

BY ALYSSA J. OON

VALentine's Day, like any celebration of old, has a history that is as complicated as some relationships. While some say it is the commemoration of the death of St Valentine (who was a martyr that secretly married Christian couples and helped them escape during the reign of Emperor Claudius II), others believe it was the church that popularised Valentine's Day as a way to downplay "Lupercalia", a fertility festival (which was dedicated to the Roman god of agriculture Faunus and the Roman founders Romulus and Remus). On the other hand, there are some who simply believe that Feb 14 is a day marking the start of bird mating season (no pun intended)!

Though St Valentine's Day is not widely celebrated in Malaysia (especially these days), we still see stores primmed and preened in pinks and reds to commemorate the "Day of Romance". No doubt we should love and appreciate our loved ones every day of the year but we do not. So, take this day as a cue to shower those close to your heart with an extra dose of love - be it your spouse, children, parents, family or friends.

And what better way to fan the flames of romance than to dress interiors accordingly and ignite that loving feeling.

DOSE OF LOVEY-DOVEY

Still not over Christmas yet? Luckily, because Valentine's wreaths are an actual thing! Make your own wreath in the traditional circular shape or the more romantic heart shape. Use fake flowers, felt flowers, paper flowers or pom-poms in colours of red, pink and white.

Flamingo Toes blogger Beverly McCullough made a vintage-style Valentine's Day wreath using a foam wreath, then covering it in white, pastel pink and blue yarn. Afterwards, she added a garland of felt hearts, a felt bow and yarn pom-poms, finishing it off with a pair of lovebirds sitting on a tiny branch. Just looking at it makes hearts go aflutter!

AFFECTION BLOOMS

In keeping to the theme of "Christmas in Valentine's Day", swap the bouquets of flowers and go rustic with a long vase of twigs with little ornaments hanging from them.

Imitate the blooming of flowers in spring by attaching paper hearts along the branches in varying sizes and colours. For an added rustic



Think **red, pink** and dress up on **love**

> DIY projects to add a hint of St Valentine's love to interiors

touch, use a water pitcher as a vase. The branches can also be wrapped in yarn to add a feel of warmth and cosiness to it.

For a more modern take, paint the branches white and substitute the red and pink flowers for black, white, silver and gold hearts instead. If you still want to keep with tradition and stick to the usual colours, sprinkle half of the paper hearts with gold glitter, such as *The House That Lars Built* founder Brittany Watson Jepsen did in her "Valentine's Day Branch Tree" tutorial. Jepsen used scrapbook papers of pink, red, white and glitter to make 3D hearts. Little clip-on birds were added for extra colour and personality.

Alternatively, make simple paper roses out of circles of paper and stick them onto the branches. Others have made hearts out of felt and hung them on the tree.

LOVE IS IN THE AIR

Garlands seem to be a favourite decor piece on Valentine's Day! In other countries, garlands are commonly hung across the fireplace under the mantel. In Malaysia, we can adapt and string them just about anywhere - cupboards, walls, staircases or shelves.

Instead of stringing together the usual plain paper hearts, look for heart-shaped doilies, make felt hearts, crochet some yarn hearts or make pom-pom balls and put those unused playing cards to work or even conversation hearts made out of paper.

Clean Scentsible founder Jenn Lifford reworked a burlap



heart banner she found at a discount store retailer. Taking it apart, she then took French script ribbons and made a ruffled line before sewing the burlap pieces and heart shapes onto the line. The rustic piece fitted in perfectly against the backdrop of her modern-styled kitchen cabinet. In the piano room, she made paper banners out of colourful scrapbook paper and stuck on family photographs. Garlands and banners make great festive decor pieces. They can also be wrapped up and kept easily until the next round of celebrations.

WALLS OF ROMANCE

There are so many ways to decorate walls for Valentine's Day! *Classic in Gray* founder Jessica Hirsche made a neutral-toned heart no-weave-wall hanging using just rods and yarns as material. The wall hanging basically comprises three rods holding varying lengths of white and grey yarn placed on top of each other in descending lengths. This DIY is great for those with Scandinavian-styled homes.

However, if you are keen on keeping with the trend of geometric shapes, then try Jeran McConnel of *Oleander and Palm's* tutorial for a giant geometric wall heart. The wall art piece uses just sheets of scrapbook paper in two shades of

pink and gold. Cut the sheets into triangles, arrange them into a heart shape and then stick it on! (This can also be done on a smaller scale for a framed piece.)

