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Journalist	RACHEL CHEW	AdValue	RM 48,417
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# Hidden gems unearthed

Real estate prices in Kepong, once a tin mining area, have held firm for years. Consultants believe older houses in the northern part of the town have potential for further value enhancement through property remodelling.

**Rachel Chew** has the story on page 4.

PICTURE BY LIEW YEN YING/THE EDGE



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COVER STORY

# In Kepong, old is gold

BY RACHEL CHEW  
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In northwest Kuala Lumpur lies Kepong, one of the more mature neighbourhoods in the city with a history that can be traced back to the 19th century. The town is a far cry from its tin mining heyday in the 1860s. At the height of the mining boom, the Chinese immigrant population swelled, leading to the setting up of Chinese new villages (*kampung baru*).

Now densely populated with a vibrant mix of residential and commercial developments, Kepong boasts mature infrastructure and public amenities, such as MRT stations, parks, commercial areas, shopping malls, schools, hospitals and medical centres. Over the years, it has seen strong market demand and an increase in property prices, particularly for landed residential properties. These are mostly located in the older parts of Kepong, namely Jalan Kepong, Kepong Baru, Taman Bukit Maluri, Bandar Menjalara and Taman Sri Bintang. They are also considered the more popular and sought-after areas. For instance, the asking price for an old and unfurnished 1-storey freehold landed property in Kepong Baru can go up to RM800,000 (depending on condition, land size and location), according to data from EdgeProp.my.

This growing price trend has a spillover effect on the relatively quieter parts of Kepong, namely Taman Daya, Taman Ehsan and Taman Desa Jaya in the northern part located between Forest Research Institute Malaysia and the Middle Ring Road 2 (MRR2).

In an email interview, Nawawi Tie Leung managing director Eddy Wong tells *City & Country* that northern Kepong comprises predominantly landed housing with some industrial properties, where the residential properties are mostly 1-storey terraced houses that cater to the low- and mid-market segments, with limited 2- and 3-storey terraced houses.

Meanwhile, in the small and middle industrial estates, there are Ehsan Jaya Industrial Park, Taman Ehsan Industrial Park and Bukit Desa industrial area.

"Taman Daya, Taman Ehsan and Taman Desa Jaya in Kepong are among the few housing es-



The fact that the properties are old may actually be a positive point for those who like to have the flexibility of renovating the properties according to their preferences." — Wong, Nawawi Tie Leung

Northern Kepong is situated between Forest Research Institute Malaysia and the MRR2

tates in a fairly accessible location that isn't too far away from the city centre, where the prices of terraced houses are still around the RM500,000 mark," Wong notes.

He explains that the affordable price point is due to the type of houses and land sizes — they are mostly 1-storey terraced houses with limited 2- and 3-storey terraced houses. The 1-storey units (typical intermediate) have land areas of between 1,400 and 1,800 sq ft, while the 2- and 3-storey terraced houses have land areas of around 840 to 1,200 sq ft.

Meanwhile, PA International Property Consultants (KL) Sdn Bhd group managing director Subramaniam Arumugam points out that the affordable price in northern Kepong is also due to the maturity of the housing estates.

"All were developed in the 1980s. However, Taman Ehsan was only developed after Taman Desa Jaya. Taman Ehsan is a mixed residential, commercial and light industrial township while both Taman Desa Jaya and Taman Daya are predominantly residential. All are leasehold," he shares.

#### Remodelling trend to continue

According to data from PA International, the attracted prices for terraced houses in Taman Daya, Taman Ehsan and Taman Desa Jaya have remained stable in the past five years.

"Demand for 1-storey terraced houses is notably higher than that for 2- and 3-storey terraced units in the same area, primarily because of the affordability (priced below RM600,000) and the predominance of 1-storey terraced houses," says Subramaniam, adding that 1-storey terraced houses in Taman Desa Jaya — particularly those with a typical land size of 22ft by 65ft — are highly sought-after.

One possible reason is the rising trend of remodelling old landed houses into modern houses there, similar to many older landed residential developments in mature areas in Kuala Lumpur.

