



# Kajang's the next hotspot for affordable living

- **Kajang** is on par with city centre developments that focus on quality of life
- **Ready** infrastructure with several highways make Kajang a natural choice for developers to expand township developments



by  
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**"Kajang properties saw a 2.3% increment in asking prices 4Q17 to 1Q18, with a further 2.6% qoq rise in 2Q18, indicating sellers are more confident with the asking prices given the push in demand."** -

PropertyGuru Market Index

**O**VER the past 40 years, Kajang has played host to a growing population of people migrating to Kuala Lumpur while looking for an affordable place to stay outside of the big city.

Today, Kajang is on par with city-centre developments that focus on quality of life, tailored for upgraders and urbanites with its ready amenities and spacious landed offerings.

Despite being a thriving area, the PropertyGuru Market Index (PMI) shows a prolonged decrement from Q1 2016 to Q4 2017 in asking prices in Kajang.

As cited in news reports, this situation did not mean that property owners were driving down prices below the market value.

Some reports have pointed out that properties in this category are old and within established housing estates.

Some owners have likely either paid off their housing loans or have only minimal outstanding loans and most of them are selling because they see cash-out opportunities due to capital appreciation over the years.

Reports also state that due to stricter lending rules, asking prices could have also been capped and bank valuations of a landed home may not correspond to a seller's intention to offer for sale at a higher price.

PropertyGuru Malaysia country manager Sheldon Fernandez says the declining trend since 2016 and 2017 is consistent with prevailing market sentiments and that the ongoing price correction is healthy for the residential

sector in the medium and long terms.

"Importantly, it has been gradual so there are no significant shocks to the market and both buyers and sellers can adjust accordingly.

"Declining prices usually correlate to improved consumer satisfaction. In fact, our last consumer sentiment survey shows consumer positivity towards the real estate sector has improved," he says.

According to PropertyGuru's Consumer Sentiment Survey - released in January this year - consumer satisfaction has improved to 38% with 57% of Malaysians intending to buy in the next six months, up from 52%.

In spite of the uncertainties faced in the country this year, asking prices began picking up in Q1 2018 onwards.

The PMI shows Kajang properties experiencing a 2.3% qoq increment in asking prices, from 4Q17 to 1Q18, with a further 2.6% qoq increase in 2Q18.

Overall, a 0.9% yoy increase was seen from 2Q17 to 2Q18, indicating sellers were more confident with their asking prices given the push in demand for the area.

It was also stated that there are a handful of new residential project launches which are more appealing to buyers for featuring modern designs in well-planned townships with clubhouse facilities, verdant landscaping as well as security features.

## Maturing townships around Kajang

Beginning as a small and humble old town that underwent multiple transformations over the years, Kajang has turned into one of the most populated cities in Malaysia with a population of about 800,000 in 2010.

According to DBS Group Research, the ready infrastructure with several highways have made Kajang the natural choice

for developers to expand township developments.

This is supported by the availability of large tracts of land and these sub-districts have been recording among the strongest population growths in Selangor.

The close proximity to KLCC and Putrajaya will ensure KL South continues to thrive, it adds.

Due to its strategic location and lifestyle offering, many developers began creating real estate in neighbouring areas and among them, towards the north of Kajang is Bandar Sungai Long, a well-planned and matured township of 10,000 residents, with a campus of Universiti Tunku Abdul Rahman located there.

One notable housing estate, Saujana Impian, in Bandar Sungai Long is self-sustained and self-contained with its own amenities and facilities including hypermar-

kets, schools and even a golf course.

Hence, Saujana Impian provides luxurious living for the upper middle class.

### Upscale development

On the west side of Kajang is an elegant and upscale gated residential development known as Jade Hills.

This luxurious housing estate comes complete with facilities and amenities including its own international school, Eaton International School.

The icing on the cake, situated in westward, is the popular township Country Heights, popularly regarded as the 'Beverly Hills of Malaysia.'

Meanwhile, in the heart of Kajang are prominent landmarks such as Kajang Stadium, Kajang Hospital and Metro Point. The town is strategically surrounded

by affordable housing areas.

A newer addition featuring an abundance of nature and just 10 minutes away is TTDI Grove, a gated and guarded housing locale. Though it is near the infamous Kajang Prison, it is well-known as the 'The Trendsetting Township In Kajang.'

A town in the suburbs of Kajang is Sungai Chua, comprising double-storey shop-offices and a couple of units of factories. Pusat Perindustrian Sungai Chua nestles in the core of this town.

### Affordable housing

Taman Bukit Mewah lies in the eastern suburb of Kajang featuring older properties, perfect for those looking for more established housing with amenities.

Further east is Taman Jasmin, a very popular choice for affordable and reasonably priced housing.