Another geometric heart DIY project is by Jess of *Make and Do crew*. Using lots of popsicle sticks, Jess stacks the popsicle sticks on top of each another to create a wall piece of three intertwined hearts. A template is provided on the blog for better guidance with the shape.

CUDDLY-HUGGY PILLOWS

If you are looking for more functional pieces (or a cuddle partner), then dress your pillows up for the occasion. Find a simple magenta-coloured pillow case and stencil on common Valentine's Day phrases such as "XOXO" or "LOVE", etc. To add more personality to the room, turn a plain white pillowcase into a colourful one with polka dots or hearts.

For a more muted tone, try cross-stitching a heart onto a grey pillow case. Sew-on felt pieces also seem to be a popular choice. You can channel a more modern luxury style using black and white pillow covers with gold scallop trimmings. Sarah



Hearts founder Sarah Khandjian used gold pleather (imitation leather made from polyurethane) to give her pillows a more luxurious touch. On a white cover, she used gold pleather cut into scalloped trimming while on a black with white polka dot cover, she cut a big heart out of the pleather and sewed it on.

With St Valentine's Day just around the corner, we hope these suggestions will help you add hints of romance to interiors to inspire love. Spark love within your homes and make your Valentine's Day a lot more colourful and fun by focusing on the amusing and enjoyable aspects of these DIY decorations ... better still, done together with your loved ones.

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

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PHOTO: WWW.CLASSINGRAY.COM

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Local market outlook

> Property market overview in Klang Valley, Penang, Iskandar Malaysia, Sabah and Sarawak

PHOTO: TRENDSIDEAS.COM

ACCORDING to the CBRE / WTW 2017 Real Estate Market Outlook report, the property market dipped further in Q3 2016. It revealed that transaction activity dropped; agricultural land remained the second most active, after residential properties; the commercial sector fell to third place; followed by development land. City wise, Selangor made it as the most active, followed by Johor. Additionally, the National Property Information Centre (Napic) reported that 57% of residential property transactions in Q3 2016

were priced below RM250,000 while 43% were recorded between RM250,001 and RM1 million.

Here is the gist of the property scene in major sectors across Malaysia.

KLANG VALLEY

On the whole, the 2016 property market performance was reported as “subdued”. No signs of improvement is forecast for 2017. With new supply of various property types that include offices, retail, hotels and condominiums nearing completion in significant quantities within the next year, in

contrast to the slowdown in economic growth, there are concerns of a large market supply situation across property sectors.

However, as travelling becomes more affordable and the momentum picks up on tourist arrivals, the market sentiments remain buoyant. Moreover, 2017 expects to see landed residential prices stabilising with minimal growth and more new developments within the “affordable” housing category.

A press conference by JLL recently also hinted on InvestKL’s plans to attract multi-national corporations and foreign companies to invest in Kuala Lumpur’s appealing office market – especially looking at the exciting infrastructure developments that will be opening up new areas in and around KL.

Similarly, in the industrial sector, there is keen interest reported from foreign investors for our local industrial projects, especially our industrial parks.

This has led developers to take notice of the stable industrial property demand, which will consequently lead to employment opportunities and spin-off to more housing and commercial



Johor

PHOTO: WMAPROPERTY.COM

property demand.

PENANG

Likewise, the property market in Penang last year was also reported to be subdued. Overall, market activity showed a downtrend compared to that in 2015. According to Napic’s report, property transactions dropped across residential, commercial and industrial sectors, but in terms of value, the industrial sector recorded a hike. Reasons for the glum market – high loan application rejections, smaller growth in

income, rising living costs, dampened business and consumer sentiments after the announcement of Budget 2017, the depreciation of the ringgit against major currencies and other global political occurrences.

However, the market slowdown was not applicable across the board as landed property in prime locations maintained, and some, appreciated marginally in value. For major events involving land and property developments in Penang for 2016, refer to the CBRE/WTW Real Estate Market Outlook 2017 report.

Projects and proposals that may aid in a more positive outlook in 2017 include:

- ▶ more affordable housing developments priced at RM300,000 and below;
- ▶ a memorandum of understanding was signed for urban renewal works (which preserve heritage values) that will take place in four areas around Butterworth; and
- ▶ the “Gurney Wharf” master plan.

JOHOR

Iskandar Malaysia’s comprehensive development plan is already in its second half of its 20-year framework



Penang

PHOTO: WWW.PROPERTYGURU.COM.MY



Klang Valley

PHOTO: TRENDSIDEAS.COM

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(2006 to 2025). The region has so far recorded a cumulative investment of RM208 billion with 60% said to come from local investors. Of the total investment, 51% is realised on the ground – the largest contributor to the committed investments coming from retail/mixed development, followed by manufacturing, then residential.

