



The Professional Journal of MIPFM

THE PROPERTY MANAGER

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MARCH - JUNE 2021

Celebrating



2011 - 2021

**FROM THE DESK
OF THE
PRESIDENT**

HISTORY

A Brief History of Malaysian
Institute of Property and
Facility Managers

KEYNOTE ADDRESS

Keynote Address of MIPFM
5th Annual Conference
Topic: Outlook and Future Directions
of Property Management



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- 02 Utilities Management System
- 03 Business Management Software
- 04 Fire Automated Management System



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Inspirations from The Property Management Professionals

Celebrating the 10th Anniversary of MIPFM (2011 – 2021) !!

To commemorate the 10th Anniversary, the first two issues of 2021, Volume 3:1 and 3:2 are combined to form a bumper issue. MIPFM Secretariat is glad to receive congratulatory messages from allied NGOs related to property management i.e. RISM, PEPS, BVAM, FIABCI, PEHAM and HBA which are shared in this issue.

"A brief history of MIPFM" tells you the changes that has happened to the name of this Institute in page 8. We have displayed the cover pages of the minutes of the pro tem meeting and the first AGM.

In conjunction with the celebration, interviews are conducted with the President, Past President, Senior Property Manager, Senior Lady Property Manager and Senior Academic on the performance, future directions and trends in the property management industry.

We are honoured to have the privilege to interview the President, up close and personal. The Senior Property Managers are interviewed to have their opinions on the property management profession as a whole, providing an assessment of the profession, examining the roles of MIPFM in promoting the profession; what are the new business opportunities and finally advice for the young property managers.

An interview was also conducted with the Secretary General of House Buyers Association (HBA), Datuk Chang Kim Loong, to provide a property buyer and owners perspective on residential strata management issues and solutions. The outcome is a lengthy interview which you will find starting page 36.

The Editorial team has worked laboriously to provide the best possible interviews for the benefits of MIPFM members by providing perspectives from the past, present and future, gender and the academic perspectives. I hope this special issue provides useful insights and weighted opinions from the wisdoms of our Presidents and Senior Property Managers. ■



Professor Sr Ts Dr. Ting Kien Hwa

FMIPFM, FRICS, FRISM, MPEPS

Founding Editor & Editor-in-Chief
The Property Manager



From the Desk of The President



Greetings! We meet again in the first edition for 2021. The conditions continued to be challenging but we have adapted to the new norms and accepted that the COVID 19 virus has become part of our lives.

The new norms that we have learnt to embrace have evolved future. Technology is the backbone to the evolution and will continue to drive innovation. Property and facility managers must be able to keep abreast of the rapid development in order to be able to improve performance and deliver better services.

To take full advantage of this, we must ensure that those who are the principals of companies understand what is available and how to harness

them. This can help us to become more competitive and competent.

In order to ensure this, we need to continuously provide training to our personnel. Basic training in building management must be given to the team members in order for them to have the right skills to handle related technical and operational matters. With the increasingly complex situations involving smart and green building management, our personnel must possess advanced knowledge and skills to manage and maintain such buildings.

Buildings are also evolving from just smart and green to becoming connected and automated. Safety and health features have become part of the key building

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operations due to Covid-19 pandemic. Connectivity in terms of broadband service due to heavy online usage is also part of the building feature. Contactless aspects have become a requirement for submitting online complaints, making facility bookings, remitting payments, operating lift buttons, doors, door locks and getting directions. Automated building services using contactless sensors have also become part of the building's features. These are some of the aspects that must be addressed under property and facility management.

Principals must invest in their personnel as their asset in terms of training and support in order for them to keep up with the client's expectations. Such efforts will also help to optimise operational costs especially in energy conservation and green building initiatives.

Part of using technology in property management also involves operating software applications. The need for integrated software instead of just using billing and accounting system has never been more important as such software applications enables direct interaction with clients and users 24/7 even when the management office is closed. Thus, investment is inevitable in such softwares which must be one of the essential tools under the property and facility managers' belt. The personnel must also be familiar with such systems and must be able to utilise them in performing their day-to-day tasks.