An artist's impression of one of the new terrace housing projects in the pipeline in Kajang



Then there is Taman Kajang Prima, designed specifically for family living and with a right mix of commercial and residential offerings.

Bordering the southern part and close to Semenyih is Kajang 2, a newly integrated development with appealing facilities including a recreational park and a nearby beautiful pond. Kajang 2 provides a very safe and harmonious lifestyle for its residents.

In the Kajang-Semenyih sub-district lies a recently completed township, Kajang East. Houses here are designed with award-winning architecture for a luxurious living experience, with many key facilities in the vicinity.

Soon Kajang will emerge as the modern metropolis of Hulu Langat district for its diverse array of housing options and lifestyles on offer.

### **KL South migration**

DBS notices that terrace house prices in the Hulu Langat district have consistently outperformed those in Kuala Lumpur and Petaling district, likely due to the huge price disparity.

The National Property Information Centre (NAPIC) states that property prices in Hulu Langat are relatively lower compared to average terrace house prices in Kuala Lumpur and Petaling, driving greater property buying interest in the

Kajang growth corridor where lifestyle gated and guarded developments have been mushrooming.

DBS believes that the KL South migration is imminent where major developers in the Kajang/Semenyih corridor are rushing to buy land.

"This only reinforces our view that this will be one of the best hotspots in the years to come, possibly more visible when the MRT (Mass Rapid Transit) stations are completed," it states.

The MRT network has reshaped public perception of residential properties that were previously associated with long travel distance to and from the KL city centre.

Furthermore, availability of landed properties at lower prices compared to other established townships such as Kota Damansara and Petaling Jaya, especially with the appeal of public transport connectivity, has made Kajang the next choice for property seekers.

DBS also notes that an additional advantage is the close proximity to Putrajaya, which has contributed to robust property sales in the area.

Upgraders from Cheras, Putrajaya and Cyberjaya also naturally look at Kajang when it comes to buying gated and guarded residential projects with lifestyle amenities.



**"In fact, our last consumer sentiment survey shows consumer positivity towards the real estate sector has improved."**

- Fernandez

### Further but well-connected

Despite Kajang being located about 21 km from the Kuala Lumpur city centre, there are several highways that have cropped up over the past few years, much to the benefit of Kajangites.

These include the Kajang Dispersal Link Expressway (SILK), Expressway Lingkaran Tengah or North-South Central Link (ELITE), the Cheras-Kajang Highway, the North-South Expressway, the new South Klang Valley Expressway (SKVE), the Kajang-Seremban Highway (LEKAS) and Cheras-Kajang Expressway (CKE).

In the next few years, two more highways – the East Klang Valley Expressway (EKVE) and Sungai Besi-Ulu Klang Elevated Expressway (Suke) – will emerge.

Currently under construction, EKVE will span 39.5 km connecting Ukay Perdana in Ampang with Bandar Sungai Long in Kajang. This expressway will be a part of the Kuala Lumpur Outer Ring Road. EKVE is expected to be completed by 2019 and is projected to benefit 140,000 Kajang commuters a day.

Meanwhile, the 31.8 km Suke will complete a ring of networked highways in the Klang Valley including CKE. Suke will act as an alternative route to Kajang from Ulu Klang, with its construction being completed in 2019.

One major plus point for Kajang is that its public transportation has improved since the Kajang-Sungai Buloh MRT Line

began operating in July 2017, with travel to other parts of the city becoming more accessible. There are three MRT stations, at Saujana Impian, Bandar Kajang and Jalan Reko.

The MRT line was touted to give a further boost to property values, and property demand indeed started rising after MRT began operating, as seen in the increase in PMI.

### What's upcoming?

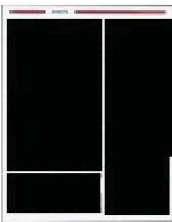
The strong demand in Kajang is drawing more development that are to be completed in the coming years. Among them are four new serviced residences including Saville@Kajang that was completed in October 2017. L'MARQ Residence in Semenyih and 3Residences as well as The Louvre in Kajang are set to be completed in 2018.

For the condominium segment, Kajang will see three new projects take shape, namely Oasis 1, Lavender Residence and Camellia Residence. These projects will be completed in 2018 and 2019.

For the landed propositions, high-end semi-detached houses at Tropicana Heights will be ready in two years and Parkfield Residences and Ridgefield Residences are expected to complete sooner than expected, by early 2019. **FocusM**

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Page 6 of 6

## SUMMARIES

For developers to expand township developments. This is supported by the availability of large tracts of land and these sub-districts have been recording among the strongest population growths in Selangor. The close proximity to KLCC and Putrajaya will ensure KL South continues to thrive, it adds.