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NEWS HIGHLIGHTS from TheEdgeProperty.com



S P Setia to launch Setia Eco Templer in May

S P Setia Bhd plans to launch the first phase of Setia Eco Templer in the first week of May, said president and CEO Datuk Khor Chap Jen. The first phase of the new township in Rawang, Selangor comprises 234 units of link villas, semi-detached houses and bungalows with a total gross development value of RM400 million. Selling prices will range from RM900,000 to RM2 million.

Khor told reporters this after a banking facilities signing ceremony at the Setia Eco Templer sales gallery on April 25. Ambank had granted RM315 million banking facilities to Setia Eco Templer for the development of the township. The bank also granted a RM200 million working capital term loan to S P Setia.

Setia Eco Templer sits on a 194-acre site located between Rawang and Selayang. It is less than 30km away from the Kuala Lumpur city centre. The township comprises 1,800 residential units and a commercial zone and is slated for completion in 8 to 10 years.

"We will also build a new interchange directly to Jalan Ipoh so our buyers do not need to take the U-turn to reach our township," Khor said. He added that the interchange will cost the company about RM25 million.

Owner of Kedah's Aman Central mall said to be looking for a buyer

Penang-based property develop-



er Bellevue Sdn Bhd is said to be seeking a buyer for its Aman Central shopping mall in Alor Setar, Kedah. The mall, touted as the largest in the state, had commenced operations on Oct 1 last year and has an occupancy rate of 95%.

The Edge Malaysia understands that several potential suitors, including foreign funds that invest in Malaysian malls, have met with Aman Central's owner and manager Great Realty Sdn Bhd. According to at least two separate sources, US-based Pramerica Real Estate Investors Ltd may be one of the foreign funds.

The estimated asking price is between RM550 million and RM650 million. Prior to the completion of the mall, Aman Central's gross development value was reported to be RM500 million, including the land and building.

The mall houses 390 retailers, including 60 mini retailers. The anchor tenant, Parkson, occupies 135,000 sq ft of NLA while other tenants include Golden Screen Cinema, Padini Concept Store, Starbucks, H&M and Uniqlo.

CIDB certificates needed for skilled construction workers from June 1

From June 1, skilled construction workers and site supervisors will need to have certificates from the Construction Industry Development Board (CIDB), to continue working at construction sites.

"To obtain the certificate, they need to undergo five to 10 days of training depending on their skills, or they can be assessed through a one-day test," Johor CIDB director Othman Safar told Bernama during an enforcement exercise near the Legoland theme park in Johor on April 26.

The new ruling excludes general construction workers. Skilled construction workers include carpent-

ters, machine operators, structural draughtsmen, concrete pump operators and metal workers.

"For now, the competency certificate is free for all local skilled construction workers, while foreign site supervisors and foreign skilled construction workers will be charged between RM370 and RM700, depending on their skills," Othman added. The failure to abide by the ruling could result in a fine not exceeding RM5,000.

JPPH expands consultancy service to Saudi Arabia

The Valuation and Property Services Department (JPPH) has extended its consultancy services to Saudi Arabia – providing training services to the Saudi Authority for Accredited Valuers (TAQEEM) from March this year, JPPH director general Datuk Faizan Abdul Rahman said on April 27 at the opening of the International Real Estate Research Symposium 2016 (IRERS 2016).

Two JPPH officers are currently seconded there under a one-year contract to train TAQEEM officers to become valuers and trainers. About 40 officers will participate in the programme to learn the knowledge and skills of property valuation.

This is also the first time JPPH is providing its service to TAQEEM. Faizan said JPPH had also offered a two-month property valuers' training to the United Arab Emirates authority back in 2006.

MCT to launch phase 3 of Cybersouth soon

MCT Bhd will be launching the third phase of its Cybersouth development in Cyberjaya comprising townhouses with built-up areas from 1,100 sq ft and indicative prices from RM400,000 here soon, said the developer in a press release on April 26.

It will also offer affordable homes under the Rumah Selangorku scheme. The units will be from 750 sq ft to 950 sq ft, with prices starting from RM100,000.

MCT had kicked off Cybersouth with the launch of the first phase in April 2015 called Greencasa, comprising 2-storey linked homes which have since been fully sold. It recently launched the second phase called



CasaView, also offering linked homes.

Cybersouth is located within the Cyberjaya-Putrajaya-KLIA growth corridor, which is linked to major expressways such as Maju Expressway (MEX), SILK Highway, Elite Highway, KLIA Expressway, South Klang Valley Expressway, LDP Highway and Putrajaya-Cyberjaya Expressway.

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Homedec 2016

Date: April 29 to May 2 (Fri to Mon)

Time: 10am to 8pm

Venue: Kuala Lumpur Convention Centre

Contact: (03) 7982 4668

Organised by CIS Network Sdn Bhd, Homedec presents a deals galore of products for all your home renovation, refurbishment and redecoration needs. Over 550 exhibitors will be taking up 1,200 booths in eight halls at the convention centre.