While the Iskandar Malaysia market was slow in 2016 (due to the overall global market), Naptic recorded RM10.57 billion worth of transactions.

The year was reported exciting for the office sector with the market witnessing four office building transactions valued at RM1.24 billion. Rentals for purpose-built offices set a new benchmark in Iskandar Puteri.

The hotel sector was said to have picked up pace due to rapid development of the Iskandar Malaysia economic corridor, additional direct flights connecting Johor to Asian countries, as well as more property developments promoted internationally. The weakening ringgit was also noted to have encouraged more tourism activities there.

On the whole, Johor experienced a general slowdown in terms of transaction activities and new high-end development products, particularly in residential sub-sectors. This has caused developers to diversify their plans to offer more affordable products to meet market needs.

In the industrial sector, some MNC companies are reported to be still exploring and expanding their investments in Iskandar Malaysia.

SABAH

Generally a lacklustre market in Sabah for 2016 with a slowdown in transaction activities. Reasons being softer market sentiments and continued strict lending measures imposed by the Central Bank and financial institutions. Still, prices of properties, even those in attractive locations have remained and not declined.

Fewer property launches were recorded compared to 2015 – dominating the market were new mid-market segment condominium launches. For 2017, this sector is forecast to have little change given the expected challenging economic conditions and other reasons.



Sarawak.

PHOTO: WWW.PROPERTYGURU.COM.MY

attractive locations were reported to be still in demand despite the softer market. Prices have also generally remained and not dipped. With the slowdown, affordable housing is and has as before, been in demand, and will do well given reasonable locations and suitable house types.

The recent approval by the Sarawak Planning Authority to increase development density there from eight to 10 units for landed housing and 24 to 30 units for stratified housing, is expected to set the pathway for private developers to build more affordable housing developments.

The general outlook for 2017 is reported to be stormy and unpredictable, with a generally overbuilt environment, slower absorption rate, increased household debt, more stringent financing situations and increased costs of businesses and living. Reduced consumer spending is expected to crimp demand and impact the construction and retail sectors negatively.

However, exceptional areas like Bintulu and Mukah, earmarked under the 10th and 11th Malaysia Plan, are expected to spearhead growth in Sarawak due to the implementation of mega projects.

SARAWAK

Property in 2016 was sluggish for Sarawak, rather flat with fewer launches on the whole except for certain sub-sectors of stratified housing launched as part of a mixed development retail-residential concept. Construction activities also saw a general slowdown with the market struggling to finish completing off launched units.

Properties in prime and

OVERALL VIEW

Listed below are indications of the recent past and future market outlook across major property sub-sectors and regional areas in Malaysia. [Retrieved from CBRE / WTW Research – Asia Pacific Real Estate Market Outlook]

2016 - 2017 MARKET DIRECTION

	All Sectors		L. Residential		HR Resi		PBOffice		Shop Office		Retail		Industrial		Hotel	
	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
MAIN MARKET																
Klang Valley	▶	▶	▶	▶	▶	▶	▶	▶	N.A.	N.A.	▶	▶	▶	▶	▶	▶
Penang																
Penang Island	▶	▶	▶	▶	▼	▼	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶
Seberang Perai	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶
Iskandar M'sia	▼	▶	▼	▶	▼	▼	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶
Kota Kinabalu	▶	▶	▼	▼	▼	▼	▶	▶	▼	▼	▶	▶	▶	▶	▶	▶
Kuching	▶	▶	▶	▶	▶	▶	▶	▶	▼	▼	▼	▼	▶	▶	▶	▶
REGIONAL																
WEST MALAYSIA																
Northern Region																
Alor Star	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶
Ipoh	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶
East Coast Region																
Kuantan	▼	▶	▼	▶	▼	▶	▶	▶	▼	▶	▼	▼	▶	▶	▶	▶
Kota Baru	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶
K. Terengganu	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶
Southern Region																
Seremban	▼	▶	▼	▶	▼	▶	▼	▼	▼	▶	▼	▶	▼	▶	N.A.	N.A.
Malacca	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶
Batu Pahat	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶	▶
EAST MALAYSIA																
Sabah																
Sandakan	▶	▼	▶	▶	▶	▶	▶	▶	▶	▶	N.A.	N.A.	▶	▶	N.A.	N.A.
Tawau	▼	▶	▶	▶	▶	▶	▶	▶	▶	▼	▼	▶	▶	▶	▶	▶
Lahat Datu	▼	▼	▼	▼	N.A.	N.A.	N.A.	N.A.	▼	▼	▼	▼	▼	▼	▼	▼
Keningau	▼	▼	▼	▼	N.A.	N.A.	N.A.	N.A.	▶	▶	▶	▶	▶	▶	▶	▶
Labuan	▶	▼	▶	▶	▶	▼	N.A.	N.A.	▶	▶	▶	▶	▼	▶	▶	▶
Sarawak																
Sibu	▼	▼	▼	▼	▶	▶	N.A.	N.A.	▶	▼	N.A.	N.A.	▶	▶	▶	▶
Miri	▼	▼	▶	▼	▼	▼	▼	▼	▶	▼	▶	▼	▶	▶	▶	▶
Bintulu	▶	▼	▶	▶	▶	▶	▼	▼	▶	▼	▶	▼	▶	▶	▶	▶



