

PROPERTY SURVEYOR BULLETIN

ISSUE 5 – JAN 2021

PROPERTY SURVEYING DIVISION

**22nd INTERNATIONAL
SURVEYORS' CONGRESS**

**GETTING THE FACTS ON
DEFECT LIABILITY PERIOD
RIGHT**

**OVERPRICING : AN ELEPHANT
IN THE ROOM**

**INVESTIGATING PROPERTY
OVERHANG : POLICY
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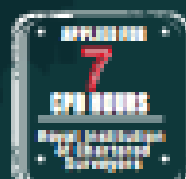
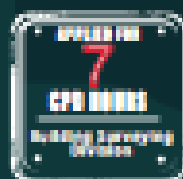
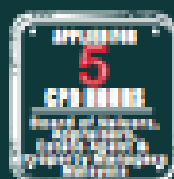
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EDITOR'S NOTE

While it is still not too late to wish everyone a Happy New Year 2021, it may be too early to be happy about the new year. The fact that we have left behind 2020, a year that many wish to never have happened and many more prefer to just forget, it could be a premature sigh of relief. For all you know, 2021 may not be that much better, if not worse. God forbids!

Even as this note being penned down, a lockdown as strict as the very first one we experienced in March last year is looming with the number of daily new positive cases not relenting to more acceptable levels. Our economy may have just barely scraped through the first MCO, but a second one that sees economic activities shut down may reduce whatever left of our fragile economy down to scrap.

Yes, we may see light at the end of the tunnel with the coming of vaccines onto our shores, but will it be sufficient enough to leave a significant impact on our fight against this pandemic and bring us back to any sense of normality that we took for granted our whole life until 2020?

The powers that be thus far has been in fire-fighting mode more than orchestrating a well-coordinated contingency plan for the country. Noted, we are in a global crisis unprecedented in our lifetime.

However, if large corporate bodies and even medium-sized enterprises have long been having business continuity plan as part of their crisis management repertoire, by now the government should have already at least initiated a socio-economy continuity plan looking at all possible risk scenarios that can prepare us all to continue with our daily lives at work and at home with minimum possible uncertainties and pain points.

It has been almost a year since we faced this crisis and with ever evolving scenarios, we grapple to move forward as a nation, sometimes even just going around in circle. Perhaps, as professionals we could offer solutions related to our own industry to open up eyes and ultimately, saving our own interests. Otherwise, it will be business unusual over and over again. This bulletin can be the platform for this and I look forward to more contributions from fellow professionals. Let us all put our heads together, with our thinking caps on, and use our God-given brains to outsmart a bunch of viruses.

The Editor in Chief

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COVER STORY



The 22nd ISC has held its first ever virtual congress on 19th November 2020 from 9.30 am until 6.00 pm via Zoom Webinar. The theme of the congress was “The Big Shift: Beyond 5G” and explored the 5G technology that would become the reality sooner, what are the important steps to be taken and when will we be ready for. The congress also analysed and explored the current scenario of our surveyor’s profession and equipped them with robust knowledge of work style together with a very dedicated worker. There was presentation of over 14 technical papers and presented by 16 eminent speakers.



The virtual congress commenced with the Welcoming Speech by the Organising Chair, Sr Hj. Khairudin Abd. Halim and the Opening Address by the RISM President Session 2020/2021, Dato’ Sr Thiruselvam Arumugam.



The Keynote Speaker was Prof. Dato' Dr. Norbik Bashah Idris, Professor, Kulliyah of ICT, International Islamic University Malaysia (IIUM) with his Keynote Address about the "Managing Cybersecurity in a Challenging Age". RISM has scheduled a special luncheon talk by Ninja Photographer Zung, a Kampung Boy from Sekinchan to talk about his passion towards photography. The congress has invited the professional surveyors, academicians and management consultants to share their expertise and knowledge with all the participants.

The Congress received overwhelming responses with the total number of participants of 403 pax and the event was smoothly ended with the announcement of the lucky draw prize winners!



PERSONALITY

Sr AZIAH MOHD YUSOFF

CHAIRMAN OF RISM PROPERTY SURVEYING
DIVISION COMMITTEE 2020/21

Back in autumn 1982, around 20 Malaysian students were sent to Wales to study 'A' Levels with the view of furthering studies in Estate Management courses in the universities and polytechnics around the United Kingdom.

Half of this batch of teenage boys and girls were sent to Cardiff, the capital of Wales whilst the other half attended Llandrillo Technical College, Llandudno in North Wales, a scenic seaside town which I had the pleasure of visiting once. Yes, I was actually one of the students who were sent to Cardiff and Sr Aziah was one of those who were sent to Llandudno.

Almost 40 years on, Sr Aziah is now a director and shareholder of CBRE | WTW and heads their Research and Consulting department. She has been involved in various corporate valuation and advisory works including leading the valuation team in the Initial Public Offerings (IPOs) in the mid-2000s for the Malaysia's first plantation and hospital real estate investment trusts, both exercises represent niche sectors and set the tone for the valuation profession for these types of assets. Her expertise was sought for the biological asset valuation in particular, the audit exercise of some public listed plantation companies' assets in both Malaysia and Indonesia. Apart from the numerous valuation advisory works, she has led the Research and Consulting team in formulating product mix and strategic planning of a renowned mixed use financial centre in Kuala Lumpur city centre as well as of large tracts of lands for owners, developers and stakeholders within Klang Valley and other parts of Malaysia. Her other achievements include leading tender exercises in unlocking development potentials of land banks, that translated in the successful sale of some 1,600 acres of land in Penang and sourcing of hotel operators for government agency / linked companies.

Sr Aziah has held the position of Deputy Chairman of the Property Surveying (PS) Division since Session 2016/17 as part of a familiarisation process prior to taking up this Chairmanship role. During her tenure with RISM, she has been actively involved in the PS Sub-Committees of the Professional Practices (Valuation), Education & Accreditation, Examinations, Membership and Constitutional Review. Additionally, together with other divisions who are the members of the task force, she has successfully completed the revised edition of the Uniform Method of Measurement of Buildings in 2019 and is one of the BOVAEP committee members of the Valuation Practise Committee (VPC).

Since those days in Wales, I have had the pleasure of interacting and engaging with Sr Aziah on various occasions, not to mention, being her current deputy in the PS Division Committee. I know her as a lady with grit, a no-nonsense personality and highly professional and ethical in her work. She is one of the very few I know whom has spent her entire career with the same outfit and she owes it to her other half for supporting her all the way. I do believe Sr Aziah can lead the PS Division towards greater heights and will continue to give her my unwavering support and assistance to ensure our objectives for this term are fully accomplished to the satisfaction of members given the difficult situation we are all facing now.

The Editor in Chief
Sr Khaidzir A Rasip



The picture was taken at Lotte World Tower Seoul Sky During Property Surveying Division Technical Visit to Korea In April 2019

FOCUS

GETTING THE FACTS ON DEFECT LIABILITY PERIOD (DLP) RIGHT

by Dato' Dr Sr Rahah Ismail, FRISM



Most house buyers tend to take for granted about defect liability period (DLP) when buying new houses from developers. Most would assume that the defect liability period is part and parcel of the package. Most would argue that this should be the case. The argument being, even a non-expensive item like a watch or a mobile phone would come with a warranty period. Surely, a house which costs hundreds of thousands of ringgit would come with some kind of warranty, in the case of houses, the warranty would come in the form of a defect liability period, i.e. the period where the developer is responsible to fix any defects to the house for free, typically within 24 months starting from the date where one receives delivery of vacant possession to one's property. Well, this is not necessarily true. Many were caught off guard. So, when does defect liability period is mandatory by law and when is it not?

When does defect liability period becomes mandatory?

Schedule G to J of the Housing Development (Control and Licensing) Regulations 1989 provide the standard Sale and Purchase Agreement (SPA) for Land and Building and Building or Land intended for subdivision into parcels. These include both purchases under the sell then build as well as build then sell mode of delivery. However, these SPAs are only applicable to those agreements that is signed before the issuance of the certificate of completion and compliance.