Mastering building management skills in the current technology driven environment must be part of our strive to become competent property and facility managers. One must appreciate that the aforementioned has not even touched the strata management aspects which largely involves the application of the provisions of Strata Management Act 2013 (Act 757) and the Strata Management Regulations 2015. Whilst certain aspects of building management actual are governed by Act 757, namely the collection and administration of maintenance charges and sinking fund, keeping management accounts and auditing them, procedures in debt collection and procedures in handling building defects, the basic knowledge of building management must be mastered by the property and facility managers first. Only then



the functions which fall under strata property management can be executed well.

Valued members, the Annual General Meeting for 2021 will soon be convened sometime in May 2021. The duties that have been carried out by the Committee during our tenure from 2019 to 2021 has been challenging especially under the constraints of the COVID 19 pandemic. The Committee has hopefully been perceived to have carried out its duties responsibly and effectively.

At the next Annual General Meeting, we hope that more members from the younger generation will come forward to serve in the Committee, bringing new blood and spirit into the leadership.

We thank you all for your continuing support for MIPFM and all its activities in the past and also in the future.

In the meantime, do keep up the good work as frontliners in property and facility management and stay safe at all times.

kita jaga kita. ■

Warmest regards.

Sr Haji Adzman Shah Mohd Ariffin
President 2019/2021

**The Committee Members of MIPFM 2019-2021 Session
offer their Heartiest Congratulations to:**



Adzman Shah Mohd Ariffin

President, MIPFM
and
CEO, ExaStrata Solutions Sdn. Bhd.

On being appointed a member of the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia (25 February 2021 to 24 February 2023)



YBhg. Datuk Sr Kamaruzaman bin Mat Salleh

Deputy President, MIPFM
and
Director, Property Management and Valuation Department
Kuala Lumpur City Hall

On being conferred Datukship on 1 February 2021

A BRIEF HISTORY OF Malaysian Institute of Property and Facility Managers



The initial name in the motion put forward during the Pro tem Committee meeting held on 13th November 2010 was to establish an Institute known as Malaysian Institute of Asset, Property and Facilities Managers. But the name is subsequently changed to Malaysian Association of Professional Property Manager (MAPPM) when an application is made to the Registrar of Society. MAPPM received the formal approval on 30th March 2011.

The First AGM of MAPPM was held on 12th May 2011 at ISM Resource Centre, Bangunan Juruukur, Petaling Jaya. The elected office bearers are:

President	: Datuk Kamalul Arifin bin Othman
Vice President	: Ganesh Chinnappan
Secretary General	: Ishak bin Ismail
Treasurer	: See Kok Loong

The Past Presidents are:

Datuk Kamalul Arifin bin Othman	: 2011 - 2012
Tn Haji Ishak bin Ismail	: 2012 - 2015
Sarkunan Subramaniam	: 2015 - 2018
Mohd Faizal bin Fuad	: 2018 - 2019
Adzman Shah Mohd Ariffin	: 2019 - 2021

Further changes to the name of the Institute are made in June 2012 from MAPPM to Malaysian Institute of Professional Property Managers (MIPPM) and on March 2017 from MIPPM to MIPFM.

The establishment of this Institute has its origin in relation to the differing stand of building managers of another association. The differences have since been resolved through the establishment of a Register of Registered Property Managers by the Board of Valuers, Appraisers, Estate Agents and Property Managers (BoVAEP). ■

**MINUTES OF THE 1ST PROTEM EXCO MEETING OF
PERTUBUHAN PENGURUS HARTA PROFESIONAL MALAYSIA
Malaysian Association of Professional Property Managers (MAPP)
HELD ON 13th APRIL 2011 AT 12.00 P.M. AT
ISM RESOURCE CENTRE, BASEMENT, BANGUNAN JURUUKUR,
NO. 64-66 JALAN 52/4, 46200 PETALING JAYA**

Present	Datuk Kamalul Arifin bin Othman Adzman Shah bin Mohd Ariffin Dr. Ting Kien Hwa Ahmad Faisal bin Ahmad Shayuli Ishak bin Ismail See Kok Loong Anjaniman bin Abu Kassim Jamaludin bin Ngil Loh Soong Park Shamsiah binti Mohd Yusoff Wee Soon Chit Wong Kok Soo	(President) (Deputy President) (Vice President - Academics) (Vice President - Corporate) (Secretary General) (Treasurer General) (Council Member) (Council Member) (Council Member) (Council Member) (Council Member) (By Invitation)
Absent with Apologies	Ganesh a/l Chinnappan Azhan bin Abdul Aziz Che Had bin Dhali Lim Beng Hal Toh Chin Shen Low Han Hoe	(Vice President - Practitioners) (Council Member) (Council Member) (Council Member) (Council Member)

Welcome Address by President and thanked the Protem Committee for obtaining approval of MAPP with the Registrar of Societies (ROS) successfully.