Sabah.

PHOTO: WWW.PROPERTYGURU.COM.MY

Home and property investment fair

INTERESTED in learning about property? Or maybe pick up tips and tricks on purchasing or investing in real estate or if it is the right time to buy or sell, perhaps just to understand the market or current property landscape?

If you would like to know more about any of these, register and secure a place at the upcoming iProperty.com Malaysia Home & Property Investment Fair.

Held at Mid Valley Exhibition Centre from Feb 17 to 19 from 11am to 9pm, the three-day fair has much to offer. One such privilege is to be the first to view upcoming property project launches, especially with some of the top developers participating in this fair, 40 exhibitors in all.

The exhibition is free and open to the public. Besides being some of the first to view exclusive property launches, visitors can gain valuable property insights and tips from renowned industry experts like Ahyat Ishak, Ishmael Ho, Gary Chua, Alan Poon, Chris Tan and others. They will also deliver talks on various property-related issues and address

industry concerns.

There will also be a Millionaire Forum by Mastery Asia on Feb 18, open to only platinum cardholders of any bank. To join this forum, just subscribe for a platinum card with your bank.

All registered visitors to the fair will stand a chance to win exciting prizes via lucky draws that will run throughout the expo. Prizes include home appliance products, Apple Watch Series 1, cash vouchers and more.

A special lucky draw session will be open to property purchasers on Feb 19. Anyone who purchases a property at the fair will have a chance to win round-trip tickets to Bali for two, Samsung 50" Smart UHD LED televisions, gadgets like iPad Pro 32GB and Apple Watch Series 2 and more. Moreover, be the first 100 visitors to the fair and take home a plant for free.

There are many reasons to be part of this property purchase and investment fair, so save the dates, stay tuned to iProperty.com or its Facebook page for updates and register your interest.



Follow our property column next week on our series of interesting articles on the rise of global cities.

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



THERE is a paradigm shift taking place if you did not notice. This has influenced lifestyles, which in turn have led to changes in the run of the mill. The norm and conventional way things were once done are pretty much bowing out, welcoming a newness that has also found its way into the real estate scene across the globe.

The root cause behind these changes according to a report on "Global Cities by Frank Knight", are said to basically stem from:

- ▶ the era of low to negative interest rates which has reduced investors' expectations on what constitutes an acceptable return;
- ▶ the avalanche of technological innovation which has seen over 60% of Earth's citizens owning a smartphone; and
- ▶ our current "innovation economy" where supply is not keeping pace with demand in both commercial and residential real estate, causing tech and creative firms to rely on pre-let deals to accommodate growth while their young employees struggle to find affordable homes.

In a nutshell, the report informs of the rising of technology firms and creative workers around the globe that are attracting talents and high-value professionals at the top of the recruitment wanted list, hence inciting the rapid growth of "global cities".

RISE OF GLOBAL CITIES

States the report: "The urban economy is increasingly people-centric. Whether a city is driven by finance, aerospace, commodities, defence or manufacturing, the most important asset is a large pool of educated and creative workers." In this new era, these creative talents of the new age workforce are considered highly-prized commodity. And global cities are expected to thrive or sink on their ability to attract this key demographic. This in turn, has caused real estate to increasingly become a business that seeks to build an environment that attracts and retains such people, something that is already taking place around the globe.

To slowly take us into this newness of things, let us first look at

Era of change

PART 1

> Global transition causing shift in lifestyle trends, transforming mindsets and habits, changing property temperaments

some terminology which has become quite the rage where property is concerned. We have been hearing a lot of terms and catchy phrases such as "live-work-play environments", "mixed-use developments and integrated spaces", as well as "buildings with beds" among other modern day buzzwords. Scrutinise these phrases of the times and notice how they all point toward lifestyles.