V by Crown Group exclusive showcase

Date: April 30 and May 1 (Sat and Sun)

Time: 10am to 7pm

Venue: Westin Hotel Kuala Lumpur, Level 2, Straits Boardroom

Contact: (012) 326 3800



JLL Property Services (Malaysia) Sdn Bhd will be showcasing V by Crown Group to Malaysian buyers. The residential project is located in Parramatta, Sydney, Australia. The selling prices are from A\$556,000. A Sydney Residential Market Overview seminar will also be held at 3pm daily.

TH Properties' Hundred East @enstek showcase

Date: April 30 to May 1 (Sat and Sun)

Time: 10am and 5pm

Venue: Hundred East Show Gallery, Bandar Baru



Enstek, Negeri Sembilan
Contact: (03) 2161 7144

TH Properties Group is holding an open house to showcase its Hundred East project in Bandar Enstek. The project comprises 100 units of two-storey super links in three sizes of 26' x 80', 24' x 75' and 22' x 75' with prices from RM574,400.

BDB Property Fiesta 2016

Date: April 30 (Sat)

Time: 7:30am to 6:30pm

Venue: Darulaman Perdana Park, Sungai Petani, Kedah
Contact: (04) 442 8080

BDB Land's Property Fiesta will feature its new and upcoming residential developments. It also serves as a one-stop centre for those interested in purchasing the new homes exhibited, as panel lawyers and banks will be there as well.

FIABCI Malaysia talk on Sabah property

Date: May 4 (Wed)

Time: 8am to 10:30am

Venue: Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Kuala Lumpur

Contact: (03) 6203 5090

The International Real Estate Federation (FIABCI) will hold a talk by Datuk Francis Goh, president of Sabah Housing and Real Estate Developers' Association, on the topic "Sabah Property Market Updates & Future Hotspots". The event is free for members.



Proximity to airports and flight paths do not reduce growth of home values, says don

BY NATALIE KHOO

KUALA LUMPUR: Proximity to airports and flight paths do not impact the annual capital appreciation of homes, said professor of property economics at Queensland University of Technology (QUT) Chris Eves.

Transaction data and studies show that while prices of these homes may be lower compared with those within socio-economically similar suburbs that are not close to airports or flight paths, their long-term capital appreciation performance was similar, he said at the International Real Estate Research Symposium 2016 (IRERS 2016) on Wednesday.

TheEdgeProperty.com is the media partner for this symposium.

PATRICK GOH / TheEdgeProperty.com



Eves: There are other more prominent factors that affect property prices



Putra World Trade Centre (PWTC), Kuala Lumpur from April 26 to 28.

“Based on long-term median annual house price movements, suburbs located under the main southern flight path and subject to minimum 70 decibel aircraft noise in Brisbane have shown average annual capital growth equivalent and in some cases higher than similar housing stock in locations with aircraft noise less than 70 decibels not located under Brisbane airport flight paths,” he noted.

In fact, most of the affected suburbs in the Gold Coast have shown higher average annual capital returns compared with areas hardly affected by aircraft noise, he said.

Eves added that there are other more prominent factors that affect property prices.

“In the Brisbane and Gold Coast residential property markets, the main drivers of residential property value are proximity to transport, the main CBD, schools, recreation facilities, and other services which have a more significant impact on long-term residential property performance than aircraft noise factors,” he concluded.

Eves was presenting his research paper

titled “Major infrastructure innovation and the public response: Aircraft noise and residential property markets: Brisbane and Gold Coast airports”.

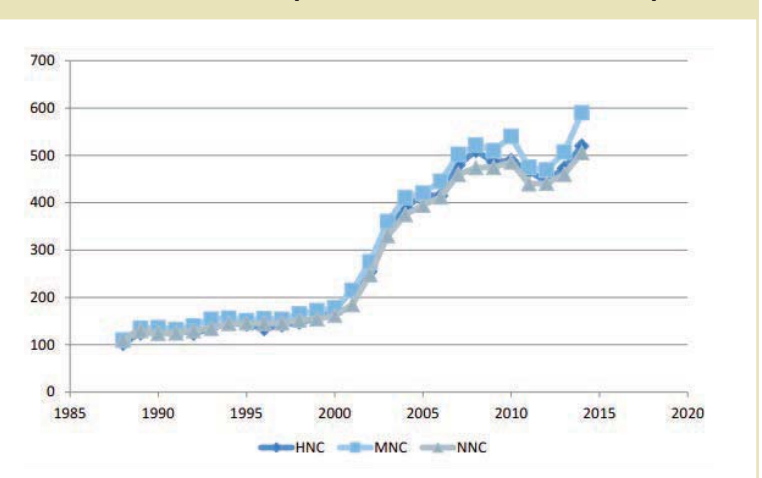
The first longitudinal study of its kind, Eves

conducted the research from 1988 to 2014 in Brisbane and the Gold Coast – specifically 36 suburbs within a 14km radius from Brisbane Airport’s runway, and 18 suburbs in the Gold Coast – by analysing all residential house sales in these areas.