Under these SPAs that comes under Schedule G to J, the DLP is within 24 months. Developers shall repair and made good at its own cost and expense within thirty (30) days of receiving written notice from the purchasers on all the defective workmanship or materials, building not constructed according to plan and descriptions prescribed in the agreement.

When defect liability period clause is not applicable?

Defect liability period is not extended to houses where the Sale and Purchase is executed after the issuance of Certificate of Completion and Compliance.

completion. It is not provided by the law. One must be careful as there are a lot of such houses in the market, especially those sold under the House Ownership Campaign (HOC). These include overhang properties. According to Naptic, as at H1 2020, there are some 32,000 residential units and 21,700 service apartment units in the overhang category. As purchasers of the overhang units, they do not enjoy the terms of the standard sale and purchase agreement (SPA) as provided under the Housing Development (Control and Licensing) Regulations 1989. This means that the defect liability period for all houses purchased after the certificate of completion is at the discretion of the developers.

By virtue of Sub-section 11(1B) of the Housing Development (Control and Licensing) Regulations 1989, the terms of contract of sale for the sale and purchase of houses shall not apply if at the time of the execution of contract of sale, the certificate of completion and compliance of the houses have been issued. Defect liability period is not extended to cover houses purchased after the issuance of certificate of compliance and

House-buyers Beware!!!

At H1 2020, some 32,000 residential units and 21,700 service apartment units in the overhang category are offered for sale in the market which do not necessarily comes with the DLP. It is left to the developers' discretion.

Tips for Buying House Without DLP Clause

The marketing package offered under the House Ownership Campaign (HOC) can be very attractive. They include discounts, rebates, stamp duty waivers, etc. One might be just tempted. However, buying a house is not the same as buying your other personal items because you cannot exchange for a new one if there are defects. Do your due diligence. First, check whether the developer concern, at its discretion, offers a defect liability period. Second, request for viewing of the property. If the defect liability is not included as part of the package, bring along a building surveyor, and request them to do a building audit. Also request the cost of making good the defects. If the cost is more than the discounts, one may just forget about it. Some defects are serious and cannot be ignored. For example, due to a malfunction of down water rain pipe, a unit in fourth floor of a high-rise condominium can be flooded during a heavy rain. This can cause a lot of distress to the housebuyer or the occupant. So do not forget to make a wise move when buying a house.

STAMP DUTY EXEMPTIONS- WHAT YOU NEED TO KNOW

Dato' Dr Sr Rahah Ismail, FRISM

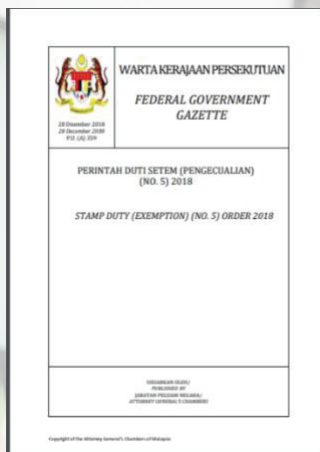


The Budget 2021 that was tabled recently in relation to stamp duty exemption stirs a lot of excitement among the potential housebuyers. This is to be expected as stamp duty constitutes part of transfer costs which are costly to the housebuyers. The stamp duty imposed on the instrument of transfer is based either on the market value of the house as determined by the Department of Valuation and Property Services or the declared value as stated in the Sale and Purchase Agreement,

whichever is the higher. For example, without exemption, a house valued at RM 300,000 will have to pay a duty of RM5,000.

In the past, there were many stamp duty exemptions and remissions announced in the budget. Many were excited and set to purchase residential units for themselves, only to discover that they are not eligible for the exemptions or remissions. Many do not know that mere announcement in the budget would not be effective, unless it is followed by the Stamp Duty (exemption) Order which is gazetted in the Federal Government Gazette. The Order will provide the details of the exemption or remission. So, before you set to purchase a house for yourself, it is wise to wait for the stamp duty exemption or remission order to be gazetted.

Many do not know that mere announcement in the budget would not be effective, unless it is followed by the Stamp Duty (exemption) Order which is gazetted in the Federal Government Gazette. The Order will also explain in detail the implementation of the exemption or remission.



The Stamp Duty Exemption/ Remission order will tell you the following:

i. What is being exempted

In the past, the order can be in a form of remission or an exemption order. Remission may be for partial exclusion of the duty, while exemption may refer to total exclusion of the duty.

There are two instruments that require stamp duty. The first is the Instrument of transfer and second, is the loan agreement. In the past, there were instances only one of the two was exempted. Be sure to check which instruments are being exempted.

ii. Effective date

The order will state the effective date. Usually the effective date will be during the budget year. There were cases where the effective date was only until June of the budget year. In some other cases, they were extended until the year end or to the following year. Only houses purchased during the effective date will be eligible for the exemption.

iii. Price

The price range entitled for the exemptions will also be stated in the order. In some cases, it is clear cut where it clearly states that the exemption is for houses below RM350,000. However, in the case of Stamp Duty (Exemption) (No. 3) 2019 P.U (A) 82 under National House Ownership Campaign, the price range eligible for exemption is stated as more than RM 300,000 but not more than RM2.5 million. However, the stamp duty exemption is limited to up to RM1.0 million and the amount exceeding RM1 million but not more than RM2.5 million will have to pay a duty of 3%. It should be noted that under this exemption order, houses priced below RM300,000 were not eligible for the stamp duty exemption. Hence, it is important to check whether market value of the house to be purchased is within the exemption range.

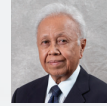
iv. Other Conditions

It is common that the order will include the qualifying statement such as first-time house buyers, Malaysia citizen, etc. However, one also has to be wary of conditions such as "must be purchased from a developer" as in Stamp Duty (Exemption) (No. 2) Order 2019 P.U (A) 81. In such cases, even if you are a first -time buyer, you may not be eligible for the exemption if you buy from a secondary market. Do check other specific conditions stipulated in the order.

A word of caution, do not get caught. Wait for the exemption order to be gazetted and see whether you meet the requirements.

PROPERTY SURVEYORS IN PLANNING AND DEVELOPMENT

by Mohd Sr Talhar bin Abdul Rahman FRISM, FRICS, FIoD
Group Chairman CBRE | WTW



The views expressed in this article are the writer's personal view and do not represent the views of the firm in which the writer is employed nor that of the organisation with which he is associated.

Introduction

This article expands on one of the recommendations made in the recently published JPPH-RISM Research publication - Investigating the Property Overhang Situation: Policy Analysis; that development control should be exercised at the Development Approval Stage.

The article espouses that we need to address the root cause that symptomizes overhang and deal with it at source. The root cause is essentially one of gross overbuilding of premises in relation to the real specific demand for them and the resultant mismatch of the two. It propounds that we would have a better chance at reasonably balancing out and reducing the incidence of the mismatch by applying a planning mechanism that can prioritise and channel development to the right areas. It recommends the engagement of property professionals with experience in development and land use management at the preparatory stages of the planning process to enable that mechanism.

Planning for equitable balance of supply and demand

The effects of Covid 19 has far-reaching consequences affecting our lifestyle and consequentially our living, work and leisure built-environment. Premises we live, work and play in, and the spatial interrelationship between them will need to be re-thought and worked out and would certainly affect our land use planning and property values. All this change and adaptation to a new normal however does not affect the fundamental need of ensuring as best possible the striking of an equitable balance between the supply of such premises to the demand for them, of reducing the tendency to gross excesses of supply and the mismatch between what is produced, to the usage that the supply is intended for.

Planning serves to realise this and thus prevent the wasteful use of our land resources and of capital expenditure expended on the production of premises that do not match the intended use and occupation they are built for. Pre-emptive planning and greater participation of experienced property surveyors alongside other professionals in the planning team at the preparatory stages of process could help achieve that objective.