- NEW OFFICE OF MAPP / OFFICE FURNITURE'S**
Beginning 01st May 2011 till 31st December 2011 MAPP shall continue operating at PEPS secretariat. Monthly basic rental of RM 300 and RM 100 per month for the photocopier to be paid to PEPS. The monthly rental to be inclusive of using all PEPS stationaries and furniture's excluding PEPS telephone fixed line. MAPP to apply and register new fixed telephone line with Telekom Malaysia for it's newly set up office operations.

Action by : President (for telephone fix li
En Ishak Ismail (for negotiation with

2. FUND RAISING ACTIVITIES

- To raise fund from established property organisal Commission of Building in written to the head for paid staff wages within next two months period fund raising matters and Mr See Kok Loong to r

Action by : En Adzman Shah & Secretariat
: Mr See Kok Loong to record all the

- Other proposed activities to conduct seminars
Action by : En Adzman Shah & En Ishak Ismail

**MINUTES OF THE FIRST AGM 2011
PERTUBUHAN PENGURUS HARTA PROFESIONAL MALAYSIA
(Malaysian Association of Professional Property Managers) (MAPP)**

Date	: 12 th May 2011
Time	: 10.01 am
Venue	: ISM Resource Centre, Bangunan Juruukur No 64-66, Jalan 52/4, 46200 Petaling Jaya Selangor Darul Ehsan
Total No of Members Attended	: 42 (As per Attendance List attachment)

WELCOME SPEECH BY PRESIDENT

Welcome speech by President and thanked the members for their valuable time and presence.

1. ELECTION OF NEW OFFICE-BEARERS / COMMITTEE 2011-2012

At the Annual General Meeting 2011, list of the selected Office -Bearers / Committee to preside for one (1) year term (2011/2012):

President	: Datuk Kamalul Arifin Bin Othman
Vice President	: Ganesh Chinnappan
Secretary General	: Ishak Bin Ismail
Treasurer	: See Kok Loong

Committee Members	: Dato' Mani a/l Usilappan
	: Adzman Shah Bin Mohd Ariffin
	: Prof Dr Ting Kien Hwa
	: Ng Kim Poh
	: Siew Kok Kong
	: Yusaini bin Sidek
	: Anjaniman bin Abu Kassim
	: Shamsiah binti Mohd Yusoff
	: Dainah binti Mahmud
	: Yasmin binti Husin Jamal

No. PPM SEL0690/11
No. PPP SEL0162/11



MALAYSIA
AKTA PERTUBUHAN 1966
PERATURAN-PERATURAN PERTUBUHAN 1984

BORANG 3
(Peraturan 5)

SIJIL PENDAFTARAN

Adalah diperakui bahawa

PERTUBUHAN PENGURUS HARTA PROFESSIONAL MALAYSIA (MALYSIAN ASSOCIATION OF PROFESSIONAL PROPERTY MANAGERS) (MAPPM)

2ND FLOOR, BANGUNAN JURUUKUR, NO. 64-66,
JALAN 52/4, 46200 PETALING JAYA, SELANGOR.

telah pada hari ini didaftarkan sebagai suatu pertubuhan di bawah Seksyen 7
Akta Pertubuhan 1966 dan bahawa nombor pendaftarannya ialah

1682-11-SEL

Diperbuat dengan ditandatangani oleh saya pada

30 haribulan Mac 2011



(NORAFFENDY BIN A
b.p. Pendaftar Pertu
Malaysia

JABATAN PENDAFTARAN PERTUBUHAN MALAYSIA
SELANGOR
TINGKAT 16, WISMA MBSA
PERSIARAN PERBANDARAN
40000 SIAH ALAM
SELANGOR

Telefon : 03-55106427
03-55106479
03-55125745
Faks : 03-55109281
Laman Web : www.rpi.gov.my