The suburbs were further divided into three types – high noise complaints (HNC), moderate noise complaints (MNC) and no noise complaints (NNC).

In Brisbane, the HNC suburbs were located on the southern flight paths and within 10km from the existing main run-

Movement in median house prices of 3 suburbs near Brisbane airport



way at Brisbane Airport, while the MNC suburbs were located to the south, north, west and east of Brisbane Airport and within a 5km-10km radius. The NNC suburbs included the inner ring, middle and outer ring suburbs.

In the Gold Coast, the HNC suburbs were located on the southern flight path and predominantly in New South Wales, whereas the MNC and NNC suburbs were located to the north and northwest of the airport and were predominantly Gold Coast suburbs.



WCSC 2016 to be held on Sept 8

BY TAN AI LENG

KELANA JAYA: The 8th International Conference on World Class Sustainable Cities (WCSC 2016) will be held on Sept 8 with the theme “City Spaces, Public Places”.

Four speakers from the US, Australia, Shanghai and Singapore will share their experience on bringing vibrancy to their city’s public spaces at the annual conference, which will be held at the Sime Darby Convention Centre in Kuala Lumpur.

The speakers are New York City commissioner Mitchell Silver, Singapore Urban Redevelopment Authority chief executive officer Ng Lang, Melbourne City urban sustainability manager Ian Shears and a representative from Shanghai Gensler Architects.

WCSC organising chairman and Real Estate and Housing Developers’ Association (Rehda) Kuala Lumpur Branch secretary Chan Kin Meng said WCSC has attracted over 600 participants locally and from overseas every year since its inception in 2009.

“We expect about 550 participants from government agencies, residents associations, researchers, students and academicians from urban planning and development,



CHU JUCK SENG / TheEdgeProperty.com

industry players and private companies to participate this year,” he told reporters at WCSC’s press conference yesterday.

WCSC is jointly organised by Rehda, Malaysian Institute of Planners (MIP) and Malaysian Institute of Architects.

It is endorsed and supported by Kuala Lumpur City Hall.

Chan noted that WCSC could be an aspirational platform for city planners, developers and researchers as the discussion topics could inspire new ideas which may lead to infrastructure developments that benefit the city – for instance, the River of Life development.

MIP president Md Nazri Mohd Noordin said well-planned public

spaces could improve public safety and create vibrancy, which could in turn attract local and foreign investors to Malaysia as safety levels are one of the main concerns to investors.

In conjunction with WCSC 2016, photography and essay writing competitions with the theme “City Spaces, Public Spaces” were launched to invite students and the public to share their thoughts of the city.

Meanwhile, there will also be a Young People’s Lab activity which engages youths to plan and design their dream city; and master classes for smaller groups who are interested in learning more about city planning.

MIP Training Centre general manager Khairiah Talha (left), Md Nazri, Chan and PAM council member Mustapha Kamal at the press conference

6.5 Acres Land For Sale (Residential Land for high cost homes)

Location: Tambun, Adjacent to D’Dales and Skyhomes Panorama Tambun Ipoh
Asking Price: RM62 per sq. ft. (neg)

- Adjoining to 100 million year hill
- 3 min to North-South Highway
- 5 min to Sunway City Ipoh, AEON Kinta City, Tesco, DE Garden, Ipoh Garden, Canning Garden
- 10 Min to Greentown Business Centre, Bercham, Ampang
- 15 min to Ipoh City Centre

Contact: Jennifer Ng
Tel: 016-5318777



BY NATALIE KHOO

Over the past year or so, a few quarters – especially property developers and real estate agents – said many of their customers were finding it difficult to get financing to buy properties. Some complained that the banks were too strict.

Bank Negara Malaysia statistics published in the recently-released National Property Market Report 2015 showed there was an annual drop of 14.6% in residential loan approvals last year, while applications fell by 10% (see chart 1).

According to RHB Banking Group head of group retail banking U Chen Hock, the bank has always practised a consistent risk-scoring approach in underwriting new housing loans and it is not seeing any significant decrease in its loan approvals.

Nonetheless, he notes that RHB's approval rate remains high at above 75%, although volumes have dropped in tandem with the contraction of the residential property sector.

"We believe last year was a period of consolidation when both buyers and sellers adjusted their expectations in terms of affordability, resulting in lower transaction volume. However, we are optimistic of an improved residential property sector and approval rate in the near future," U tells TheEdgeProperty.com.