With that, let us first explore the catchy phrases and fascinating terminology associated with the sprouting of such cities across the globe.

'LIVE-WORK-PLAY' ENVIRONMENTS

Some consider a ubiquitous phrase deemed founded simply by the root of the very demand for a "live-work-play" (LWP) lifestyle. Apparently, it was not coined up by developers or those in urban planning, and has increasingly become a standard by which "mixed-use" developments are measured. The concept has been known to have some link with "Maslow's hierarchy of needs" - much of which today's generation feel that a more apt name would be "live-work-play-eat-shop" (LWPES).

'MIXED-USE' DEVELOPMENTS

There are a variety of descriptions to mixed-use developments. However, a more generic depiction would be "a pedestrian-friendly urban development that consists of a mix of residential, commercial, cultural, institutional/industrial



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spaces that blend, and physically and functionally integrate. The concept also known as "integrated developments" can be accomplished via a building, a housing area/district/community, or even a township/city.

'BUILDINGS WITH BEDS'

Considering the demographic shift that is leaning towards the:

- ▶ younger workforce comprising millennials who lead quick-paced lifestyles and are almost always on-the-go, interacting with a global pool of networks;
- ▶ not forgetting the international influx of foreign/global higher education students;
- ▶ plus senior living and healthcare as there is a large ageing population that is growing - according to UN projections, a 12% increase in the number of

people above age 75 between 2015 and 2020; and

- ▶ an increase in the number of global jet-setters including those who travel for work and leisure - IATA forecasts suggesting global passenger numbers rising around 5% per year for the next five years.

With modernisation and a society that is "pressed for time" and more "connected" on-line than in reality - mobile work spaces and inner-city living are moving also

towards "buildings with beds" - homes that offer a roof over one's head that basically provide a place to sleep. Demographics are said to favour investment in housing for people at the beginning and end of their adult life. "Residential investment is moving into the private, rented sector as demographics and globalisation support demand for hotels, student housing, senior living and healthcare," reported an article by Knight Frank head of data analytics Mark Clacy-Jones.

EXEMPLAR CITIES

Along with changes in technology that has affected the way companies are born and how they function, thus the evolution of society, hence, flux in lifestyles, the way the masses engage, network and integrate. With this mega shift, property investors - landlords and leasers across the real estate spectrum must be "in the know" about where "creation" is taking place and limit their exposure to where there is "destruction". [creation - areas and regions generating hype activity that are drawing the pool of today's talents and businesses; destruction - areas and regions that are inflexible, refuse to advance with the evolved times, including cities that prefer to remain with the "old" unaccommodating ways of doing things]

Citing an excerpt from an article by James Roberts called Super Cities - "The industries that drive the modern Global City are not dependent on machinery or commodities, but people, delivering economic flexibility ... The most flexible cities command the highest real estate rents and lowest yields, and that will continue as they cope best with rapid change.

With the current trend established founded on - speed and agility, fluid and motile - the common challenge for landlords according to Roberts is how to assess firms (tenants) that do not even have a three-year record of existence but are clearly "the future". The answer he says, is that both landlord and tenant need to approach real estate deals with flexibility - "The landlord giving ground on lease terms and financial track records, and the tenant, compensating the landlord for the increased risk via a higher rent".

EMERGING MARKET CITIES

With the rapid changes that have been taking place and the constant

global evolution among the masses, Roberts reminds that countries once booming just a few years ago due to rising commodity prices are now adapting to slower growth. Those that were dismissed as "busted flushes in 2009 due to high exposure to financial services", and adapted to changes in technology adopting fresh innovation in the their businesses, are now thriving as innovation centres. Such "emerging market cities" are those that have repositioned themselves away from manufacturing and moved toward creative services, many of which present "a new challenge to the western global cities". A perfect example would have to be Shanghai, claims Roberts, "now seeing rapid expansion of its tech and creative services".

While emerging markets develop into global cities, they adapt to win over the right talents and high-skilled workers for the workforce by spreading "benefits". These include improving job security and the quality of life to attract and retain the right demographic of younger generation talents, who have already become central to the economy of a country.

THE GLOBAL MARKET CYCLE

According to Knight Frank head of commercial research Dr Lee Elliott, there are mixed signals market observers have picked up eight years post the financial crisis. These include:

- ▶ the complex intersection of the economic cycle locked in a rhythm of low growth;
- ▶ the business cycle which is highly variable evident in corporate cautiousness and selective investment by businesses which has fuelled demand in global real estate markets;
- ▶ a property cycle relating to real estate supply and demand; and
- ▶ a property cycle relating to capital flows and their impact on pricing.

