

BUSINESS

PROPERTY
TALK

By S.C. Cheah



Property wish list for 2005

If a fairy were to grant you three wishes for our housing and real estate industry in 2005, what would you wish for?

Will you wish that your property would fetch higher prices or perhaps that you can finally have your own home? If you are a property developer, what are your wishes? Is it to make more money and win prestigious awards?

I don't know about you, but I do have three very urgent wishes.

Wish Number 1: That most, if not all, the vacant properties all over the country are occupied. That may sound a tall order, but it is not impossible to achieve if all chip in to revive either abandoned projects or those that have been completed but left languishing for years.

Hundreds, if not thousands, of properties – from houses, shop offices to factories – have been empty for years, some for more than a decade. As I have mentioned before in this column, it is high time something be done to resolve this pressing issue once and for all.

For a start, the Government can establish a special committee, board or department under the Housing Ministry (if it has not already done so) to actively address this issue. It can work with the various state governments and local councils as well as industry players, such as the Real Estate and Housing Developers'



The Nilai 3 Textile Walk

Association (Rehda) to study ways to overcome this problem.

For example, are there sufficient incentives given to companies planning to revive these projects? Can the local authorities waive all or part of the assessment rates that may have been unpaid for many years should a company propose to revive or redevelop a project? Can red-tape be cut?

In the case of properties put up for auction, banks normally absorb the assessment arrears

and other charges. There had been complaints that the local authorities should not keep on imposing such charges when they had not rendered any form of service, or if they did, such services did not reflect the rates that had been imposed.

Some developments have been so badly vandalised that no one cares to buy these proper-

ties even though they may be very cheap. However, all is not lost if all parties concerned, including the owners, developers and authorities, could make some sacrifices. Property owners could offer free rentals for say, one to two years, to small businesses wishing to lease their shop lots or factories.

Nilai 3 is a showcase of how with the help of the Negri Sembilan state government and the local authorities, empty factories could be turned into a thriving wholesale centre.

There is a new section called the Nilai 3 Textile Walk where one can shop under a covered mall. Coming up is the Istanbul Walk and many other attractions.

Another success story is the Anzen Business Park in Taman Bukit Maluri, Kuala Lumpur, where a new developer has taken over the complex. It has improved security as well as given purchasers an attractive package that includes huge discounts and guaranteed rental return.

Similarly, rows of empty light industrial factories in places like Rawang could be revived and turned into a warehousing centre if there is proper security in place. A company can offer to buy over these factories from the owners who may be too happy to sell them at very reason-

able prices. It can then resell these units at a higher price with other incentives thrown in.

Wish Number 2: That rampant vandalism and stealing of metal objects be resolved. More and more housing estates as well as commercial centres and industrial parks, especially in Selangor, have fallen prey to vandalism and metal thieves. These thieves are stealing anything that is made of metal from drain covers, gates, street lights to window frames.

Some 35 out of about 166 houses in Phase 3, Bandar Country Homes, Rawang, had their metal gutters in front of their houses stolen recently. A resident nearly fell into the drain when she reached her bungalow one night. All the nice garden lights in a large playground in USJ 4/9 had been stolen for the past few years and had not been replaced.

The windows of many commercial centres from Semenyih, Nilai to Rawang had been stolen.

Is it so difficult to nab these culprits? Who are they selling their booties to? Where is their source?

Wish Number 3: That highway toll charges will not rise anymore. This may be a foregone wish as there will be a 10% hike in PLUS toll charges from this year. It may be easy for chauffeur-driven wealthy people to say: "If you do not wish to pay, then don't use the highway".

The fact is many people cannot afford to buy houses near the city centre and in prime locations. They have to go to outlying areas like Bangi, Rawang, Sungai Buloh and elsewhere for affordable homes. They still need a car to travel to work in the city area and this is where commuting can be both a hassle and taxing on their budget.

Rising toll charges, I believe, will have a direct impact on the future growth of outlying areas and may also retard the revival process of developments that are currently experiencing low take-up rates, low population inflow and those that have many empty units.