He adds that residential mortgage is a very important portfolio for the bank and represents a significant portion of the banking group's overall balance sheet. "The housing loan portfolio (at RHB) grew to the high teens in 2015, on the back of similar growth in 2014 and 2013, outpacing our peers," he notes.

"Our strong growth means that we almost had a double-digit share of the total residential mortgage market," he adds.

Meanwhile, CIMB Bank Malaysia head of regional cards, retail assets and deposits Vipin Agrawal says its mortgage approval rates for 2016 should remain stable at around 60%.

Nevertheless, he notes that the volume of applications had softened in 2015 from the previous year. He also expects a possible drop in applications this year as customers take the "wait-and-see" approach in property purchases – especially of new high-rise homes.

"We have been prudent in credit screening for all loan applications with the review method evolving over time as new parameters are set in."

"The economic environment continues to be challenging, but we are optimistic about greater opportunities and market resilience," he says.

Why loans get rejected

RHB's U says as a responsible lender, it is important to ensure that their loans do not overly burden borrowers.

"We need to make sure that the borrowers have residual income after fulfilling all financial commitments sufficient to cover their living expenses. If the total loan commitments exceed the threshold which the bank deems prudent, the loan will be rejected," he adds.

CIMB's Agrawal also advises customers to apply for loan amounts that they can repay comfortably every

month. Applicants in the lower income group who have high commitments generally face more difficulties in getting their loans approved.

"This is because their chance of defaulting on payments is higher," he says.

Independent mortgage broker Ideal Mortgage Specialist Sdn Bhd (IMS) relationship manager Adrian Cheong says one of the main considerations of financial institutions is the borrower's ability to service the loan. This is based on the Debt Service Ratio (DSR),

which is calculated through the total loan commitments over the total income of the applicant.

"There are more customers today who are applying for loans which do not reflect their capability for repayment," says Cheong.

He cites fresh graduates earning between RM2,800-RM3,000 a month who want to buy properties worth RM500,000 and above as examples. "They will definitely not be able to service a loan for that amount and yet they apply for it."

HOUSING LOANS – WHAT YOU MUST KNOW!

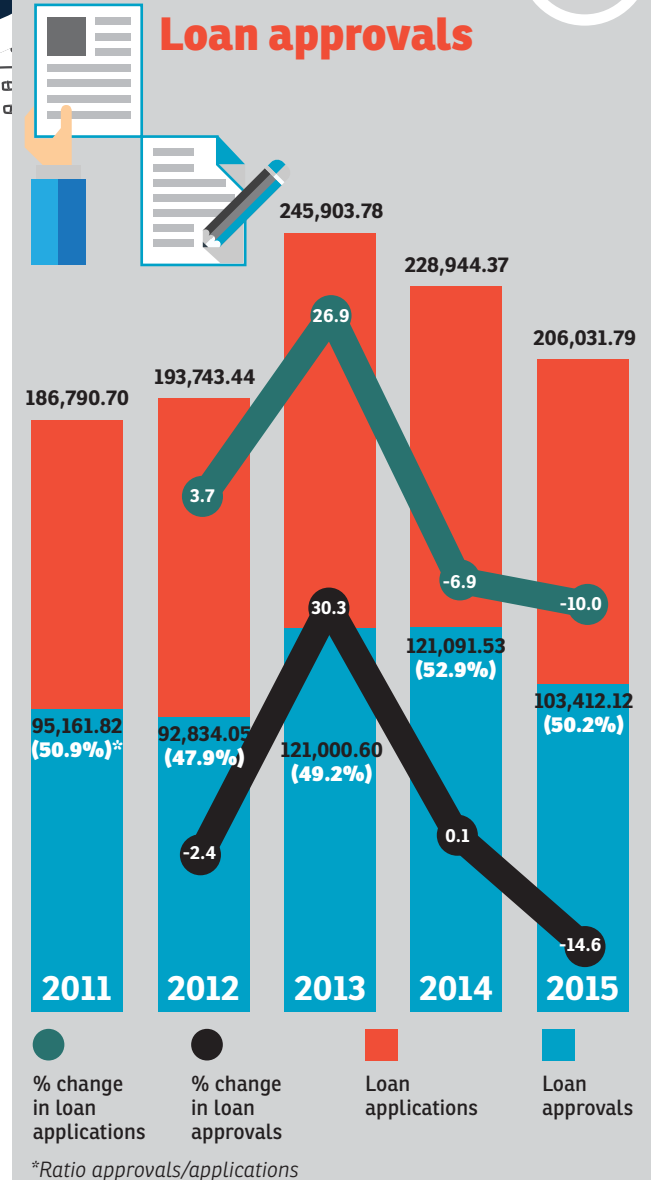
Loan approvals are harder to come by.
Here is how you can improve the odds of securing one.