Conflict, Competition and Risk

Conflict and competition is ever present in varying degrees and in various forms in a free market economy. Economic self-interest of owners of land naturally conflict with the general interest of the community. When State and public-owned lands are privatised through sale, joint ventures and through private-public sector initiatives, the land becomes part of the private land resources and interests, conflicting and competing with the community's interests. The function of planning is to equably manage the conflict and competition so that the profit motive of private interests is commensurate with the benefits derived by the community. Property development is always speculative in nature. Private interest has as its core precept the consideration of maximisation of profits. The extent of realising and earning profit defines the risk level of undertaking a development project. That risk level is dependent on the competitive supply position in terms of land and what is to be built thereon,

on the correct interpretation of the demand for what is built, on the cost of carrying out and realising the development and on meeting the scheduled time frames. Slight variations in any of the components can greatly compound the risk.

The supply side under current planning practice is a moveable feast, with no defined direction nor definable time for effective growth resulting in wasteful competition and spurious increase in property values. All urban land is considered as potential development land with the indeterminate market determining the level of potentiality. With undefined number of projects that can come into the market the risk in development is increased. Having in place a mechanism that defines and prioritises growth areas would help check and reduce the incidence.

Large scale projects carry a higher risk than smaller sized ones not only by reason of the longer time taken to complete them but also because of the need to expend costs upfront for infrastructure work needed to serve the whole or a greater part of the development but which would be “wasted” if only part of the scheme is realisable. The phasing of large projects into more realisable phases are effectively a means of managing the risk. Putting in place a mechanism of targeted planned growth and drawing up plans which are pre-emptive and pro-active based on transparent data by a team of “unconflicted” professionals could helpfully provide developers with a more readable baseline to phase their development proposals on.

To complete the effective supply and real use demand data sets it would be effective for the purposes of planning to account for all public owned land and of assets designated for “institutional use”. Accounting for the existing and alternative use of such assets would provide for a more definable state of effective supply in an open market economy where private and public sector initiatives in development projects are rife and provision of social housing and amenities are mandatory in securing development approvals.

Providing social housing is essentially a public function. Developers have accepted that as part of their trade off for securing development approval and would have accounted that in their risk consideration. While in theory the demand for such houses should match the supply built by developers, mismatch occur due to administrative inefficiencies in the allocation and distribution of the units, through ineffective measures to ensure the supply on the part of developers and through inadequacies of the Agencies in their allocation and distribution. Government Agencies specially set up to build these public-supported houses on government owned land as well as on land acquired from private owners make up the supply of this land use. The supply of land under this use for development by both public and private sector developers need to be so identified as an integral part of targeted planned growth for the local plan area.

Targeted Planned Growth – Pre-emptive Planning

Targeted planned growth could be indicated showing growth directions, defining lands with degrees of ripeness based on relevant data of specific demand. It focuses attention on the premises built meeting the specific need of eventual end users rather than on meeting the sales target of developers. Occupation by the eventual end user determines the level of value in the long run.

Data used and assessed need to be specific and relevant to the local area. Sales transaction data from primary sources need to be refined for use to determine effective demand based on occupation and usage. As an example, shop units which are sold as such for use as retail outlets but which can only be effectively used eventually after a period of vacancy, for storage purposes only, would evidence the supply data as shops while their effective demand is at best, for storage premises, with lower value than evidenced in the primary market transaction. Cumulatively this can have a distorting effect on the market and accentuating the problem symptomized by property overhang.

Property Surveyors’ relevance

Property Surveyors experienced and involved in the valuation of development land, in asset and property management and in transactional activities, with thorough knowledge of the local property market, of what drives it, would be in the best position to provide an objective assessment of the demand and need for use of new and additional premises. With their practised nose and ears to the ground, literally speaking, they would be in a more mindful position to identify land suitable for development to accommodate the specific sets of demand.

They would be in the best position to assess the potentiality and developability of land in the area they work in and put a time frame for realising the development schemes.

Property Surveyors' Approach

Surveyors engaged in that planning role would be applying the same techniques and range of tools as they use in undertaking the valuation of development land, and in conducting feasibility studies. In valuing development land, Surveyors as Valuers would take the planning status as a starting point. In arriving at their value judgement, the Valuer would make the necessary adjustment to account for the time element in realising the development. In playing their role in the preparation of Local Development Plans the Surveyor would be taking a more expanded view beyond the particular property being valued to include the effect of the overall land resources in the Planning Area; taking an area-specific view rather than just a particular site-specific one.

In conducting feasibility studies practitioners would in the main be considering proposals put forward by the initiators of the development. Surveyors conducting the study would look critically at the user needs and expectations, not just at the target market of those who will buy, but also of those who will rent those units purchased for investments. Surveyors would critically relate transaction data to data on occupancy and actual usage. They will look at competing supply placing due weight to the existing stock and movement and activities in the secondary market, at the stock of unoccupied and neglected premises; looking in detail at the actual usage of the premises.

The data as verified need to be relevant and applicable in the context of the area. Transactions data need to be further refined to be useful as information for use in planning and development to establish demand. In assessing effective demand Surveyors analyse the profile of those who buy for own use as a subset of demand separate from those buying to-let premises or for investment purposes; distinguish demand for transient use as different from demand for longer tenures.

Obtaining, and verifying relevant data such as extent and nature of occupancy to determine effective demand is painstaking work. Shortfall in data could grossly distort the output of information. Using Data from online property platforms may be useful to establish preferences and to a certain extent, possible trends. It would be reckless however to draw a conclusion and to make a judgement on demand on the mere enumeration of preferences. Surveyors are well advised to avail themselves to the use of technology to better obtain and harness more data to connect and draw their causal and meaningful correlation and to apply their particular skill in applying them to this task.

Conclusion

Engaging Property Surveyors in the planning process at the earliest stages and throughout the review periods, enabling targeted planned growth mechanism and pre-emptive planning with Surveyors determining levels of development potentiality of land in the planning area would greatly help the players in the industry to realise a balanced supply and demand market situation. Private practitioners and public sector surveyors can contribute greatly to making our planning system work effectively to realise the highest and best use of our land resources within the framework of a free market economy. Our continuing credibility and relevancy as a profession can best be ensured through our joint readiness to the sharing of data, collective fact checking of information, and pooling of our knowledge and experience, through regular and sustained interaction between the sectors under the umbrella of the Institution.

OVERPRICING: AN ELEPHANT IN THE ROOM

by Sr Sivadas A/L Velayudhan, FRISM
Executive Director PA International
Property Consultants Sdn Bhd



Certain events in our past stick to our memory, as lessons for life.

More than 20 years ago, the director of one of the biggest property consultancies here in Johor Bahru called and asked me how much we valued a certain type of double storey house in a scheme in Tampoi. I remember spontaneously laughing and asking if his executives were recommending values in the region of RM250,000 to RM260,000, on the basis that there were many sale transactions recorded in that price band. He said, "Yes!!". He found it hard to believe values, back then, had risen so fast to that level.

I shared my view and told him to exercise caution. Asking prices were only RM150,000 to RM160,000 for such houses in the secondary market. So, obviously the sales transactions records his staff and many other valuers were referring to were "marked-up" and not bona fide transactions, or in current terms, "overpriced". He was thankful for my views.

A major on-going problem in the property market is there has been a substantial number of "overpricing" over the last two decades, outnumbering actual/genuine priced sale transactions in many cases. There is disparity between sales pricing data and actual prices. Consideration sums stated in Sale and Purchase Agreements were much higher than asking prices for the same or comparable properties.

The nature of our Stamp Duty legislation is that tax is levied on consideration sum or market value, whichever is higher. Purchasers don't mind paying the extra stamp duty.

