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effected from new infrastructure, residential hotspots to take note of include – Selangor Vision City, Nilai/Pajam, Semenyih/Kajang, Putrajaya/Cyberjaya, Rawang/Ijok/Kuang, Sungai Buloh and Kuala Selangor.

Key drivers that will push these areas are scarcity of land in the city centre, high land costs in the city as well as the improved connectivity in view of new infrastructure.

In his message at the launch of the 2016/2017 report, CBRE / WTW managing director Foo Gee Jen shared that on-ground

consensus among practitioners throughout all its branches across Malaysia is that market conditions have become much more challenging in 2016 and that 2017 will not get any better.

Transaction activity is down in many urban centres, especially in the residential sector, which Foo said is a common barometer to gauge the overall property market. However, although figures in CBRE / WTW's outlook report are discouraging, there is still a glimmer of hope for the year to correct itself once the mass rapid transportation system in Kuala Lumpur and other similar transport systems are up and running.

BOTTOMLINE

Foo's view on the whole: "Another flattish period pulled down by mostly low commodity prices, continued slow economic growth in most major countries, especially with political uncertainties like Brexit, Trump's presidency and other referendums in Europe."

His advice: "Reduce portfolios of non-strategic assets to reduce loan gearing and be aware of liquidity needs if and when credit tightens. Investors and developers should focus on taking calculated risks where markets are strong, pursue developments in strong, supply-constrained markets and bid on strategic long-hold assets that are most likely able to withstand a downturn."

Information and charts/graphs were retrieved from the CBRE / WTW 2017 Malaysia Real Estate Market Outlook. Follow our column next week on interior design, followed by office space in KL and market direction across various regions in Malaysia.

▶ Email your feedback and queries to: propertyqs@thesundaily.com

KLANG VALLEY IN 2017 OUTLOOK

	2016	2017
Overview	▶	▶
Landed Residential	▶	▶
High-Rise Residential	▶	▶
Purpose built Office	▶	▶
Shop office	▶	▶
Retail	▶	▶
Hotel	▶	▶
Industrial	▶	▶

CBRE

LANDED RESIDENTIAL

Market is anticipated to observe more launches of residential products within the affordable price range. Properties in the secondary market are expected to stay active.

HIGH-RISE RESIDENTIAL

Rental market for condominiums in central KL will compress further, attributed by increasing supply.

PURPOSE BUILT OFFICE

The office market is expected to sustain interest from foreign investors who are exploring and interested to invest in Malaysia. It is made more attractive by the weak ringgit and slower growth in the European countries, China and US.

RETAIL

Stiff competition is expected, with more ongoing-construction of retail malls slated for completion, which is expected, with more ongoing-constructions of retail malls slated for

HOTEL

Hotel sector is expected to stay stable, underpinned by growing tourist arrival, yet stiff competition is expected with the increasing popularity alternative accommodation options such as Airbnb.

INDUSTRIAL

Industrial remained a sector that is underrated, but strong growth is anticipated especially in term of rental and prices.

affordable housing. No doubt residential development will continue to be active beyond the KL fringe, especially supported by the rapid infrastructure development.

CONCLUSION

Looking at the real estate outlook in the Klang Valley for 2017 (refer boons and banes), key drivers to a positive year are expected to come from infrastructure – HSR, MRT and LRT additional lines and stations, new highways and expressways. While Johor and Seremban are expected to gain from the "spillover"



MALAYSIA REAL ESTATE MARKET OUTLOOK ...

Sharing an overview of the local real estate scene, discussing the market outlook for 2017 and 'Malaysia – opportunities in the new normal' were (from left) CBRE-WTW director Tan Ka Leong, managing director Foo Gee Jen and director Peh Seng Yee at a press conference at Menara Multi Purpose in Kuala Lumpur. A summary of the overview/forecast is reported in our property article today. More detailed information will be released over the next couple of weeks.



UPDATE AND OUTLOOK ...

The question was 'Is Malaysia still an attractive real estate investment destination?' And there to answer were (from left) JLL's associate director of research & consultancy Veena Loh, associate director of capital markets Nick Charlton, Malaysia country head YY Lau and InvestKL CEO Datuk Zainal Amanshah at a media briefing at InvestKL's office in Sentral Kuala Lumpur. Follow our property column to learn the answer to the 'burning question' and other relevant nuggets of information gleaned from the talk by the panelists at the Q&A session.