U: The bank has always practiced a consistent risk-scoring approach in underwriting new loans and is not seeing any significant downward movement in its approval trend



Agrawal: Applicants should provide adequate supporting documents as proof of ability to repay and ensure that all credit facilities are paid on time



SOURCE: BANK NEGARA MALAYSIA/NAPIC



2

GET THAT LOAN!

7 tips to raise your chances of getting a loan

SOURCE: IDEAL MORTGAGE SPECIALIST SDN BHD

- 1

Apply for a loan amount within your repayment capacity based on your income
- 2

Submit documents to show additional sources of income (ie rental, dividend or other side income)
- 3

Ensure that your CCRIS report shows good repayment records
- 4

Ensure that your credit scoring record is clean
- 5

Clear outstanding debts
- 6

Have at least one or two credit facilities with financial institutions to establish your repayment record
- 7

Apply with a joint applicant or a co-borrower



MOHD IZWAN MOHD NAZAM | TheEdgeProperty.com
Ching: First-time homebuyers need to be open to a larger choice of properties outside the city centre

such as the Mass Rapid Transit (MRT) line. “You just can’t be too choosy with your first house,” he advises.

According to Bank Negara’s recently-released Annual Report 2015, since 2010, an increasing number of new residential launches in Malaysia are priced above RM500,000.

In 2010, only 9% of new launches were priced above RM500,000, but this jumped to 24% and 36% in 2011 and 2014 respectively.

All four industry experts denied that property types or price ranges are factors in loan approvals.

According to both U and Agrawal, it is the repayment capability and past record of the applicant – which is revealed in their Central Credit Reference Information System (CCRIS) report – that determines the approval.

“Poor payment history on existing loans and insufficient capacity to repay can affect the loan application directly,” says Agrawal.

Ching and Cheong concur. “If you show that you can afford to repay a RM200,000 loan or even a RM10 million housing loan and you satisfy their benchmarks, there is no reason for them to withhold the loan from you,” they say.

Ching notes that via CCRIS, all credit facilities used by the applicant, including both private and public, can be traced, including past repayment records.

He explains that all banks used to cap the DSR at 70% regardless of income levels. However, they have recently begun to offer a lower DSR threshold of 55%-60% for those earning below RM36,000 a year. It makes a lot of sense to set different DSR thresholds for different income levels, he says.

He cites as an example the old DSR limit – 70% of RM2,800 is about RM1,960.

“After deducting that amount, you have about RM840 left. Of course, if you are extremely prudent and have no other commitments such as a car loan, then perhaps you may make it. However, realistically you still need to pay for food, rent, utilities and transport. By the end of the month, you are really just scraping by,” Cheong says.

Meanwhile, IMS head of marketing Vincent Ching suggests that first-time house buyers should be more open to properties outside city centres as many properties in cities such as Kuala Lumpur are priced above RM500,000, which is not the most ideal range for this group of buyers.

“It is not a loss living further away from city centres. You can get a property worth RM200,000-RM300,000 which is further from the city centre and may be small but it is always better to start small than to have nothing at all.”

He adds that connectivity will improve with new transport infrastructure

4

Top 3 factors in assessing loan applications

SOURCE: VARIOUS BANKS

- 1

Loan financing capacity
- 2

Payment history
- 3

Overall existing debt burden



MOHD IZWAN MOHD NAZAM | TheEdgeProperty.com
Cheong: There are more customers today who are applying for loans which do not reflect their capability for repayment

“If you have a high outstanding debt or you show that you always settle your loans late, this is a bad reflection of loan repayment capability. You want to have a record of paying on time. If I, as a bank, were to lend money to you, I would think twice if I see a high outstanding amount and a record of consistent late repayments,” he says.

“Even loans like the National Higher Education Fund Corp or PTPTN is captured,” he adds.

He points out that banks can also perform credit checks through credit reporting agencies such as CTOS Data Systems Sdn Bhd and RAM Credit Information Sdn Bhd to ensure that they have no bankruptcies, summons or legal suits against them, both past and present.

How to get that loan?

RHB’s U cites two key factors – the ability to comfortably service the loan

3

Your loan application is more likely to be rejected if you...

- 1

Apply for a loan amount above your repayment capability based on your income level
- 2

Earn below RM36,000 annually as the debt-service ratio (DSR) limit will be lower
- 3

Have a DSR over 70%. Banks have different DSRs, but the average limit is 70%.
- 4

Have no credit facilities with any financial institutions for at least one year (hence no repayment record)
- 5

Do not have a stable monthly income
- 6

Have a poor or late repayment record and outstanding debt
- 7

Have bad credit scores – factors that will impact your credit scores are bankruptcy, legal suits and summons.

SOURCE: IDEAL MORTGAGE SPECIALIST SDN BHD

and the overall existing debt burden. “To most people, a property is the biggest asset that they will commit to, so it requires planning and self-evaluation in terms of financial readiness,” he notes.