"This trend [of remodelling old landed houses] is expected to continue everywhere, particularly in older housing schemes. Older houses typically require extensive renovation to ensure they are safe for occupancy as well as to enhance their aesthetic, and at the same time, these home improvement

works can deliver long-term cost-effectiveness for owners," Subramaniam comments.

He adds that such a trend will not only enhance the property's value but also have a positive impact on the area's overall property market.

"Renovated houses, provided the work is done with approved plans, will definitely enhance their market value. When there is an increasing number of renovated houses on the market, asking prices will rise and this may deter genuine buyers hunting for affordable landed properties in Kepong. Over time, this can have an impact on the number of transactions and demand in the region," he explains.

Nawawi Tie Leung's Wong concurs, noting that older housing suburbs will continue to see the process of rejuvenation and transformation as it is expected that the younger generation will continue to buy and renovate old landed houses into modern and fashionable residences.

"This is especially true with the housing suburbs in mature and accessible locations where amenities are readily available. If you have a limited budget, the housing choices are probably between buying an older property in a more central location and buying a high-rise stratified development; or, alternatively, buying a newer property located further away from the city centre. If you do not want to stay too far away from the city centre and have a preference for landed housing, then the option of renovating old landed houses would stand out," Wong notes.

Citing northern Kepong as an example, he says that the presence of the 1-storey terraced units there, which have a slightly more accessible price point, helps with the decision-making process. "The fact that the properties are old may actually be a positive point for those who like to have the flexibility of renovating the properties according to their preferences."

He adds that the current property trend will eventually transform the property landscape of the neighbourhood and further unlock the property market's potential and value.

"The process may be gradual in the beginning but as the neighbourhood becomes increasingly attractive, the pace will accelerate quickly. Demand will improve and prices will appreciate, reflecting





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### Landed residential transaction and price trend in northern Kepong

	2023			2022			2019		
	TYPICAL LAND AREA (FT)	NO OF TRANSACTION	TRANSACTION PRICES (RM)	NO OF TRANSACTION	TRANSACTION PRICES (RM)	NO OF TRANSACTION	TRANSACTION PRICES (RM)		
<b>1-STORY TERRACED HOUSES</b>									
Taman Ehsan	22 x 75	6	500,000 - 650,000	13	500,000 - 670,000	16	450,000 - 598,000		
	22 x 80	NA	NA	3	470,000 - 500,000	1	475,000		
	22 x 85	2	575,000 - 600,000	9	450,000 - 650,000	1	550,000		
Taman Desa Jaya	22 x 65	12	470,000 - 600,000	37	450,000 - 600,000	29	400,000 - 600,000		
<b>2-STORY TERRACED HOUSES</b>									
Taman Daya	14 x 60	NA	NA	1	618,000	1	460,000		
	20 x 60	NA	NA	3	680,000 - 690,000	5	590,000 - 636,000		
Taman Ehsan	22 x 75	NA	NA	2	700,000 - 820,000	NA	NA		
	22 x 80	NA	NA	1	780,000	NA	NA		
Taman Desa Jaya	22 x 70	NA	NA	NA	NA	NA	NA		
<b>3-STORY TERRACED HOUSES</b>									
Taman Daya	14 x 60	2	400,000 - 430,000	NA	NA	NA	NA		
	20 x 60	1	675,000	NA	NA	1	700,000		

JPPH & PA INTERNATIONAL PROPERTY CONSULTANTS (M) SDN BHD



UEM Sunrise Bhd's Kiara Bay is adjacent to northern Kepong and has a spillover effect on the property market there



“This trend [of remodelling old landed houses] is expected to continue everywhere, particularly in older housing schemes.” – Subramaniam, PA International

the increased demand and appeal of the housing estates,” Wong says.

#### Pitfalls

Nonetheless, Wong stresses that only properties in areas that enjoy good connectivity and mature amenities are worth the effort as remodelling old houses requires ample time and funds.