The many reasons for overpricing include amongst others:

(1) to enable purchasers without savings to buy a property;

(2) to enable purchasers to obtain 100% or more financing, to cover entire purchase price, tax and fees incurred;

(3) to enable developers to clear stock fast by promoting low entry costs to buy and let financial institutions bear the financing risks;

(4) to offer cash back to speculators/"investors" who were mainly influenced by "so-called property investment gurus", and speculating further with the excess monies;

(5) opportunities for unscrupulous business persons, "brokers" and even agents to facilitate purchase for unsuspecting or ill-advised or ignorant or unqualified property purchasers, by charging exorbitant charges to provide up-front partial deposit payment, "smoothen" the loan application and facilitate the engagement and payment for legal services, valuation fees and other related expenses.

All this seems great on the surface as the market moves, sales are concluded and some people make money. The usual mantra repeated again and again, that the property market supports a huge downstream of related manufacturers and businesses, and therefore must be supported at all costs.

But surely market participants aren't unaware of the consequences of such practices.

The property market suffers as data is distorted and partially unreliable. Yet, yearly we see reports after reports being issued on the value of properties being transacted and changes in price movements. Some parties with no local knowledge of the property market purchase the sales transaction data and do detailed statistical analysis, but nobody questions if the data relied upon is sound. There is a common lingo in the programming world, GIGO. "Garbage In, Garbage Out". The property market must be assured that any analysis is backed by local knowledge, and any analysis must be qualified to reflect the soundness of data received.

Valuations by registered valuers thus become challenging. The sales data that is subscribed and made reference to is substantially suspect and much investigations need to be made for real price discovery. These investigations include checking online property portals, advertisements, networking with estate agents and negotiators, and checking with people in the localities on asking prices and quoted offers being made.

If the easy and reckless way is taken, the sales transaction data in the highest price band within the database is taken and "valuations" justified or made. In my humble view, this contravenes the Malaysian Valuation Standards (MVS) issued by the governing Board of Valuers, Appraisers, Estate Agents & Property Managers Malaysia, Ministry of Finance. A simple reading of the Standards will show the extent of which a Valuer need to be familiar with the local market and to investigate all available data sources. Simply presenting of a few sales transactions to support a valuation, isn't therefore a valuation but a mathematical exercise.

A recent experience helps one to understand this further. There is a certain scheme in Johor where a few of the two storey detached houses showed multiple transactions and price escalation within a short period. Two or three back-to-back transactions were concluded within a space of 6 to 12 months. For example, sale considerations stated first at RM500,000, suddenly rising to say RM900,000 and then via another agreement a couple of days or weeks rising further to say RM1,500,000 to RM2,000,000. The said house remained in the same physical state, and the general market remained normal during the period. During that period, there were still similar houses being transacted as one-off transactions at prices below RM1M levels.

A mathematician takes the last sale consideration at RM2M and uses it as a basis to do a valuation. A Valuer on the other hand immediately gets alerted to the multiple transactions and sudden escalation of prices within the short period and checks prices of other houses which indicates lower levels. Checks can also be made on asking prices. Even public auction sale prices for similar houses can be investigated. The MVS though stating auction sale prices shouldn't be considered, fails to take into consideration that at the first instance of a public auction, the reserve price shall be at Market Value, under the National Land Code. It is only when sale is unsuccessful the subsequent auctions will usually see arbitrary reductions of reserve price of up to 10%, which bear no relevance to Market Value.

Recently, we told someone we couldn't value a factory at his required price of RM6.8M or even RM6.5M, as sales transactions of comparable properties didn't support such levels, and much more importantly it was common knowledge the asking price for the same property and other comparable properties in the market was only RM6M! Obviously we didn't get the financing valuation.

Another example came from an unlikely source. A purchaser of a service apartment along Jalan Bukit Meldrum signed an agreement on 6th February 2017 at RM930,000. The developer supposedly delayed handing over and the purchaser took action. The High Court Judge in the judgement while laying out the case stated there was a rebate of RM360,920 provided by the developer to the purchaser. The purchase price was in fact RM569,080! A 38.8% rebate! The sales transactions records would only show the sum of RM930,000. This particular mode of overpricing has been common in the developer market.

Time and again, for many many years now, we keep seeing "overpricing" rearing it's ugly presence, distorting the property market. In my view, the participants of such actions are guilty of fraud. Valuers who, in the face of so much available information on overpricing, turning a blind eye to this and treating valuations as an exercise in mathematics, bring the profession to disrepute, and this eventually will likely lead to questions in future whether valuations are necessary at all!

What started as marking up prices to assist some to buy houses twenty years ago, has now evolved into a monster in almost every segment of the property market, whether the primary or secondary segments. There has been no visible attempts by authorities to stamp out such fraudulent and unhealthy practices. Many pay mere lip service when talking about creating a sustainable Malaysian property market. We can blame authorities such as Bank Negara for allowing such fraudulent transactions to happen; we can blame the government agency for, to the best of my recollection, never commenting on overpricing in their yearly property market reporting; we can "blame" developers, agents and RENs for being a party to overpricing; OR we the valuers can collectively take responsibility and do a proper valuation each time we asked to do so.

Sad to say, I believe such "overpricing" practices will go on as it's so deeply entrenched in the property market delivery system. There appears to be no collective will by market participants to tackle this matter.

BITE SIZE

INVESTIGATING PROPERTY OVERHANG: POLICY ANALYSES.

INVESTIGATING THE PROPERTY OVERHANG SITUATION : POLICY ANALYSES

A REPORT ON FINDINGS

Investigating Property Overhang: Policy Analyses is the latest RISM's research publication, the outcome of a collaborative research between the Property Surveying Division of the Royal Institution of Surveyors Malaysia and Jabatan Penilaian dan Perkhidmatan Harta (JPPH). It was released on October 2020.

Although property overhang is a long outstanding issue in the Malaysian Real Estate Industry and has often been debated, this is the first time, a research of this nature is focused on policy analyses. It identifies the structural failures that contributes to property overhang. The study covers a period of 10 year, from 2010 to 2019, and focuses on Johor and Selangor residential properties and service apartments, being the active housing markets. It also looks at Melaka for good housing supply governance.

First highlighted after the 1997 Asian Financial Crisis, the issue persists until today in spite of the various measures taken by the government. By Q3 of 2019, a residential overhang had accumulated to 31,092 units worth RM18.72 billion while service apartments overhang posted 17,331 units worth RM14.27 billion. The magnitude of the problem is three times more in volume and eleven times more in value than the first overhang data captured in 2004. Residential property overhang is not only an issue to the developers but equally important is to consider the social costs that it presents to the house-buyers and the community in which the overhang units exist.

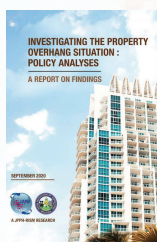
The overhang figure revealed to public has often been aggregated, i.e., a figure that comprised the total overhang for all the projects in all the districts in the country. No analysis has been done at a micro level. This research began by profiling the overhang at a micro level, i.e., by location and project. It reveals that overhang differs from location to location and project to project. At project level, only a handful are badly affected by the overhang situation, while others made profits and at the very least break even. The lack of understanding on the part of the government has led to the one fit all policies.

The research also looked at development control mechanism and proceed to explain why it fails to regulate the new supply situation. It also looked at various policies and measures surrounding housing to ease the overhang situation including foreign purchase policy, monetary and fiscal policy. It argues that these policies are counter-productive and hence, in many ways contributed to the high overhang rate. The research also reveals that overhang is a permanent feature of housing development business. It further argues that while overhang is a feature of housing development business, steps must be taken to prevent speculative building as it has negative impacts to the community. The research calls for the need to urgently rethink some of the policies and measures to address the overhang issue.

This publication is the combined effort and experiences of five writers from the public and private sectors, each with their area of specialisation. They are Dato' Sr Dr. Rahah Ismail, Sr Dr Yasmin Mohd Adnan, Dato' Sr Azimuddin Bahari, Sr Aina Edayu Ahmad and Sr Rosemawar Mohd. Sahi.

A well-known columnist and author of Smart Growth, Professor Dato' Salleh Buang considers "the varying strength and resources that both RISM and JPPH pooled together have brought about a remarkable outcome".