IMS’ Ching says it is vital to keep your CCRIS and CTOS reports clean.

“Pay on time and don’t have too much debt. If you have been deferring a RM200 credit card payment for several months, how can banks have faith in you for larger commitments?” Ching asks.

But that does not mean that having no credit facilities of any sort is a good idea.

“Without any credit facilities, the banks have no way of determining whether you are a good paymaster or not. One or two credit facilities [such as credit cards] with good repayment records in your CCRIS is one way to show that you are a good paymaster,” Ching notes.

Cheong adds that having a joint applicant is one way of improving the odds of getting your loan approved.

“Let’s just say you cannot afford based on your repayment capabilities, then you can apply for your loans with a co-borrower. However, make sure the co-borrower has a good repayment record and is capable of servicing the loan together with you,” he says. (See infographic).

Ching says, in the end, borrowers must evaluate their own capabilities. “If you are not able to buy a high-end property yet, perhaps you should consider buying a cheaper property or hold on first. You need to remember that buying a property is a big ticket purchase. It is a commitment you need to bear for the next 35 years.”

A mismatch between demand and supply

BY MIKE GEH



We may be an aging society, but the fact is Malaysia's population is made up of mainly the young. According to the Statistics Department, the largest age group in 2015 was those between the ages of 20 and 49 years.

About 14.375 million, or 47%, of the about 30 million Malaysians are from this age group. The second largest group, at 34% or 10.455 million, comprises those between the ages of 0 and 19 years. The retired and aged make up only an estimated 13.4% of the current population. The Malaysian population is, therefore, a youthful one.

With the young forming the bulk of our population, there is and will continue to be high demand for starter homes throughout the country now and in the near future. However, the price and design of many of the residential properties we have in the market today do not meet this market's demand. The government has set the direction and its push for PR1MA and other schemes for first-time home buyers are in the right direction in support of housing for our youths.

According to Bank Negara's "An-



SAM FONG | TheEdgeProperty.com

A youthful Malaysia cannot afford houses priced above RM300,000.

nual Report 2015", houses priced up to RM165,060 are considered affordable. The monthly median income for Malaysia is RM4,585 and the annual median income is RM55,020. Therefore, the median affordable house price is between RM165,060 and RM242,000. However, only 21% of new housing launches in the country were priced below RM250,000 in 2014. The report also showed data that pointed to an oversupply of higher-end properties priced above RM500,000.

The Bank Negara report noted that the current level of house-building in the affordable

housing segment is not sufficient to meet demand and that a substantial increase in the supply of affordable housing is necessary.

It is also rather disturbing that Bank Negara finds that we are short of about 2.5 times the number of houses that are needed to be built annually. Bank Negara suggested that an estimated 202,571 new houses will be required annually between 2016 and 2020 to match the estimated growth in households during this period.

The report also said it is crucial that a holistic plan be implemented to provide sufficient quality housing that is affordable for the low

and middle-income households.

A Khazanah Institute report on affordable housing noted that the median house price was 4.4 times the median annual household income in 2014, which points towards a "seriously unaffordable" housing market.

Based on these findings, the industry needs to correct the imbalance in its stock delivery practices. There is a mindset now to build premium homes but this mindset needs to change to deliver quality affordable housing for the youths instead.

Developers should face the reality that a youthful Malaysia can-

not afford houses priced above RM300,000, he added.

There is a mismatch of provisions for the population as a majority of the current projects are aimed at an older population, or for those above 50 years. This clearly shows a need for more projects and developments that cater to those under the age of 50, particularly those between 20 and 49 years of age, who are starting families and looking for their own homes.

According to projections by the Statistics Department, the largest age group in the population will still be those between the ages of 20 and 49 years by the year 2040. About 44% of the total population then will be those between 20 and 49 years old, out of a total expected population exceeding 38 million.

This shows that between 2015 and 2040, there is only a slight decrease of 3% for this age group.

There is therefore an urgent need for more affordable housing. There should also be a focus on amenities and infrastructure to support this youthful population as they will be the ones leading and developing the country.

It is time that the property industry shifts its mindset to remain relevant in accordance with the country's population's growth and needs.

Mike Geh is senior partner at Raine & Horne International Zaki + Partners Sdn Bhd

GREEN



Tips on choosing the best air-conditioner for your home

BY UNDP'S BUILDING SECTOR ENERGY EFFICIENCY PROJECT

People are using air-conditioners more due to the current hot spell and this has increased Malaysia's electricity demand tremendously. However, if you choose the right air-conditioner for your home, your utility bills will not be much higher, even if it is switched on, day and night.