Rujukan Kami: PPP/SEL0162/11 ()
Tarikh: 30 Mac 2011

Setiasaha,
PERTUBUHAN PENGURUS HARTA PROFESSIONAL MALAYSIA (MALYSIAN ASSOCIATION OF PROFESSIONAL PROPERTY MANAGERS) (MAPPM)
2ND FLOOR, BANGUNAN JURUUKUR, NO 64-66, JALAN 52/4,
46200 PETALING JAYA, SELANGOR

Tuan/Puan,

Pendaftaran di bawah Akta Pertubuhan, 1966
Nama Pertubuhan : PERTUBUHAN PENGURUS HARTA PROFESSIONAL MALAYSIA
(MALYSIAN ASSOCIATION OF PROFESSIONAL PROPERTY MANAGERS) (MAPPM)

Sukacita saya memaklumkan bahawa Jabatan ini meluluskan pendaftaran pertubuhan di atas.

2. Bersama-sama ini disertakan satu salinan Sijil Pendaftaran dan satu salinan undang-undang tubuh bagi pertubuhan tersebut. Kedua-dua dokumen ini hendaklah disimpan di alamat yang didaftarkan. Undang-undang tubuh pertubuhan ini adalah undang-undang berdaftar bagi pertubuhan tuan. Oleh itu, pertubuhan itu hendaklah ditadbirkan mengikut peruntukan-peruntukan yang terkandung di dalam undang-undang tubuh tersebut.
3. Tiap-tiap pemegang jawatan pertubuhan adalah bertanggungjawab untuk mematuhi dan menyempurnakan semua kehendak Akta Pertubuhan 1966 dan Peraturan-peraturan Pertubuhan, 1984.
4. Sila ambil perhatian bahawa sebarang pertukaran nama/alamat atau pindaan kepada undang-undang berdaftar pertubuhan tuan, hendaklah mendapatkan kelulusan daripada Pendaftar Pertubuhan Mengikut Seksyen 11, Akta Pertubuhan 1966.

Sekian, terima kasih.

'BERKHIDMAT UNTUK NEGARA'

Saya yang menurut perintah.

(NORAFFENDY BIN ABDUL KHALID)
Pencatat Pendaftaran Pertubuhan
Jabatan Pendaftaran Pertubuhan Selangor

s.k.
Ibu Pejabat Jabatan Pendaftaran Pertubuhan Malaysia
(Bil. PPM/SEL0690/11() berkaitan)



PERTUBUHAN JURUUKUR DIRAJA MALAYSIA ROYAL INSTITUTION OF SURVEYORS MALAYSIA

No. 64 & 66, 3rd Floor, Bangunan Juruukur, Jalan 52/4, 46200 Petaling Jaya, Selangor, Malaysia
Tel: 603-7954 8358 / 7955 1773 / 7956 9728 | Fax: 603-7955 0253
Website: www.rism.org.my | Email: secretariat@rism.org.my

Session 2020/2021

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D.K. (Johor), S.P.M.S., S.S.I.S., S.P.M.J.

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AMN, PJK, FRISM

Dato' Sr Aziz Bin Abdullah, DIMP, CQS, MRISM

Sr Hj. A'zmi Bin Abdul Latif, MRISM

Commemorating MIPFM 10th Year Anniversary (2011-2021)

Message from President of RISM

It is a great pleasure for me, on behalf of the Royal Institution of Surveyors Malaysia, to extend my heartiest congratulations to Malaysian Institute of Property & Facility Managers on its 10th anniversary.

For the past 10 years MIPFM has made a valuable contribution in shaping the Property and Facility Management industry in Malaysia with the dedication of the present and past leadership of the institution. It is not an easy task to maintain and sustain the vision of the institution yet MIPFM has thrived in promoting the role of the Property and Facility Managers in Malaysia.

We hope that in the years to come, MIPFM can garner more wisdom, enthusiasm and expertise from a broad spectrum of professionals to help in promoting and upholding the integrity of the Property and Facility Management profession.

Once again, we wish MIPFM, Happy 10th Anniversary and Good luck for the future.