The book is available for sale from the RISM Secretariat. Please contact Ms Salmi A Rahman @ 603 7954 8358 or email psdiv@rism.org.my



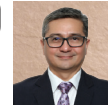
SEPTEMBER 2020



PRACTICE NOTES

IMPACT ON PROPERTY MANAGEMENT DURING PANDEMIC PERIOD

by Sr Haji Adzman Shah Mohd Ariffin, FRISM
Chief Executive Officer ExaStrata Solutions Sdn Bhd



Property management services have been active from day one of the Movement Control Order (MCO) period. The role of property management has always been important to ensure there is no disruption in services and that the properties continue to be operational.

For strata property management, the compliance with legislative requirements such as the Strata Management Act 2013 (Act 757), Strata Management Regulations 2015, Circulars from the Commissioner of Buildings and the Malaysian Property Management Standards were not the only provisions that became the reference by property managers. They had to also keep abreast with the Standard Operating Procedures (SOP) regularly issued and updated from time to time by the National Security Council. There were also SOPs and Advisory Notices issued by the Malaysian Institute of Property and Facilities Managers (MIPFM) to help guide the property managers.

During the MCO period, there were several challenges which needed to be addressed by the property management team.

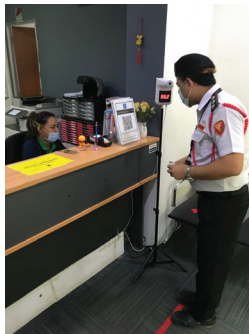
1. There were requests for waiver or reduction in maintenance charges to lessen financial burden. This was, however, not possible for residences as most building operations were running as usual. However, for commercial buildings such as offices and malls which were closed temporarily, there was some saving in operating cost. There was need to monitor the funds to ensure sufficient to cover the operating expenditure.

2. Poorer/lower collection was evident but unfortunately, cost was not dropping. In some cases, cost was increasing due to purchase of chemicals for disinfection, additional guards to enforce SOP and Personal Protection Equipment (PPE).

3. Crisis management and implementing action when faced with infection case onsite. The property management personnel were mostly not well trained to handle such situation at the start but were quick to adapt later on.

4. Postponement of Annual General Meeting (AGM)/ Extraordinary General Meeting (EGM) leading to delay in decision-making and the disruption of normal operations.

5. Enforcing the Standard Operating Procedures (SOP) imposed by the Government on residents, occupants, visitors, service providers and even on own staff to avoid the spread of infection. Property management personnel needed to quickly learn how to handle situation from the moment the infection was detected, to communicating with the public, to carry out contact tracing, disinfection measures and imposing quarantine.



6. Ensuring speedy communication in updating the residents, occupants and the community at large on latest information and advice from the authorities. Technology became an important tool for communication. Social distancing requirements also meant less physical meeting with the public and more online dealings using portal. Contact tracing had to be done and visitor management applications become an important part of the security SOP. Meetings were also conducted via online applications such as Microsoft Teams, Zoom, Webex and Skype. It was disappointing to note that AGM/EGM was, however, not possible to be conducted using such technology due to lack of legal provisions to allow for it.



The situation indeed had provided opportunity in fully utilising property technology. The last 9 months have also allowed some of us to start embracing technology. Working from home was made possible by using technology. For Property Management, technology has become a very important part of the practice and service delivery. Software applications such as CSS, CondoMaster and Advelsoft became part of the tool to enable issuance of invoices, payment portal and accounting. Even training and daily/weekly briefings can be done via the various online applications available. However, the lack of directives from the Ministry of Housing to facilitate AGM/EGM by use of online applications made it difficult to complete the process of effective property management.

Unit No.	Name	Last Date	Last Meter	This Meter	Charges	This Meter	Charges	Amount
A-1001	SAY BOON HOONG	1/10/2021	41.000	48.4	11.000	15.4	15.4	21.75
A-1002	BOO SEH ENG	1/10/2021	41.000	41.2	0.000	0.000	0.000	0.00
A-1003	TAN TECK BENG	1/10/2021	41.000	0.00	0.000	0.000	0.000	0.00
A-1004	ANDREW WONG	1/10/2021	79.200	122	79.200	42.70	42.70	59.94
A-1005	LOVE KIM YEW	1/10/2021	0.00	0.00	0.000	0.000	0.000	0.00
A-1006	HEW TECK MENG	1/10/2021	21.000	54	21.000	21	21	28.95
A-1008	UMI CHOO HWEE	1/10/2021	0.00	0.00	0.000	0.000	0.000	0.00
A-1010	ONG TEE HONG	1/10/2021	0.00	0.00	0.000	0.000	0.000	0.00
A-1012	UMI BING TECK	1/10/2021	0.00	0.00	0.000	0.000	0.000	0.00
A-1013	ENG TECK ENTERPRISE	1/10/2021	4.000	21	4.000	19.4	19.4	26.52

To facilitate technology, the availability of 5G broadband infrastructure is utmost important especially when working from home. It is also to support property management applications as well as implementing the SOP as part of the new normal.

The new normal or 'new norm' will, in fact, be part of our lives now and we have to live with it. Even when vaccine becomes available, the virus may have mutated and the SOP will still need to be implemented. So, the bottom line is, we need to have better hygienic habits and lifestyle. With proper cleaning measures and enforcement on compliance of the SOP by property managers, the place of work, residence and social environment can be made safe. Property management personnel are the frontliners and are exposed to the dreadful risk of infection. The responsibility of ensuring safety of the residents, occupants and visitors falls on the property management team. This has meant that the personnel must have the appropriate training and understanding of the requirements and expectations.



Property management companies will need to ensure the personnel are given such support and are monitored closely for that purpose. More specific training must continue to be provided by the qualified and certified parties. The role of related associations such as MIPFM and also Royal Institution of Surveyors Malaysia (RISM) will be even more important now than ever to provide such training. More Registered Property Managers with the right qualifications, skills and experience are also in demand to ensure competent service delivery. There is probably now need for the Malaysian Property Management Standards to take cognisance of the need for certain specific actions to deal with in the event of such crisis involving pandemic.

Apart from that, proactive action by the powers that maybe to utilise technology for convening of AGM/EGM was not evident and this actually held back the full potential of using it for the benefit of the public.

Nevertheless, the adaptability and resilience of the property managers and the personnel have been admirable and have contributed towards making sure of the safety and health. They are truly the unsung heroes. Moving forward, property management practice must continue to evolve in light of such crisis in order to prepare the property management personnel in facing the challenges. The usage of technology under Industrial Revolution 4.0 (IR 4.0) will further enhance the service delivery. The Coronavirus Covid-19 pandemic has accelerated the need for technology. With that, property management is now on a different level with elevated expectations but should be made affordable. With the new norm, comes the new breed of property managers.

IMPORTANT NOTICE

Date: 4th January 2021

Dear Valued Owners/Tenants,

CONFIRMED COVID-19 CASES AT KIARAVILLE CONDO

We regret to inform that a Resident at Block C had been tested positive for Covid-19 on 2nd January 2021.

At Block D, two (2) other Residents from the same unit had undergone a swap test on 24 December 2021 and was only informed by KKM that they had tested positive on 2nd January 2021. However, both had decided after the swap test to quarantine themselves at their unit based on the advice of the hospital.

They have both since been declared with a clean bill of health from the Sendang Hospital & Klinik Kesihatan Kota Damansara respectively.

The Management Office is making immediate arrangements for disinfection to be carried out at all the common areas through an outsourced professional as soon as possible.

The Management would like to urge all Residents to remain vigilant in adhering to the SOPs. Let us all take extra precautions with regard to sanitizing our hands as well as wearing face masks when in lifts and around the common areas.

Do stay calm and Stay Safe.

Thank you.