5-star energy air-conditioners

The first thing you should consider is whether the air-conditioner that you wish to purchase is energy efficient. According to the Sustainable Energy Development Authority of Malaysia (SEDA), households that use 5-star energy air-conditioners could roughly save RM277.42 annually for the consumption of one unit of air-conditioner at home. And bear in mind, eco-friendly doesn't always

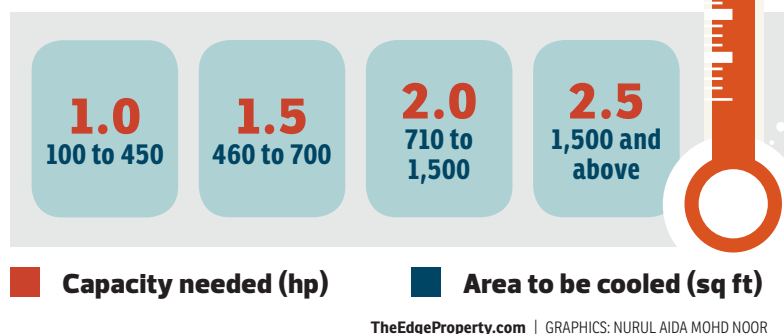
mean energy efficient. Look for the 5-star energy sign and you will be informed the amount of its total annual energy consumption. It might cost you more at the beginning but you will save for the rest of the air-conditioner's lifetime.

Right-sizing the aircon unit

Rather than discussing the issues of ambient heat load or any technical part of the air-conditioner, let's focus on right-sizing the capacity for your home. The thing that you should know is whether your home needs a unit that's 1.0 hp, 1.5hp or more. This is important because you do not want to purchase a high capacity air-conditioner for just a small space at home, as it is not practical and of course it will consume more energy. You have to know the estimated size of your room or the space that you wish to install the air-conditioner that you want to purchase.

Normally, 1.0hp should be sufficient for a standard room and 1.5hp for a standard size living hall

You have to know the estimated size of your room or the space that you wish to install the air-conditioner in



for apartments or landed terraced houses. If your house is heavily shaded, you may reduce the capacity by 10%. If your house is west-facing and receiving full afternoon sun, increase the capacity by 10%. If the ceilings are more than 12 feet high, the capacity should also be increased. Make sure to consider how many persons usually occupy your house as well. More occupants would need a higher air-conditioner capacity. There are websites available with calculation tools to assist in the estimation.

toner capacity. There are websites available with calculation tools to assist in the estimation.

Where to install

Consider where you wish to install the unit as well and look for the area that allows free airflow around the external compressor unit. If you install it at a closed-in area, it will take more energy to provide the cool air into the room.

The maintenance

According to the US Department of Energy, dirty filters will consume 15% more energy compared to clean ones. And that might be the reason why your electricity bill goes up every single month. You have to understand the maintenance of the air-conditioners especially how to clean the filter yourself. Do it once a month if it is switched on frequently or if you are staying in a house that traps dust easily, for instance - high-rise apartments. Check with the manufacturer or installer about how frequently you should be cleaning the compressor unit and the internal coils.

The Building Sector Energy Efficiency Project (BSEEP) is a national project implemented by the Public Works Department (JKR), administrated by United Nations Development Programme (UNDP), and funded by the Global Environment Facility (GEF). The big picture of the project is to fight climate change by reducing the annual growth rate of greenhouse gas (GHG) emissions from Malaysia's building sector.



Does renovation boost the value of your property?

BY AU FOONG YEE



Congratulations! So you have finally sealed the deal on your new home. Now, how much should you spend on renovations before moving in? Truth be told, hacking at and tearing down walls of a newly-bought property are a norm these days, be it a brand new or lived-in unit.

How extensive the renovations should be would rest on the new owner's investment objective; why he or she bought the property in the first place. Unless the intention is to flip the unit as quickly as possible, do expect owners to invest in some form of renovation works, or at least fit-outs for especially the high-rise units, which face renovation restrictions and limitations.

Space utilisation is very individualistic and personal. Not only do needs and wants vary from family to family, diverse views are common within a family. Understanding this,

some developers have been known to walk the extra mile by offering customers varied layout options of the plan – that is, before construction work starts. Unfortunately, such customisation options could and would develop into a pretty nightmarish experience for both the developer and the buyer in mass housing.

Such a delightful service is only doable if a developer is building a handful and only very high-end detached homes.

Consider this – the wiring in the hall of a house. Buyer A wants a total

of 12 power points in specific spots. Buyer B next door, meanwhile, wants 20 power points. Then, Buyer C down the road opts for 18 power points. And this is just the wiring in the hall alone!

Any slip in the plan reading of any of the units potentially has a far-reaching impact – on both developer and owner. Remedial works are not only expensive but time-consuming. Imagine the red faces and stress levels! This is definitely not a route that developers should take for mass housing. Should you come

across such a “USP” (Unique Selling Point) being marketed for mass housing, do not get excited.

Back to renovations: how much should one spend? It is interesting as to how many home owners simply assume that whatever they splurge on renovations would be and should be reflected in the value of the property. How wrong can that be!