Regards

DATO' Sr THIRUSELVAM ARUMUGAM (THIRU)

B. Surv. (Hons) Property Management
MRICS, FRISM, ICVS, FPEPS, FMIPFM, MMIEA

The prefix 'Sr' has been registered to Royal Institution of Surveyors Malaysia under Class 42 of the Trade Marks Act 1976 and the Trade Marks Regulations 1997 (Trade Mark No. 2017059786) with effect from 30th May 2017.

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NORTHERN BRANCH: Suite 110F, Level 1, Eureka Complex, Universiti Sains Malaysia, 11800 Penang. Tel: 019 4775630 Fax: 04-659 6725 Email: rism.northern@rism.org.my

JOHOR BRANCH: No. 129, Jalan Rawa, Taman Perling, 81200, Johor Bahru, Johor. Tel: 607 2419488 Fax No. 607 2419498 Email: rism.johor@rism.org.my

EAST COAST BRANCH: c/o Jabatan Ukur & Pemetaan, Jalan Hospital, 15000 Kota Bharu, Kelantan. Tel: 09 7481588 Fax: 609 7443923 Email: rism.eastcoast@rism.org.my



PERSATUAN PENILAI, PENGURUS HARTA, EJEN HARTA & PERUNDING HARTA SWASTA MALAYSIA
(Association of Valuers, Property Managers, Estate Agents and Property Consultants in the Private Sector, Malaysia)

**CONGRATULATORY MESSAGE TO MIPFM ON ITS 10TH YEAR ANNIVERSARY
CELEBRATION**

**TO THE PRESIDENT, EXECUTIVE COUNCIL AND MEMBERS
OF THE MALAYSIAN INSTITUTE OF PROPERTY AND FACILITY MANAGERS (MIPFM)**

IT GIVES ME GREAT PLEASURE TO CONGRATULATE YOU ON THIS JOYOUS OCCASION. TIME REALLY FLIES. IN A BLINK OF AN EYE, A DECADE HAS PASSED. IT SEEMS LIKE ONLY YESTERDAY WHEN THE REAL ESTATE CONSULTING FRATERNITY CAME TOGETHER TO FORM MIPFM TO SOLIDIFY, STRENGTHEN AND CONSOLIDATE THE PROPERTY AND FACILITIES MANAGEMENT PROFESSION TO SERVE THE MALAYSIAN PUBLIC OR THE STRATA LIVING POPULATION DILIGENTLY, PROFESSIONALLY AND DUTIFULLY.

THE JOURNEY WAS LONG, ARDUOUS AND HARD BUT YOU PREVAILED. TODAY, MIPFM IS CONSIDERED A HIGHLY RESPECTABLE ORGANIZATION FULLY ENDORSED AND RECOGNIZED BY THE BOARD OF VALUERS, APPRAISERS, ESTATE AGENTS & PROPERTY MANAGERS, MALAYSIA.

IT IS MY PRIVILEGE AND HONOUR TO WISH YOU CONTINUOUS GROWTH AND DEVELOPMENT IN FURTHERING THE STANDARDS OF PROFESSIONAL PRACTICE IN PROPERTY AND FACILITIES MANAGEMENT.

HAPPY 10TH ANNIVERSARY, MIPFM!

A handwritten signature in blue ink, appearing to read 'Michael Kong', is written over a circular stamp or seal.

**Sr MICHAEL KONG KOK KEE, FPEPS, FRISM, MRICS, MSISV, ICVS, ACIarb
PRESIDENT OF PEPS (2020-2022)**



FIABCI MALAYSIAN CHAPTER

(Reg. No.
PPM-001-14-10091977)

International Real Estate Federation (FIABCI)

(Persekutuan Realiti Antarabangsa, Kumpulan Khusus Negara Malaysia)

Suite E-12-10, Plaza Mont' Kiara, No.2 Jalan Kiara, Mont' Kiara, 50480 Kuala Lumpur

Tel: +603-62035090, 6203 5091 Fax: +603-6203 4090

E-mail: fiabcimalaysia@fiabci.com.my Website: www.fiabci.com.my

To: Malaysian Institute of Property & Facility Managers (MIPFM)

With great pleasure, I would like to congratulate Malaysian Institute of Property & Facility Managers (MIPFM) for celebrating your 10th anniversary this year. The 10 years milestone is a testimony of an organization with strong foundation and great leadership. With that, I strongly convince that the experience and expertise of your members will be able to navigate through this challenging time. Your dedication to the industry can only be matched with unquenchable thirst for success.