The Management

SEKTOR PENGURUSAN STRATA (PKP)

Dikemaskini pada 18 Januari 2021

Merangkumi

- 1) Langkah Pencegahan COVID-19
- 2) Pengoperasian Pejabat Pengurusan
- 3) Mesyuarat Jawatankuasa
- 4) Pengurusan Pos/Courier/ Pekerja Penghantaran
- 5) Pengurusan Penyelenggaraan Kerosakan
- 6) Urusan Pengubahsuaian
- 7) Urusan Perpindahan
- 8) Pengurusan Pelawat
- 9) Pembekal Perkhidmatan (Service Provider)
- 10) Pengurusan Kontraktor
- 11) Pengurusan Penghuni dan Harta Bersama

Aktiviti yang tidak dibenarkan

- 1) Urusan perpindahan
- 2) Pelawat

Waktu Beroperasi

Waktu Operasi Berdasarkan Lesen

Waktu Kehadiran Pelanggan

Waktu Operasi Berdasarkan Lesen

Kapasiti Pekerja

30% dari Kumpulan Pengurusan & Kumpulan Sokongan ditentukan oleh majikan

AKTIVITI DAN PROTOKOL


Tindakan

Penerangan Ringkas

- Langkah Pencegahan COVID-19
- Menjelaskan saringan suhu badan di pintu masuk sebelum memasuki kawasan skim strata (pihak pengurusan perlu menasihatkan individu yang menunjukkan suhu badan melebihi 37.5°C dan ke atas atau menunjukkan gejala COVID-19 seperti sakit tekak, batuk, selera atau susah bernafas untuk ke hadir klinik serta mengambil maklumat individu tersebut untuk dilaporkan kepada pihak KKM)
- Mendaftar dengan mengimbas QR Code melalui aplikasi MySejahtera atau merekodkan nama, nombor telefon, tarikh dan masa tiba di premis untuk tujuan *contact tracing*
- Mengamalkan penjarakan fizikal 1 meter antara individu
- Basuh tangan dengan sabun dan air atau *hand sanitizer*
- Pemakaian *netliut muka (face mask)*

RISM CORNER

RISM SURVEYOR'S BENEVOLENT FUND (SESSION 2020/2021)



The new guideline for the above said Fund was approved during the 7th General Council Meeting held on 21st February 2019, 58th Session 2018/2019. There are few significant changes in the new guideline involving the Terms of Reference (ToR) of the committee and the quantum of the funds.

The new quantum of funds to the qualified persons for loss of capabilities, major illness and death are as follows:

- a) for major illness, a Lump Sum donation not more than RM3,000.00;
- b) in the event of death, a lump sum donation RM5,000 will be donated to the next of kin

OBJECTIVES

The objectives of the Surveyors' Benevolent Fund are as follows;

- a) to provide relief to persons who are incapacitated by or suffering from terminal illness, age, accident or other infirmity (whether bodily or mental).
- b) to provide assistance for bereavement.
- c) to provide any other assistance which the Committee deems appropriate.

BENEFICIARIES

The qualified persons to receive such relief shall be in conditions of;

- present members of RISM who without fail pay the continuous annual subscription fee, or;
- present members of RISM who fail to pay not more than three years continuous annual subscription fee will be considered, or;
- RISM staffs who have served not less than one year and have been passed through the probation period.

DISBURSEMENT OF BENEVOLENT FUND

Confirmation received on the bereavement of the member, the Committee will instruct the RISM Secretariat to prepare necessary documentation for the disbursement of funds to the next of kin.

A formal application must be submitted within 6 months to the RISM providing for the disbursement of funds.

PROCEDURES

The applicants shall submit the Surveyors' Benevolent Fund Form to the Committee or to the RISM officer with supporting documents such as the certified copy of Death Certificate or Medical Letter on illness.

Recipient must sign the Acknowledgement Slip upon receipt of the funds for record purposes.

PAYMENT MODE

The payment will be made by cheque or electronic fund transfer (EFT) to the eligible next of kin within seven (7) working days after the application has been submitted.

DISBURSEMENT OF BENEVOLENT FUNDS

During the Session 2020/2021 as at December 2020, RISM has donated the funds to the next of kin of the following members:

NO.	MEMBERS NAME	AMOUNT ISSUED (RM)	STATUS	NEXT OF KIN / BENEVOLENT RECEIVER	RELATIONSHIP
1	Late Sr Daimin b. Binti (GLS Member)	5,000.00	Deceased	Johna J.Jinsin	Wife
2	Late Sr Lai Boon Hooi (QS Member)	5,000.00	Deceased	Ooi Kiem Wooi	Husband
3	Late Sr Zaiton Binti Ma'in (PS Member)	5,000.00	Deceased	Muhamad Afiq Farhan Bin Abd Rahman	Son
4	Late Sr Norrushidah Binti Zakaria (PS Member)	5,000.00	Deceased	Nur Iffa Binti Huzainy	Daughter
5	Late Sr Choo Ah Sit (PS Fellow)	5,000.00	Deceased	Choo Wei Sern	Son
6	Sr Che Mustapha Hj Abdullah (GLS Member)	3,000.00	Illness	Che Mustapha Bin Abdullah	

The above contribution would not be set as a precedent for similar request. Any future appeals/requests would be considered on case-to-case basis.

Some of the photos captured during the handover of the cheques to the fund recipients:-



OBITUARY

25 January 2021

Dear colleagues,

It is with profound sadness that we share the news of the passing of Tan Sri Dato' Seri (Dr.) Abd Wahab Maskan, the former Managing Director, Sime Darby Property Berhad and former Group Chief Operating Officer, Sime Darby Berhad, earlier today.

Allahyarham Tan Sri was known and respected for his many achievements throughout multiple industries, having served the Group in various senior positions, including as the Group Chief Executive, Kumpulan Guthrie Berhad and Golden Hope Plantations Berhad. Through his contribution and decades of service, he left behind a legacy that has benefited Sime Darby Property until this very day.

Let us offer our thoughts and prayers to Allahyarham Tan Sri and his family.



May the Almighty reward Allahyarham Tan Sri in abundance.

Al-Fatihah



UP & COMING

VIRTUAL EVENT 



REC

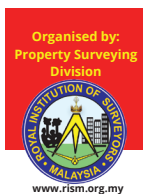
**29TH NATIONAL
REAL ESTATE
CONVENTION**

**RE-THINKING
PROPERTY:
THINKING OUTSIDE
THE BOX**

**TUESDAY
30
MARCH
2021**

APPLIED FOR 5 CPD HOURS Board of Valuers, Appraisers, Estate Agents & Property Managers Malaysia	APPLIED FOR 3 CPD HOURS Board Quantity Surveyors Malaysia	APPLIED FOR 1 CPD HOURS Land Surveyors Board Malaysia	APPLIED FOR 7 CPD HOURS Building Surveying Division	APPLIED FOR 7 CPD HOURS Royal Institution of Chartered Surveyors	APPLIED FOR 10 CCD HOURS CIDB Malaysia
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 **ORGANISED BY: PROPERTY SURVEYING DIVISION**
WWW.PS.RISM.ORG.MY



Organised by:
Property Surveying
Division

www.rism.org.my



8 CPD Hours
applied for
(2days)



8 CPD Hours
applied for
(2days)

Technical Topic

MIXED-USE STRATA DEVELOPMENTS

1. Formation of SMCs
2. Understanding multiple rates of maintenance charges Vs uniform flat rate of maintenance charges.

Time : 9.00am - 1.00pm

Date : **25th February 2021 & 18th March 2021**

Venue: Bukit Kiara Equestrian & Country Resort and Online

SPEAKER:



Sr Wong Kok Soo is a Fellow member of the Royal Institution of Surveyors Malaysia (RISM), advisor & member of the Association of Valuers, Property Managers & Estate Agents In Private Sector (PEPS), member of the Malaysian Institute of Professional Property Managers (MIPPM), member of the Malaysian Institute of Estate Agents (MIEA) and consultant to the National Association of House Buyers (HBA). Member of the Board of Valuers, Appraisers, Estate Agents and Property Managers (BOVAEP).

