

# Telegraph

## Property in Malaysia: where to buy

### From bustling Kuala Lumpur to laid-back Langkawi, Laura Henderson picks out Malaysia's property hotspots.

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*Vibrant: the capital city of Kuala Lumpur is where many investors choose to buy a home Photo: yu liang wong / Alamy*

Non-residents can purchase residential property with a minimum investment value of approximately RM500,000 (£102,000). In some states, like Pahang, however, the threshold is higher.

Both freehold and leasehold properties are available. Most leasehold titles are on a renewable 99-year basis.

Stamp duty is payable on a sliding scale of between one and three per cent of the purchase price. Agent fees are usually three per cent of the property price. Legal fees should amount to no more than £2,000.

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Capital Gains Tax is 5 per cent, with an exemption of up to RM10,000 (£2,000) or 10 per cent of the gain, whichever is higher.

### **Kuala Lumpur**

Situated midway along the west coast of Peninsular Malaysia and the primary base for overseas investment, Kuala Lumpur sports a healthy British influence from its days as a colonial outpost; age-mellowed architecture now rubs alongside iconic emblems of KL's future; eye-popping architectural feats such as the lofty Petronas Twin Towers, bearing down on the city's vibrant, bustling streets.

"One distinctive feature of the city is its low-density build spread over a large area," explains Imogen Ridley of **Claire Brown Realty**. "This has given developers the scope to build gated communities of individual homes in lush and green surroundings. Capital appreciation is also high, producing annual yields of up to 10 per cent with rental yields on luxury condominiums and upmarket detached houses currently realising between seven and 8.5 per cent."

Location wise, suburban locations such as the Klang Valley and Mont Kiara are attractive prospects; new developments targeting high-income families offering onsite facilities such as golf courses, pools, spas and shops. Entry-level prices for a one-bed apartment start in the £100,000 range. For a touch of designer downtown chic, The Troika, a three-tower project designed by the company of the British architect Norman Foster, has glistening steel and glass-encased apartments with private terraces from £370,000.

### **Port Dickson**

A popular coastal resort (an hour from Kuala Lumpur), drawing city weekenders and second-homers, property choice has diversified in the past three years with a growing selection of luxury condominiums and waterfront villas. Top investment spots include Port Dickson International Marina Resort to the south, home to Admiral Cove a stunning waterfront development with moorings. Three-bed waterfront villas sell for £120,000.

### **Langkawi**

A mid-tempo antidote to busier Phuket and Bali, Langkawi (off Malaysia's north-west coast) boasts a cosmopolitan fan base of Asians, Australians and Europeans, rivalling even Penang to the south, with more than 1.5 million visitors a year, eased by the recent expansion of its international airport. The island is known for its long, white sand beaches, traditional stilted fishing villages and upmarket resorts, yet it still feels remarkably unspoilt. "Ninety-five per cent of the island is Malay Reserve, preventing overdevelopment of any kind," explains Andrew Dempsey of Langkawi Real Estate "Buying property here is a lengthier process than the mainland but quite 'do-able'."

Most development clings to the island's southern shore, from Kuah, the commercial hub, in the east, to the livelier Pantai Cenang beach area in the west. "A standard-size townhouse in a new development costs from £50,000," adds Dempsey.

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“Life on Langkawi is decidedly low-key – not for everyone. Rental yields for a luxury detached villa can be lucrative, however – netting in the region of £2,000 a week peak season.”

### **Penang**

Lightly dusted with 21st-century modernity, Penang (Malaysia’s second-largest island) 60 miles south of Langkawi, still exudes an old-world charm in the capital, Georgetown.

More developed than Langkawi, the island sports a stylish mix of boutique hotels, enlightened restoration projects and turnkey waterfront resorts with most development centered on the east coast. Prices for a small turnkey apartment start at £40,000, high-end condominiums heading towards the £150,000 mark, with luxury villas fetching £500,000 in prime residential districts such as Gelugor, Tanjung Bungah and Gurney Drive.

“Alongside a healthy tourist sector, multinational corporations opening up satellite offices on the island is precipitating residential growth,” says Angeline Choon Hwa of agents Leong Housing.