Triangle, Ampang Embassy row
- Bukit Tunku/Kenny Hills, Kuala Lumpur
- Damansara Heights, Kuala Lumpur
- Sierramas, Sungai Buloh
- Taman Tun Dr Ismail, Petaling Jaya
- Saujana Subang, Shah Alam
- Subang Heights, Subang Jaya
- Setia Alam, Shah Alam
- Kota Kemuning, Shah Alam
- Bukit Rimau, Shah Alam
- Ledang Heights, Nusajaya, Johor
- Leisure Farm, Medini, Johor



NEWS

UK risks another Grenfell fire with human rights breaches – watchdog

BY ADELA SULIMAN

LONDON: Britain must act to protect people in 400 high-rise flats facing the same fire risks as London's Grenfell Tower, where more than 70 people died in 2017, a watchdog said on Wednesday, warning that the government has a legal duty to safeguard lives.

The Equality and Human Rights Commission questioned whether authorities had violated their duty to protect life by allowing buildings to be covered in cladding as flammable as petrol, leading to one of the worst blazes in modern British history.

"The authorities failed and continue to fail in meeting their human rights obligations. The fire at Grenfell Tower was a tragedy that should have been avoided," the government agency said in its report.

"With more than 400 other high-rise residential buildings across the UK identified as having the same cladding as at Grenfell Tower, there is risk of another fire and further loss of life ... These issues should be addressed immediately."

The overnight blaze sent shockwaves around the world and raised public anger over social inequalities in London's affluent Kensington and Chelsea area, home to mil-

lion-pound properties and public housing tenants like those of Grenfell.

The commission's findings will be fed into an ongoing wider public inquiry into the fire, which seeks to examine its cause and the response but not broader issues such as social housing policy.

In response to the report, the government said it had already banned combustible materials in the external walls of flats, hospitals and student accommodation more than 18 metres high.

"There is nothing more important than ensuring people are safe in their homes," a government spokesman told the Thomson Reuters Foundation.

While international law protects housing rights, British law has been criticised as outdated, complex and poorly enforced, and individuals cannot take legal action against the government for violations, the commission said.

Other domestic legislation is stronger, such as the Human Rights Act, through which the government and public officials have a duty to protect life and can be taken to court for failing to do so, it added.

A key issue in assessing whether the government has fulfilled this duty was whether

People look at pictures of the victims as members of the public hold a vigil and commemoration near Grenfell Tower in west London at midnight June 14, 2018 to honour the 71 people who died when a fire ripped through the Grenfell tower block in London one year ago.



building regulations banned the combustible cladding in high-rise blocks and whether those regulations were enforced, it said.

"Our actions before the tragedy will continue to be analysed – that is right, and it is what the inquiry is for," said Elizabeth Campbell, leader of Kensington and Chel-

sea Council, the local government body responsible for Grenfell Tower.

British police said this month that prosecutors were unlikely to consider whether anyone should face criminal charges over the deadly blaze until the inquiry was concluded. — Reuters

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Bumiputera homebuyer pays to own	RM9,910

NOTES

1. DepositKu is a loan initiative by the government to help eligible first time homebuyers
2. Stamp duty exemption for first time homebuyer for property up to RM1mil, valid for Sale and Purchase Agreements dated from Jan 1, 2019 to June 30, 2019

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