Sr Wong has 40 years of vast experience in the Property Industry. He was actively involved in the Drafting & Working Committees for the Malaysian Property Management Practice Standards 2011; the Strata Management Act 2013; the Standard Formulation of Allocated Share Units and Share Units; the Strata Management Regulations 2015; S.O.P. for formation of Subsidiary Management Corporations. He is a renowned authority and speaker on these subjects. Currently Sr Wong is the Group Managing Director of Burgess Rawson, Malaysia – a niche market professional property management and consultancy firm, having a property management stable of 30 projects in the Klang.

REGISTRATION FEE:

FOR PHYSICAL:

25/2/2021 OR 18/3/2021

RISM Member : RM130.00

Non Member : RM150.00

25/2/2021 AND 18/3/2021

RISM Member : RM250.00

Non Member : RM280.00

FOR ONLINE:

25/2/2021 OR 26/1/2021

RISM Member : RM65.00

Non Member : RM75.00

25/2/2021 AND 18/3/2021

RISM Member : RM125.00

Non Member : RM140.00

**Fees are non-refundable

Please register here:

<https://forms.gle/j3BUTgaLhVQ2ttZL9>

PAYMENT DETAILS:

(1) Cheque payable to ISM GENERAL PRACTICE

(2) Bank-in (RHB -A/C No : 2140 35000 51473)

(3) Via JomPay Biller Code 72546

Ref-1: PS CPD PMMixeduse

All payments must be made before 25/2/2021 & 18/3/2021.

Pay by Duit Now:

scan here to register:



Please contact Ms. Salmi A Rahman at 03-79551773/03-79548358 for any enquiries and email the proof of payment to psdiv@rism.org.my

Organised by
Property Surveying
Division:



www.rism.org.my

FRIDAY | MAR 12

**Subject to any changes*

INAUGURAL YOUNG PS

TG "nite" TIF

SCAN HERE



Please contact
Ms Salmi A Rahman at
014-316 5833
for any inquiries or email to
psdiv@rism.org.my

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FIRDAUS & ASSOCIATES
PROPERTY PROFESSIONALS

Thank God It Is Not LockDown Anymore (TGIINLDA)

AGENDA:

07.00 PM - 07.30 PM: ARRIVAL AND NETWORKING AT
THE LOUNGE

07.30 PM - 07.45 PM: WELCOME REMARKS BY COMMITTEE

07.45 PM -09.00 PM: BUFFET DINNER AT THE RESTAURANT

09.00 PM - 11.00 PM: KARAOKE & POOL

FREE HEALTH SCREENING

BIGGEST LOSER CHALLENGE



NECK'S
Tilg's Taco's
Indian Mexican Fusion Cuisine

JOIN US AT JALAN RAJA CHULAN, KL.
EVENT START AT 19.00HRS - 23.00HRS

HAPPENINGS

1) TOWNHALL MEETING "Recent Guidelines on Registered Firm Shareholding Structure & Liberalisation"

Venue	RISM President Lounge
Speaker	<ol style="list-style-type: none"> 1. Sr Michael Kong Kok Kee Macreal International Sdn Bhd & President of PEPS 2. Sr Long Tian Chek Henry Butcher Malaysia Sdn Bhd 3. Mr Eric Lim Cheng Heng Hartamas Real Estate (Malaysia) Sdn Bhd & Representative of MIEA 4. Sr Irhamy Ahmad Irhamy International Valuers
Moderator	Sr Khaidzir A Rasip
Date	26 August 2020 (Wednesday)
Time	10.00am to 12.00pm
Category	Estate Agency





2) MALAYSIA DAY DURIAN TRIP

Venue :	Benum Hill Fruits Sdn Bhd, Sg. Ruan, Raub, Pahang.
Date :	16 September 2020 (Wednesday)
Time :	9.00am to 1.00pm
Registration Fee :	Members – 1 Pax = RM 80.00, 2 Pax = RM150.00 Non members – 1 Pax = RM 100.00, 2 Pax = RM180.00

The Young PS sub committee has kicked off the session with a Social event “Malaysia Day Durian Trip” at Benum Hill Fruits Sdn Bhd, Sg. Ruan Raub Pahang. This social event managed to attract 35 participants from all different Division. All participants gathered at Genting Sempah Rest & Refill at 8.00am for breakfast and we continue the journey to Sg. Ruan at 9.30am. The convoy reached Sg. Ruan at 10.45am and start the event with briefing from Sr Siew Yee Hoong.

3) THE POWER OF WINNING IMAGE – BE AN ACE

Venue :	RISM Resource Centre, Bangunan Juruukur, Petaling Jaya, Selangor.
Date :	3 October 2020 (Saturday)
Time :	10.00am to 12.00pm
Speaker :	Ms. Sheila Wong



PS CPD TALKS

4) FUTURE OF THE OFFICE WEBINAR

Venue : Online Webinar Using Webinar Jam
Speaker : Mr Desmond Sim (CBRE Singapore)
Moderator : Sr Stanley Toh
Date : 15 August 2020 (Saturday)
Time : 10.30am to 12.30pm
Registration Fee: Members: RM 20.0
 Non-members: RM 50.00
Category : General

The PS Division valuation sub committee kicked off the session with a webinar event under the general category named "Future of The Office", as part of the current session's new webinar series "Out of The Box" initiative perpetuated by the Covid 19 pandemic which continues to plague the world. We have applied to the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia (BOVAEP) and well as the Royal Institution of Chartered Surveyors (RICS) for CPD hours and managed to obtained 2 hours from each respective organization.

The sub-committee was fortunate to have secured the services of Mr Desmond Sim from CBRE Singapore to give a briefing on his findings and survey conducted on the impact of Covid 19 on the office sector. The webinar managed to attract 104 participants from all around Malaysia.



5) HOTEL VALUATION: OVERVIEW, APPROACHES & IMPACT OF CORONA VIRUS WEBINAR

Venue : Online Webinar Using Zoom
Speaker : Mr Justin Chee (Knight Frank Malaysia)
Moderator : Sr Stanley Toh
Date : 5 September 2020 (Saturday)
Time : 10.30am to 12.30pm
Registration Fee : Members: RM 80.00
 Non-members: RM 120.00
Category : General

Riding along the success of the first "Out of The Box" webinar series, the PS Division valuation sub-committee held the second webinar event under the technical category named "Hotel Valuation, Overview, Approaches & Impact of Corona Virus". We have applied to the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia (BOVAEP) and well as the Royal Institution of Chartered Surveyors (RICS) for CPD hours and managed to obtained 2 hours from each respective organization. The sub-committee was privilege to have secured the services of Mr Justin Chee from Knight Frank Malaysia to give a comprehensive and technical lecture on hotel valuations. The webinar managed to attract 135 participants.

6) CONTRACTUAL RIGHTS AS REAL ESTATE AGENT WEBINAR

Venue	:	Online Webinar Using Zoom
Speaker	:	Mr Nicholas Chew (Faizul Hilmy & Chew Legal)
Moderator	:	Sr Low Han Hoe
Date	:	10 October 2020 (Saturday)
Time	:	10.30am to 12.30pm
Registration Fee	:	Members: RM 40.00 Non-members: RM 50.00
Category	:	General

The PS Division Estate Agency sub-committee has come out with their first webinar series on Contractual Rights as Real Estate Agent. We have applied to the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia (BOVAEP) and well as the Royal Institution of Chartered Surveyors (RICS) for CPD hours and managed to obtained 2 hours from each respective organization. The webinar managed to attract 40 participants.

CONTRACTUAL RIGHTS AS REAL ESTATE AGENTS

A contract is a legally binding agreement that can be constructed in a verbal or written form. As estate agents, we deal with a multitude of contracts and with numerous stakeholders at every step be it preparing an Appointment Letter all the way to the SPA or Tenancy/Lease Agreement. That said, it is paramount that we are well versed in contract obligations, more so during this unprecedented period as the pandemic provides a new element in the real estate landscape.

