

House Buyer Guide For Property In Malaysia

*16 Tips On Getting The Right
Property In Malaysia*

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<http://www.MalaysiaPropertyGuide.com>

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About The Authors



Juanita Chin

Juanita Chin has been involved in property development and construction field of more than 10 years.

She has sold more than MYR500 million worth of real estates to local clients, as well as to foreigners from U.S., U.K., Australia, Hong Kong, Holland etc.

She specializes in dealing with residential units, offices, resort condominiums, and own 7 properties worth MYR3 millions herself.

Passionate about properties, her dealings with her clients has also direct, open, honest and considerate. Her clients kept coming back for her service, knowing very well that she is reliable, ethical and professional.

Because of seeing so many foreigner been mis-informed, cheated, and ripped off, she decided to publish "**How To Own Properties In Malaysia Without Been Ripped Off!**" to help her foreign friends in searching for the right properties in Malaysia.



C. Guan Soo

C. Guan Soo has written 4 books in Tai Chi and Confucius' teaching before joined hand with Juanita to write their "**How To Own Properties In Malaysia Without Been Ripped Off!**"

As a business and computer graduate, he reads very widely. He has very wide knowledge and has talent to grasp new information easily. Thus, he can easily understand the information related to properties, and transform it into easily understandable materials.

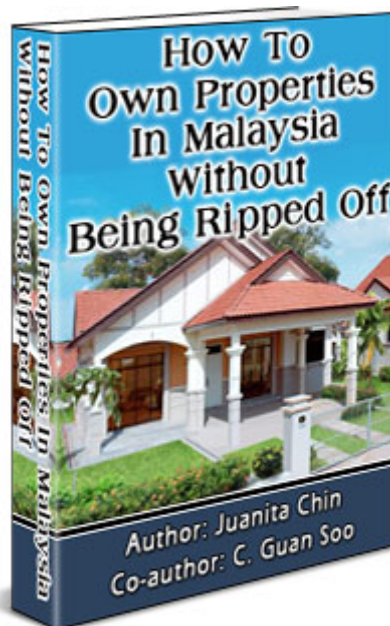
He has worked in many areas involving writing, e.g. newsletter editor, articles writing, translation, course material preparation, writing marketing materials, etc before starting to write his own books.

He's now a free-lance writer, copywriter for many clients, specializes in direct response marketing copies. And he's also an internet marketer, who is responsible to market Juanita's e-book online.

“Stop Buying Property In Malaysia Until You’ve Read This Amazing Resource Today!”

Discover today:

- ✓ **The important information you need to watch out with two eyes opened, when you search for your property in Malaysia.**
- ✓ Your rights as foreigner house buyer, and what restriction that may cripple your quest, or burn your pocket, if you’re not careful!
- ✓ **The ways to protect; increase and maximize your investments in Malaysia property today.**
- ✓ All the legal, financial and tax information; tips and tricks; and the GOLDEN RULE in buying property in Malaysia!



If you want to own property in Malaysia in safe and assured manner, visit <http://www.MalaysiaPropertyGuide.com> today!

House Buyer Guide For Property In Malaysia

This is a simple jam packed guide, for you to consider when you're looking for the 'right' property in Malaysia. What is 'right' depends very much on what you plan to do with the property; what is your own objective; and so on.

However, as general rule, the right property must be the one that ensure you higher returns in terms of rental, and protects your capital investments through appreciation of the property value.

For more detailed discussion of this issue, you can get a copy of my e-book, "**How To Own Properties In Malaysia Without Been Ripped Off!**" at my website: <http://www.MalaysiaPropertyGuide.com>.

So, to aid you in finding the 'right' property, I've listed out 16 tips that you should seriously look into before even considering buying the property.

The information contains here are important, and sufficient for you to work your way towards owning, possibly, your very first piece of property in Malaysia. So, I strongly urge you to read this thoroughly, and make notes as you go along. I'm sure you'll find it very, very useful.

16 Tips On Buying Property In Malaysia

1. Before you decide to buy a house or property, please ensure that:

- The housing developer has a license and it is still valid.
- The housing developer has an advertisement and sales permit and it is still valid.

2. Determine the house type that you plan to get:

For landed property such as bungalows, semi-detached houses and terrace houses, the expected date of completion is 24 months from the date of signing of the Sales and Purchase Agreement.

