

## Residential sub-sale market

# Pre-owned – pros and cons

### > Re-examining residential property on resale

**O**VER the last month, *theSun* featured a series of articles on the local sub-sale market. Having explored the definition of the term; shared checklists, tips and advice; highlighted the general outlook in the country; and zoomed in on Sabah, Sarawak, Penang and Iskandar, we end the series this week by drawing attention to pros and cons in buying residential resale/sub-sale property.

#### GENERAL OUTLOOK

Depending on how one views things in life – as in the glass half full or half empty – buying a piece of property, put back into the market for sale after it has been lived in, surely doesn't sound very appealing.

Some view it as “second-hand” or “used items”, quite the unthinkable when it comes to purchasing and making a home of. Then again, property investors or those with ringgit and sen running through their veins, especially when it comes to forking out money or making any purchase, think otherwise.

#### THINGS TO CONSIDER

Although new properties are a whole lot more attractive, in both brochures and reality, there are many benefits in buying sub-sale residential property. However, below are a few points to consider before signing the dotted line:

**1) What you see is what you get**  
When buying a residential property put back in the re-sale market, viewing it thoroughly is a must. Happy the buyer who manages to find his or her “dream home”. But first, go through the property with a fine-tooth-comb to ensure you know exactly what you are buying.  
**Hindsight:** Consider any irregularities and flaws as these will need to be added into your “expenses” to get the final figure of how much you will actually be spending when buying a re-sale property. From flooring that may need to be changed to leaks and faulty fixtures and fittings that the seller has included in the sale price – all these add to your expenditure and gives room for negotiation where the price tag is concerned.

**2) Conserve on renovation**  
Depending on the condition of the property and how identical or similar it is to what you actually have in mind for the place you intend to make home of – you could save quite a sum if you manage to find a house that ticks all the right boxes. That said, it would be wise to take your time in looking for a property which meets all your desired requirements.  
**Hindsight:** Never make hasty decisions and do not allow yourself to be put in a spot where you have to make an immediate decision, especially in purchasing a house you intend to live in. Never compromise. If the price is too good to be true, examine the property in detail. Ensure there are no encumbrances on the title and the seller has not filed for bankruptcy. Check for white ant and termite infestation.

#### 3) Matured township with amenities in abundance

There is no right number that fits the bill to describe a matured township. But here are some features that resonate with the likes of one – banks, hospitals, schools and education institutions, pharmacies, clinics, 24-hour conveniences stores and eateries, petrol stations, easy access to public transportation and major highways, parks, open and green spaces, shopping malls, post office, places of worship, leisure and entertainment outlets.

**Hindsight:** While all the above may come as conveniences for many, such places are usually densely populated. Hence, finding the right balance may require one to “give and take” on amenities, facilities and comforts.

#### 4) The choice is yours – outlook, setting, even choice of neighbours (and pets)

When viewing the property, one is advised to talk to the neighbours. Stand back and get the “bigger picture”, taking in the entire setting, look from all angles, from afar. You can actually learn a lot from the folks living next door as they could let you in on crucial information on the property at stake. Besides, you could also take this meeting with the neighbours as an opportunity to learn who you may be living next to in the coming years, if not, the rest of your life.

**Hindsight:** Take note about the things that irritate or annoy you – crying babies, noisy children, loud or smelly pets, mosquito infested grounds, overly zealous house party people, etc. – or vice versa. You may be all the above and find that your neighbours might give you a hard time if lifestyles are at polar ends.

#### 5) Free of foul smells from toxic newness

Any thing new usually comes with the scent of newness and novelty. But new houses that are left closed reek of sometimes “industrial fumes” from paint, sealants, adhesives, etc. No worries for the sub-sale buyer as interiors will or hopefully will, smell of home. You are also free from noise pollution unless you or your new neighbours are renovating.

**Hindsight:** However, in the case of newly refurbished and renovated houses, interiors dressed with a new coat of paint, or perhaps re-



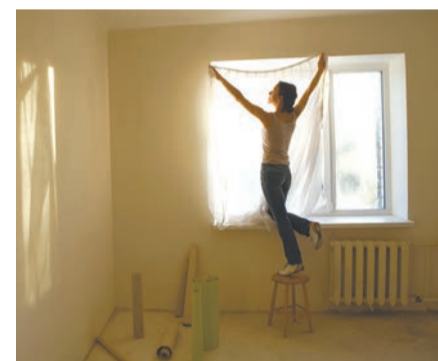
floored/re-tiled, or those given a thorough cleaning with industrial solvents and detergents – you might want to open up doors and windows and “air” interiors before moving in.

#### 6) Security and safety measures

Check on the history of the township or neighbourhood and learn of its past. If there is a housing residences association/committee, check with members on security and safety measures or if there are any issues. From guarded and gated to regular patrols, ensure you are happy with the services, which you will probably need to pay towards.  
**Hindsight:** Besides hefty security and safety charges you will most likely have to bear along with those in the area, you could be called for residents patrol duty.

#### 7) Digital cable tv, internet and phone services

Many houses and high rise residential lots are fitted with these



conveniences. When buying sub-sale, you will probably need to sign up for a new account before use.

**Hindsight:** Do check on availability of the service and clarity as some areas do not receive the best reception. In addition, if you are taking over the previous owner's account, ensure all preceding bills are settled.

#### 8) Identity, characteristic and reputation of housing area

Who does not want to live in an area that is renowned for all the right reasons? From the cleanest neighbourhood to that with zilch burglaries, the most amount of amenities and facilities or the best maintained, etc. Houses in areas like these give its residents a sense of security and pride.

**Hindsight:** If you are not one who is houseproud, your fervent neighbours may give you a hard time.

#### 9) Free from dysfunctional fixtures, furnishings and structural design

Come up with a checklist when viewing any sub-sale property so as not to miss out anything/area of the home. What you see is what you get. Anything which is not in proper working order can usually be rectified or repaired by the seller or else, negotiated to be minused from the agreed property price.

**Hindsight:** If you don't “catch it” before you sign the dotted line, you may end up having to pay for whatever is not in working condition.

#### 10) Negotiable price tag usually lower than new property, sometimes below market price

Depending on various elements to consider like – the built-up, land

area, size and type of property, its neck of woods, facilities and amenities, etc.

**Hindsight:** If the price is too good to be true, take your time and do more research on the property, the title/deed and the owner.

#### 11) No more surprises

When buying property in matured townships, most times there is hardly much land left to construct huge developments. Hence, one is free from surprises like having

a huge white elephant obstructing your amazing view or blocking out the natural air flow, etc.

**Hindsight:** Some may beg to differ as parks and lakes in matured townships have sometimes, in some cases, had to make way for development/construction. However, residents and members of residents associations in matured areas with these open and green spaces will normally give developers a hard time.

#### 12) Matured greenery

In short, a sight for sore eyes indeed providing more oxygenated air during the day. The colour green is also known to rest tired eyes.

#### 13) More homely feel

Though debatable, used goods usually radiate more warmth, hence, more homely.  
**Hindsight:** Used goods that radiate a homely feel may be on its way to decaying, giving way, etc.

#### 14) Chance of getting more than what you bargained for

Looking at this point in a positive light as in, pieces of furniture which you may have said you liked when first meeting the seller and viewing the house as in furnishings like drapes and electrical fixtures or lamps, etc. – the seller may throw in some of these with the sale of the property.

**Hindsight:** You may get more than you bargained for but in a negative light – as in junk, odds and ends, lock-stock-and barrel of defective goods and scrap material.



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