10th October 2020, Saturday
10.30am - 12.30pm
Zoom Webinar Platform

Nicholas has advised and assisted clients on the full spectrum of property corresponding matters including project developments, residential and industrial deals, secondary markets, and foreign direct investment. He also has experience in social matters and securities regulation, banking and financial services and a corporate advisory work.

Nicholas joined Faizul Hilmy & Chew in 2014. The Firm was established 25 years ago by Mr Faizul Hilmy and Mr PK Chew, Nicholas's father. Prior to joining the Firm, Nicholas spent two years in the Corporate and Commercial practice at Zaid Ibrahim & Co. in Kuala Lumpur. Before embarking on his legal career, Nicholas served in the British Army from 2007 to 2012 as a Tank Troop Leader in operations before becoming the Regimental Intelligence Officer. After five years of training and leading teams in high tempo and hostile environments, Nicholas developed robust problem-solving and decision-making skills and brings a proven ability to manage change, meet operational targets and operate in the most pressured environments.

The experience as an officer and the legal heritage of the Firm's 25 years combine to provide local and international clients with a first class legal service here in Malaysia.

REGISTRATION FEE:
RISM MEMBER : RM40.00
NON RISM MEMBER : RM50.00
Fees are non-refundable

PAYMENT DETAILS:
(1) Cheque payable to ISM GENERAL PRACTICE
(2) Bank-in (RMB - A/C No: 2140 30200 51473)
(3) Via jembiaya Biler Credit (2548 Ref: 1) PS-CFO EAO01

All payments must be made before 9th October 2020. Please email proof of payment to info@faizulchew.com.

Please **CLICK** here for registration:
<https://forms.gle/xhK1atqT2uzef4aR6>

Please contact Mr. Saad & Saad at 03-78517700/784008 for any enquiries and email the proof of payment to info@faizulchew.com

Contractual Rights & Obligations of Estate Agents

FHC LEGAL
FAIZUL HILMY & CHEW

by
Nicholas Chew

7) OIL PALM PLANTATION VALUATION APPROACHES WEBINAR

Venue	:	Online Webinar Using Zoom
Speaker	:	Sr Ungku Iskandar Ungku Ismail (CBRE WTW)
Moderator	:	Sr Stanley Toh
Date	:	5 December 2020 (Saturday)
Time	:	10.30am to 12.30pm
Registration Fee	:	Members: RM 80.00 Non-members: RM 120.00
Category	:	General

With the success of the second “Out of The Box” webinar series, the PS Division valuation sub-committee held the third webinar event under the technical category named “Oil Palm Plantation Valuation Approaches”. We have applied to the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia (BOVAEP) and well as the Royal Institution of Chartered Surveyors (RICS) for CPD hours and managed to obtained 2 hours from each respective organization. The sub-committee was privilege to have secured the services of Sr Ungku Iskandar Ungku Ismail from CBRE|WTW to give a comprehensive and technical lecture on oil palm plantation. The webinar managed to attract 184 participants.

OIL PALM PLANTATION VALUATION APPROACHES

5TH DECEMBER 2020 @ 2.00PM - 4.00PM

Overview: Demand for palm oil continues to rise, indicating the need for 15% of the global total, followed by Indonesia, the European Union and China. The United States currently ranks eighth in 2018 global consumption is expected to reach 70 million tons or roughly 20 pounds of palm oil per person. Malaysia currently accounts for 25% of the world's palm oil production and 44% of the world's exports, being one of the biggest producers and exporters of palm oil and palm oil products in the world. But how do we value an oil palm plantation? Here practitioners will try on the traditional Comparison Method to arrive at the Market Value, but lately the trend has shifted towards a more sophisticated and financial based model such as the Discounted Cash Flow Method (DCF).

To explore further on the merits of using the DCF in oil palm plantation valuation, join RISM Pro Director's "Out of The Box" Webinar Series on the 5th of December 2020 at 2.00pm for a riveting experience, as we invite Mr Ungku Iskandar Ungku Ismail, Director of CBRE | WTW to present his take on the use of DCF in valuing oil palm plantations. He will cover the following areas:

- Valuation Approach – Income Approach by way of DCF
- Key Valuation Assumptions – Focus Area and Limitations
- Terminology

SPEAKER'S PROFILE

REGISTRATION FEE:
RISM MEMBER: RM80.00
NON RISM MEMBER: RM120.00
Fees are non-refundable

PAYMENT DETAILS:
(1) Cheque payable to ISM GENERAL PRACTICE
(2) Bank-in (RMB - A/C No: 2140 30200 51473)
(3) Via jembiaya Biler Credit (2548 Ref: 1) PS-CFO EAO01

All payments must be made before a December 4th. Please email proof of payment to info@faizulchew.com.

SCAN ME TO REGISTER

zoom

Please **CLICK** here for registration: <https://forms.gle/9u7u3u3u3u3u3u3u>

VALUATION OF OIL PALM PLANTATION - INCOME APPROACH (DCF)
PREPARED FOR
ROYAL INSTITUTE SURVEYOR MALAYSIA (RISM)

PS DIVISION VIRTUAL AGM FOR SESSION 2019/2020

Venue : RISM Boardroom, Bangunan Juruukur, Petaling Jaya, Selangor.
Date : 16 July 2020 (Thursday)
Time : 9.00am to 12.00pm



INCOMING PS DIVISION COMMITTEE FOR SESSION 2020/2021



President	:	Dato' Sr Thiruselvam Arumugam	Divisional Secretary	:	Sr Stanley Toh Kim Seng
Chairman	:	Sr Aziah Mohd Yusoff	Treasurer	:	Sr Tan Hoon Tiong, Billy
Vice Chair	:	Sr Khaidzir Abdul Rasip			
Committee Member	:	Sr Ery Zuwardi Anuar			
		Sr Khor Jing Y'ng, Jayne			
		Sr Sim Song Len, Allan			
		Sr Siew Yee Hoong			
		Sr Siti Munirah Maarof			
		Assoc. Prof. Sr Dr. Yasmin Mohd Adnan			
		Dato' Sr Dr. Rahah Ismail			

PROPERTY SURVEYING REPRESENTATIVES IN RISM GENERAL COUNCIL SESSION 2020/2021



President of RISM
Dato' Sr Thiruselvam Arumugam



Vice President (Property Surveying Division)
Sr Aziah Mohd Yusoff



Hon. Secretary
Sr Firdaus Musa



Hon. Treasurer
Sr Prem Kumar



Chair of Building Management Committee
Datuk Sr Faizan Abdul Rahman



Chair of RISM Excellence Award
Dato' Sr Dr. Rahah Ismail



Council Member
Datuk Sr Khong Poh Yew, Paul



Council Member
Sr Melissa Felix Lee

UPCOMING EVENTS

No	Date	Event	Venue
1.	25 th February 2021	Property Management: “Mixed-Use of Strata Developments (Part 1)” by Sr Wong Kok Soo	Bukit Kiara Equestrian & Country Resort
2.	18 th March 2021	Property Management: “Mixed-Use of Strata Developments (Part 2)” by Sr Wong Kok Soo	Bukit Kiara Equestrian & Country Resort
3.	To be Confirmed	Covid-19 Bills by Mr. Lai Chee Hoe	Bukit Kiara Equestrian & Country Resort
3.	To be Confirmed	Hotel Valuation – Intensive Course	RISM / Zoom Webinar

WE VALUE YOUR CONTRIBUTIONS

THE PROPERTY SURVEYOR BULLETIN is a semi-formal professional journal on updates on the property consultancy and professional services and activities held by the Property Surveying Division of the Royal Institution of Surveyors Malaysia(RISM). The journal aims to report current issues in hand and knowledge sharing on new innovations as well as revision on current practices. The Editorial welcome original article contributions, property news reporting, activities reporting among members and subject matter experts to contribute to this journal. Photos of goings on within the profession, RISM and among members are encouraged with small writeups to describe the event.

KINDLY EMAIL ARTICLES, NEWS, ACTIVITY PHOTOS TO:

psdiv@rism.org.my



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