“Properties that enjoy good connectivity, have amenities nearby and are reasonably priced are good opportunities for those looking to acquire and transform old terraced houses. However, it is important to work within a clear budget and be flexible as renovation delays are common,” Wong cautions. “More importantly, be sure to seek the necessary approval from local authorities so that you do not run afoul of the law.”

PA International's Subramaniam also advises those on the lookout for these “home improvement projects” to be flexible in their requirements because such properties usually require extensive renovation.

“Engage a local real estate agent to source the best deal and hire a design team to ensure the renovation is budget-friendly and cost-effective [to justify your investment]. Always remember to allocate sufficient renovation costs as old houses

tend to have hidden problems that may require additional expenses to fix,” he shares.

While he agrees that landed residential properties in northern Kepong are suitable for remodelling, he warns that undertaking the project may involve a large sum.

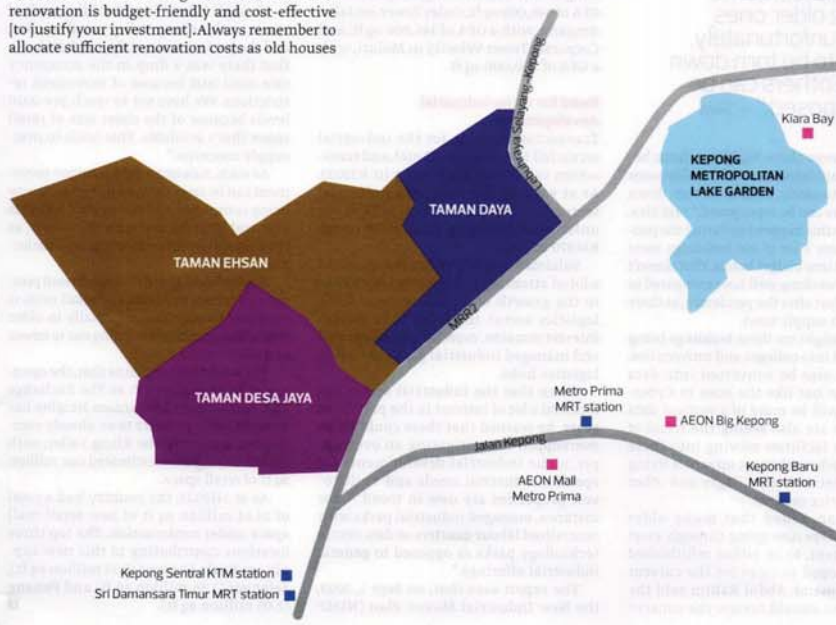
“These three areas (Taman Daya, Taman Ehsan and Taman Desa Jaya) are relatively affordable [for property buyers looking to buy landed property] in Kepong or the city fringe [but] the existing houses generally require extensive renovation that involves large amounts of cash payments. This may not be within many buyers' means today, particularly first-time homebuyers,” he shares.

Despite that, Subramaniam foresees a stable property market outlook for northern Kepong with limited room for growth in price due to the age of the properties there as well as other challenges such as traffic congestion. There is also limited room to upgrade the road network in the areas, he explains.

Nevertheless, Wong says the property market in northern Kepong has a bright outlook due to its accessible location and improved public transport.



Metro Prima MRT station and Aeon Mall Metro Prima are among the amenities in Kepong



tation. “The Metro Prima MRT station is nearby as are the Metro Perdana commercial centre, Aeon BiG Kepong and Aeon Mall Metro Prima. Connectivity is good, served by the MRR2.”

He adds that recent new developments along Jalan Kepong and around Kepong Metropolitan Lake Gardens, such as UEM Sunrise Bhd's Kiara Bay, have raised the town's profile and image, and hence the adjacent northern Kepong. However, Wong highlights that the presence of industrial activities there, which are generally incompatible with residential developments, could limit room for price growth in the areas.

“If the operators of industrial activities were to move out due to the redevelopment of the area, the entire character and ambience of the location would be transformed,” Wong concludes.

The relatively lower prices, along with its proximity to public amenities and infrastructure, render northern Kepong ideal for property remodelling — especially for people seeking landed homes. Still, one should be mindful of the law as well as the work and costs involved when it comes to renovating an old home.