I was scouting for a two-storey link home in Kuala Lumpur in the early 1990s. Two units on the same road, separated by one unit in the centre, happened to be on the market.

The first house was elaborately renovated, with the built-up on the 24 ft by 75 ft plot maximised. I still recall how during the viewing the owner went on and on as to how much he had invested in the renovations. How the walls had been pushed outwards to the brim to create a lot more built-up space occupied by plentiful fit-outs.

Hopping over to view the second

house, I found in it renovations that were far more modere. Yes, the built-up space (and fit-outs) was less than the first house but the trade-off was found in an abundance of natural lighting and a more airy feel to the house. Something I appreciated.

Strangely, this less-renovated house was priced at about 8% higher than the “bigger” house and it was non-negotiable.

No prize for guessing right – the decision was obvious and made immediately – I paid more for a less-renovated house!

It was simple arithmetic; I disliked what I saw at the “bigger” house. Buying this unit would have meant the need for a substantial budget to hack at the renovations, cart away the debris and make good the areas. The process would have been costly, time-consuming and required a lot of input on my end. In contrast, I liked what I saw in the second house and only minimal work was required – change the sanitary fittings and give the house a new coat of paint. It was a no brainer.

Lesson learnt: Invest in renovations because they work for you. The money spent does not necessarily enhance the value of a real estate.

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Sophistication on the table

What you need to dress up a special sit-down dinner

BY RAYMOND LEE



Entertaining at home is taking that special effort to cook a meal for your family and friends. It could be a lavish dinner party for ten or an intimate afternoon tea for two. Setting the table right with stylish tableware, flatware and stemware is indeed part of the preparation.

There are no hard and fast rules about how to go about this but having the right plates, cutlery and drinking vessels to go with the food you will be serving is essential. Dressing up your table with chic accessories will certainly please the eye, too.

Here's a checklist for the ideal table setting.

No 1 Tableware

Whether it's elegant fine bone china or a dining set that you've inherited from grandma, using the right type of plates, bowls and serving platters is critical. Of course, it also depends on the type of cuisine you're serving. Nowadays, it is not uncommon to mix and match tableware. So, it's quite alright to have your Wedgwood pieces sit alongside the ones you recently picked up from Ikea, for instance.

No 2 Flatware

Stainless steel is so much more practical these days. The ranges available are endless. Choose those that look well finished and are heavy to the touch for that high-end dining feel.

If you are lucky enough to have a set of silver-plated or sterling silver cutlery, do use them for that special birthday party or wedding reception. Just remember to polish them and store them in special anti-tarnish sleeves before packing them away.

No 3 Stemware

Make your selection to match the type of dinner party you're hosting. Elegant full lead crystal glasses are perfect for a formal evening whereas chunky glasses and tumblers made from recycled glass are just right for that casual Sunday brunch. Just make sure you have the appropriate glasses for champagne, wine, juice or water.

No 4 Placemats

It's always nice to have placemats for each and every one seated at the table. Here's where you have the creative licence to add texture and colour to the table. The choice of placemats are varied. Some are made from natural fibres such as cotton or linen that wash easily while others are easy to wipe clean after each meal.

No 5 Table cloth

A table cloth can help set the mood at the table. A classic pale all-white piece with scalloped and embroidered edges looks right for an elegant candle lit dinner while a bright and colourful batik creation sets the tone for a lively tropical poolside barbeque.

Notably, many modern homes in Asia have dispensed with the use of table cloths and prefer to use a runner along the centre of the table.

No 6 Flowers & more

One easy way to add freshness and style to a table is having fresh flowers. Single flower clusters lend a modern touch while a mixed bag of four or more flower varieties arranged in a low vase speaks country sophistication.

Sometimes, just a fresh leafy branch or nicely-shaped twigs arranged in a tall clear vase is all you need. A big bowl of lemons or colorful tropical fruits will also do the trick.

Use your imagination to create table settings that reflect your personality. Now, all you have to do is send out the invitations!

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PHOTOS COURTESY OF RAYMOND LEE



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- Bold & graphic.** Black & white. Tableware by Marimekko, placemat by Chilewich and wine glass by LSA. All at Gudang BSC.
- Keeping it modern & light.** Tableware by Seletti for Diesel, placemat by Chilewich at Gudang BSC. Flatware from Janine.
- A new twist on tradition.** Wedgwood's Robert Dawson 'After Willow' plate sits next to a plate from the Ikea 365 range. Similar flatware from Ikea and placemat from Metrojaya.
- Oriental spice.** Wedgwood's nod to Chinese style with their 'Dynasty' bone china collection. Placemat by Jim Thompson. Stainless steel flatware also by Wedgwood.
- Afternoon delight.** 'Cheval d'Orient' bone china set from Hermes at their store in Gardens Mall.