"On the whole, there is confusion and uncertainty in the market with so much change taking place. However, there seems to be a drive in rental growth as the cycle moves forward. This appeals to global real estate investors who are already attracted to the relative out-performance of real estate assets in a low interest rate and low yielding economic environment." Elliott states in his article. His overall view: "There is road to run in 2017".

On the whole, lifestyles are changing, quick is getting quicker, markets are exciting in areas that attract the key demographic of creatively skilled talent deemed "highly-prized commodity". Where there is this pool of people, there is population growth which leads to the mushrooming of global cities. Infrastructure also has a role to play where global cities are concerned as "they act as the lines that join up the real estate dots" reads an article in the Knight Frank report. And with the lifestyle of the modern millennial, living in an all-comprehensive "cubicle within a tower - live-work-play/mixed-use development/buildings with beds" isn't such a fantasy anymore as all one's wants and needs are basically a "screen-touch and hop, skip and jump" away.

Follow our column next week with more insights on global cities and lifestyle trends altering the real estate industry.

FORECAST POPULATION GROWTH IN GLOBAL CITIES 2015 TO 2020

Source: The United Nations

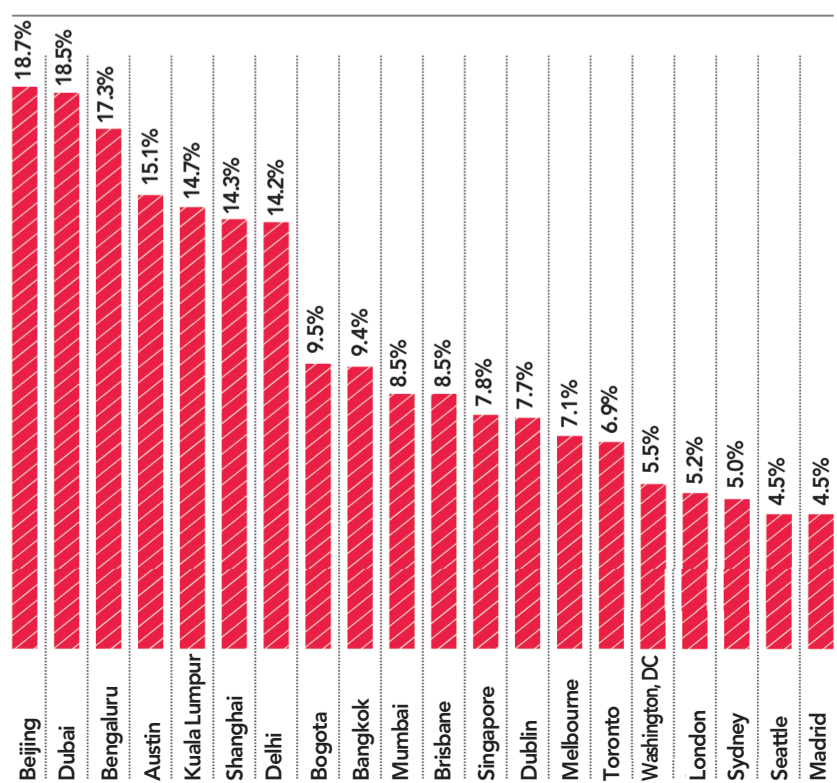


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Era of change PART 2

> Exploring further on lifestyle proclivities that are altering the global real estate outlook

WHILE last week's article highlighted the rise of global cities along with the shift in lifestyle habits and mindsets due to the way modern day companies function and the masses engage, this week we look at three mega trends expected to drive the real estate market and how Malaysia is faring in its goal as a developed nation. To further understand these changes that are slowly and subtly changing the global urban landscape, let us first look at trends and market opportunities that are causing this evolution.

SHAPING THE SHIFT

According to a study conducted by Oxford Economics on Global Cities 2030, the urban economic power will shift into the court on the east side. By the year 2030, it is forecast that:

- ▶ 410 million more people will be living in the top 750 global cities;
- ▶ 240 million more jobs will be created (with 60 million extra jobs in industries);
- ▶ the number of elderly aged 65 and above will rise by an additional 150 million people;
- ▶ consumer spending will increase by \$18 trillion; and
- ▶ 260 million more new homes will be needed.

China will be the powerhouse to watch, with cities like Chengdu,

Hangzhou and Wuhan economically at the top. Cities expected to witness the biggest increases in population and GDP growth in Asia and Oceania include Dhaka, Karachi, Jakarta, Delhi, Mumbai, Tokyo, Istanbul, Singapore and Bangkok.