For subdivided building such as condominiums, flats, apartments and townhouses, the expected date of completion is 36 months.

Buyers are advised to obtain from the housing developer the complimentary brochures with all the pertinent information about the project such the development's license number, and advertisement and sales permit.

3. Land status

Please ensure whether it is:-

- Freehold land - it is in perpetuity.
- Leasehold land – check the number of years left.
- Malay Reserve.

The status of the land can be checked at the **Land Office** or the **State Land Registrar**.

4. Brochure Information

Brochures are given free by the developers. Please ensure the brochure has the following information:

1. The Housing Development's License number and the expiry date.
2. The advertisement and sales permit number and the expiry date.
3. Name and address of:
 - i. The licensed housing developer
 - ii. Authorized agents (if any)
 - iii. Those holding power of attorney (if any)
 - iv. The project management company (if any)
4. Land status
 - i. Freehold
 - ii. Leasehold – number of years left
 - iii. Encumbrances – whether the land has been mortgaged to the bank for a loan

5. Location description
 - i. Building material specification
 - ii. Size of building
 - iii. Amenities and/or Services
6. Name of housing project (if any)
7. Expected date of completion
8. Price of each type of house
9. Number of units for each type
10. Reference number of the approved building plan and name of the local authority.

The rights of buyers must be understood as contained in the **Sales and Purchase Agreement** as per schedules G and H of the **Housing Development (Control and Licensing) Regulation 1989**.

5. First Payment

The first payment of 10 per cent must be made upon signing of the Sales and Purchase Agreement. Please ensure the date of signing of the SPA and the date of first payment are the same.

Be aware that the housing developer is not allowed to collect any form of payment without a Sales and Purchase Agreement being signed.

6. Architect Certification

Make sure any demand by the developer for installment payment is supported by a certificate duly signed by an architect or a certified engineer.

7. Interest on Late Payment

If the buyer or end financier for the buyer fails to pay the developer the progressive payment or installment within 21 working days from the date of the written notice of payment from the developer, the buyer will be charged an interest of 10 per cent per annum on the installment not paid.

8. Termination of the Sales and Purchase Agreement

Be aware that failure to make the progressive payment or interest charged on late payment for a period of more than 28 days will give the developer the right to terminate the Sales and Purchase Agreement. The developer must serve the notice in writing by AR registered post of its intention to terminate the SPA.

9. Infrastructural Maintenance Fee

Buyers must pay the cost of maintaining the infrastructure from the date of vacant possession till the date the responsibility is taken over by the local authority or management corporation (in the case of a subdivided building).

Infrastructure is defined as:

1. For land and building - Road, driveway, drains, sewerage, pipelines and sewerage tank for the housing development.
2. For subdivided building - Road, driveway, drains, sewerage, pipelines and sewerage tank for the building.

10. Maintenance and Management Fee

From the date of vacant possession the buyer shall be responsible for paying for services such as:

1. For land and building

- i. Refuse removal, upkeep of drains and grass-cutting on the road reserves.
- ii. The buyer is responsible for such payment until such responsibility is taken over by the proper authority.
- iii. The buyer must pay a six months' deposit upon being handed vacant possession for the services to be rendered. After six months, if the services are still not taken over by the relevant authority, any subsequent payment shall be payable on a monthly advance.

2. For subdivided building

- i. Payment is for the cost of maintaining and managing the common area and payment starts when vacant possession is handed over.

- ii. The buyer shall pay one (1) month's deposit and three (3) months' advance in respect of the maintenance service charges and any payment thereafter shall be payable on a monthly advance.
- iii. Maintenance fee must be paid to the developer from the date of vacant possession up until the formation of a management corporation under the Strata Title Act 1985.
- iv. Once the management corporation is formed under the Strata Title Act 1985, maintenance services will be handled by the management corporation and the buyer must pay the maintenance fee to the management corporation and not to the developer.

Reminder: Maintenance fee must be paid as long as the buyer owns a parcel in the said maintained building.

11. Sinking fund

For subdivided building only

The buyer shall upon the date he takes vacant possession of the said parcel contribute to the sinking fund an amount equivalent to 10 per cent of the service charges.