While emerging markets of India, Brazil and China will make it as the stories of the century, the world's major 750 cities (by 2030) as surveyed in the report, are set to contribute to the world's economy with staggering amounts.

URBAN ECONOMIC POWERS

According to the report, by 2030, Chinese cities will be at the heart of the radical shift in the urban centre of economic gravity. These cities, driven by burgeoning urban populations and rapid labour productivity growth, are expected to overtake Europe's 139 largest cities and America's 58 cities by 2020. Chinese urban incomes will also grow six times faster than that in the Europe sector.

By 2030, US and Asian cities are expected to dominate the top 10 spots with the biggest increases in urban income and consumer spending. While cities across Asia will continue to urbanise rapidly until 2030, their urban populations will also age.

Across the globe, aging populations will bring both challenges and opportunities.

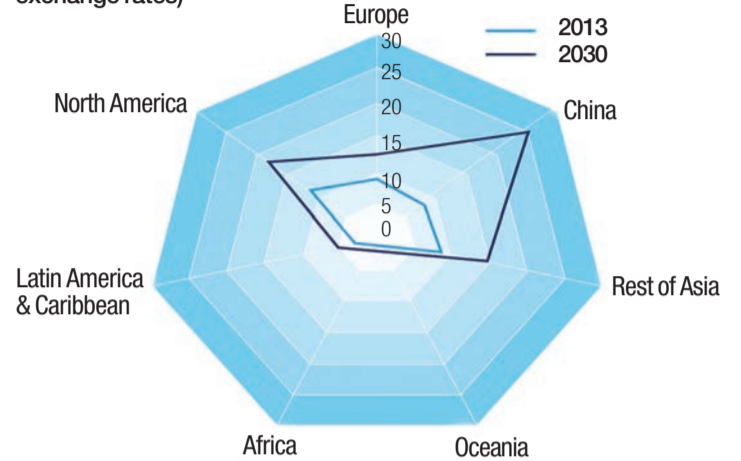
REAL ESTATE CATALYSTS

The three mega trends to drive the real estate market according to investment and business website Visual Capitalist founder Jeff Desjardins are globalisation, demographics and technology. Here are examples of each and valuable tips for the real estate investor.

- 1) **Globalisation** - Global cities are receiving more foreign capital across all real estate types eg. 60% of commercial real estate in London, which have been bought up by international investors in the past 10 years. He urges investors to look for opportunities to diversify real estate portfolios across a broader mix of geographics and asset types. His advice - think globally and develop strong knowledge about the local market before investing.
- 2) **Demographics** - The middle class in Asia is expected to "explode" in growth while in Western countries, the aged will reach their ranks. Global and mega cities have already started mushrooming and will attract and account for the vast majority of economic activity. Desjardins recommends investors look at emerging markets with rapidly expanding middle class (emerging markets), as well as capitalise on areas with large retiree populations.

Shift eastward in urban economic power

Global 750 urban aggregate: GDP (US\$ trillion 2012 prices and exchange rates)



Source: Oxford Economics Global Cities 2030

- 3) **Technology** - With its omnipresence, technology will also impact real estate markets. The growing demographic of "highly-prized commodity of skilled and talented techies" drawn to urban centres will re-shape and re-map communities. Suggests Desjardins, explore emerging technology hubs for real estate opportunities and look for favourable circumstances in urban-adjacent industrial properties as businesses establish distribution centres near cities to reduce costs.

and its surrounding metropolitan areas. Sprawling some 2,793 sq km to accommodate approximately 7.9 million people - Greater KL is said to be well positioned as a regional hub for diverse economic activities and business dealings. In its development as a megalopolis and with our currency where it is, public and private stakeholders are reported to be attracting multinational global firms to set up regional hubs right here. Agencies established to help the country achieve the ETP and its developed-nation come world-class status include InvestKL and InvestSelangor.

MALAYSIA INTO THE FUTURE

With all the development, evolution and progress that Asia is forecast for, it sounds as though the real estate industry in this part of the world is in for an exciting time. As it is back here on home ground, one cannot help but notice the amount of construction that has been on-going. Driving this growth and development is the Economic Transformation Programme, otherwise known as the ETP, which was launched in 2010 and has set sights for our country to achieve "developed-nation" status by 2020.

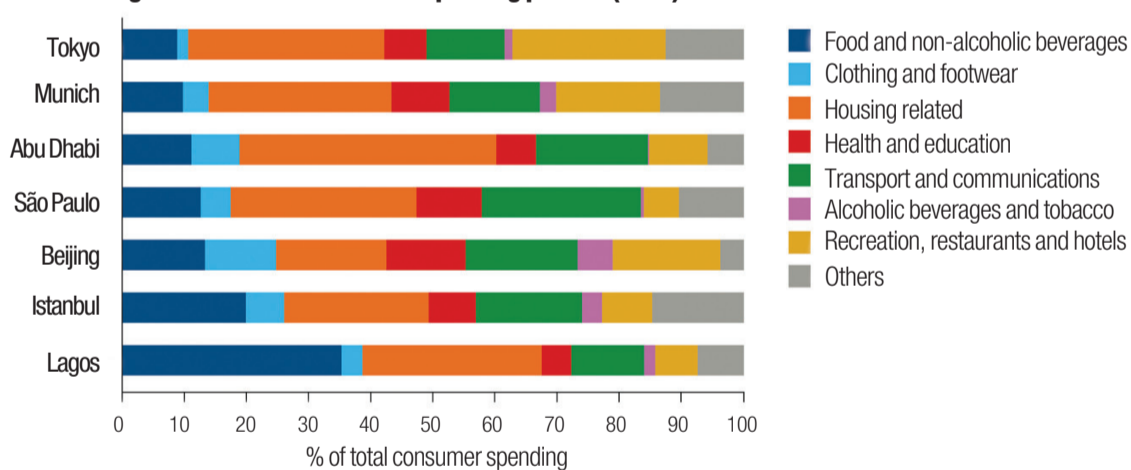
Parallel to our topic on global cities, we examine Greater Kuala Lumpur (Greater KL), which encompasses the capital city of KL

As it is, investors and stakeholders from China and Indonesia, as well as other countries are already behind a couple of major mega property development projects. The real estate landscape is already on its course of change as lifestyles and habits transform. Follow our column next week for more on this exciting era of change.

*** Note: Data and charts taken from Global Cities 2030 study conducted by Oxford Economics.*

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

Selected global 750 cities: Consumer spending patterns (2030)



iProperty.com millionaire forum and property showcase

IPROPERTY.COM and Mastery Asia recently held the seventh millionaire forum during the iProperty.com Home & Property Investment Fair.

The Millionaire Forum, themed "Where to put your money in 2017" offered to provide extensive information on investment trends, opportunities and tips from industry experts. The panellists for this year's forum included bigwigs from the property, financial technology (fintech) and small and medium enterprise (SME) industries.

IMPORTANT ADVICE

During the forum, panellist and Signature Living Asian director Dean Oakford urged investors to really "know" their investment.

"It is important to ask yourself what do you need out of this investment if you are going to choose property. People make the big common mistake of investing



overseas and being clueless on what to buy. There are many investments out there that could confuse anyone. So, understand what you need," said Oakford. Moreover, when buying or investing abroad it is wise to be in the know on the property and investment laws of that country.

Fellow panellist and DasFinancial executive chairman Terry O'Hearn shared the same view.

"I think the first thing I would say to an investor is in every investment, invest in what you know. If you don't know, find out and learn. Just getting advice from others and acting on it often ends badly. Be passionate about what you are investing in and take your time to learn it thoroughly," he said.

PROMPTS AND CUES

Panellist and B.I.G Industries Berhad chairman BT Lau shared

with the attendees his reason for investing in property. "Property is god-sent. An estimate of 70% of the Malaysian population are aged 40 years and below. This figure reveals that there will be huge demand for property," he said

Lau also encouraged investing in affordable houses. "The developer picked up the cue that it was better to sell affordable homes during Bank Negara's effort to curb, monitor and clamp down household debt. Developers are holding back on their other projects and building affordable homes on whatever land they have.

"This is probably the only time in the property industry, where developers are scrambling to sell affordable homes, especially since the maximum monthly income limit for affordable homes has been increased to RM15,000 a month."

PROPERTY NEWS

On the same page with Lau,

Oakford added: "I totally agree that one should invest in property. It is the oldest investment in the world. Moreover, there is no way you can buy a piece of property with a title and it becomes less valuable over a 10-year period," he said.

Oakford then shed light on something that took the crowd by surprise. He said that Malaysians are the biggest investors of UK property. "I think it is because many Malaysians send their children there to complete their education.

"Malaysians have a great affinity for the UK, they always have. In the last four years, Malaysians were recorded to be the biggest investors in the UK property market. They beat the Singaporeans, even the Chinese and everyone else," shared Oakford.

For more information on iProperty.com's home and property investment fair, visit iproperty.com or its Facebook page.