The buyer shall pay one (1) month's deposit and three (3) months' advance in respect of the service charges to the sinking fund and any payment thereafter shall be payable on a monthly advance.

12. Payment of Quit Rent, Rate Assessment, etc

From the date of vacant possession or date of assignment, whichever is earlier, the buyer is responsible for the quit rent, assessment, rate payment and other charges relating to the property bought.

13. Vacant Possession

Vacant possession on the building complete with water and electricity connection must be handed over within 24 calendar months from the date of signing of the SPA for landed property and 36 calendar months for subdivided building.

According to Regulation and Rights of House Buyers during the Handing over of Vacant Possession, the buyer have to ensure the property is free from any encumbrances before accepting notice of vacant possession.

If the developer leases the land or the property, the developer must settle the balance payment before handing over vacant possession.

Conditions that must be followed by housing developers:

1. Certificate from the developer's architect stating that:
 - i. The building is completed.
 - ii. Water and electricity are ready for connection.
2. The developer has applied for:
 - i. The issue of the **Certificate of Fitness for Occupation (CFO)** through Form E**
 - ii. The local authority has issued a notice stating that Form E has been checked and accepted by the relevant authority.

*** Form E is an application from the developer's architect to the relevant authority for the issue of the CFO.*

The buyer is entitled to enter into occupation of the property only upon issue of the CFO by the relevant authority. Likewise, any renovation can only be carried out upon issue of the CFO and approval of the plan by the relevant authority.

While inspecting the building, any defect is recorded and handed over to the developer to be rectified. Make sure you obtain a copy of the report.

14. Damages

The buyer is entitled to claim for late delivery from the developer.

If the developer fails to deliver vacant possession of the building as stipulated by the SPA, it must pay damages calculated on a daily rest, 10 per cent per annum of the purchase price.

15. Defect liability period

The defect liability period is 18 months after the date of vacant possession.

16. Creation of Management Corporation for Subdivided Building

A management corporation will be created once the strata title of each individual parcel is issued to the owners.

Other functions of the management corporation include insuring and maintaining the building.

For More Information...

Please note that this is a general guideline for you to watch out when owning your property in Malaysia. You can start searching for the right property with this information at hand.

Of course, searching for a property may not be as easy as it seems to be. You'll definitely more information. As it will be too much to be filled in this little guide book, you can get hold of more valuable tips and information at my website: <http://www.MalaysiaPropertyGuide.com>.

The information contained in "**How To Own Properties In Malaysia Without Been Ripped Off!**" is comprehensive guide, that shows you the preparation you need to make – including mental preparation (seriously!).

It outlined the detailed information you need to find out about the developer, the property in step-by-step manner. And what kind of developer to avoid...especially in Malaysia! You can't go wrong with these weapons in your arsenal!

You will also find latest information about property development, traps and pitfalls to avoid; protection on yourself; and detailed guidelines for both land and sub-divide properties. This saves you a lot of heartache and frustration of getting the wrong deal! Stop from been ripped off!

You will also get resources on where you can find more information, about the developer; about the legal aspects; and who are the authorities; etc, either online or offline. This leaves you with complete freehand – to do your research and homework independently, without the need to rely on greedy unscrupulous agents who had only their interest at heart!

I've also included comprehensive Malaysian tax information; real property gain tax; the rates; the calculation etc for your better planning on your financial aspects; and

the exemptions which you can tap on for enormous savings on purchasing and disposals of your property.

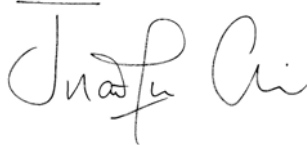
And if you are looking to rent the property out, I'll share with you my consistent proven-to-work tips on adding value to your property, and how to get the right tenants who will pay you every month without fail. This is to max up the returns on your investments!

It's a complete Fool-Proof Step-By-Step Guide For Foreign Investors On Owning Properties In Malaysia.

You can own a copy of "**How To Own Properties In Malaysia Without Been Ripped Off!**" at: <http://www.MalaysiaPropertyGuide.com>.

Until then, I wish you great success in your 'hunt', and may you always feel at 'home' when in Malaysia!

Yours sincerely,



Juanita Chin
Professional Property Negotiator



C. Guan Soo
Writer/Copywriter