The real estate industry in Malaysia requires more than just dedication from a single organisation, cooperation from various disciplines working together for the growth and betterment of the industry. It is the strength of various disciplines and organisations working together that pushes the real estate industry to move forward and achieve one common goal together – bringing the local real estate industry to a greater height and ready to expand beyond the shore of Malaysia.

FIABCI Malaysia is currently expanding our horizons and actively participating in responding to current industry issues, to ensure it is a formidable voice of our industry. I henceforth look forward to more opportunities to work together with MIPFM in the future to strengthen the networking between us and all industry players together.

Once again, I would like to congratulate MIPFM for your glorious achievement of reaching a new milestone. Well done and keep up with the great work!

Thank you.

Yours sincerely,

FIABCI MALAYSIAN CHAPTER

DATUK KOE PENG KANG

President

Congratulatory message to Malaysian Institute of Property and Facility Managers (MIPFM)

Commemorating MIPFM 10th Year Anniversary (2011-2021)

The carnage of the COVID-19 pandemic has affected not just Malaysia but the entire world economically. It has also caused unprecedented and unforeseeable social impact and had disrupted businesses, supply chains, manpower shortages, the closing of offices, factories and suspension of construction works. These are among the serious consequences. Most of these cases have culminated in hardship for individuals and business entities to fulfil their contractual obligations.

On 18 March 2020, our Government imposed the Movement Control Order (MCO) pursuant to the Prevention and Control of Infectious Diseases Act, 1988. It was an oversight that property management was initially overlooked and not classified as 'essential services' by Majlis Keselamatan Negara (MKN) in its implementation of the MCO to fight the spread of COVID-19. This had posed a dilemma to the 12 million strata property dwellers when they had to abide by the order to stay at home.

In order for strata property dwellers to continue to stay safe at home, they will need ongoing essential services of electricity, water, cleaning and waste disposal, security, lifts and all the M&E installation, plant and equipment to be managed and maintained without disruption by property management companies in their strata buildings.

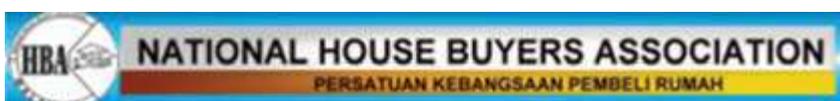
A **Joint Memorandum** was submitted to the Minister of Housing & Local Government on 31 March 2020 by five (5) organisations, namely the Malaysian Institute of Property and Facilities Managers (**MIPFM**), **BOVAEP**, the Association of Valuers, Property Managers, Estate Agents & Property Consultants in the Private Sector Malaysia (**PEPS**), the Property Surveying Division of the Royal Institution of Surveyors Malaysia (**RISM**) with the National House Buyers Association (**HBA**). The Joint Memorandum to the Minister also included a detailed proposed Standard Operating Procedure (SOP) for property management to be classified as an 'essential service' for MCO and buildings affected with COVID-19 cases. Within days on 4 April 2020, our Government made a media announcement that in order to ease the management of residential strata buildings, MKN had decided to allow management bodies to operate during the MCO period. It is heartening to note the immediate reaction of MKN to our Joint Memorandum.

HBA would like to extend our heartfelt congratulations to the team in MIPFM helmed by President, Sr Hj Adzman Shah Mohd Ariffin together with Professor Sr Dr. Ting Kien Hwa, Editor-in-Chief for this e-journal publication, "*The Property Manager*", and hope that you are keeping safe and healthy amidst the current pandemic.

Sincerely,

Brigadier General Datuk Goh Seng Toh RMAF (R)

Acting President





BUSINESS VALUERS ASSOCIATION MALAYSIA (BVAM)
PPM-010-10-04122015
National Institute of Valuation (INSPEN)
Persiaran INSPEN,
43000 Kajang,
SELANGOR

Tel No. : 03-8911 8800
Fax No. : 03-8922 3891

CONGRATULATORY MESSAGE

On behalf of the Business Valuers Association Malaysia (BVAM), I would like to express my heartfelt congratulations to MIPFM on its 10th anniversary and all the progress it has been making with regard to property management in Malaysia. I am confident that with strong leadership, MIPFM will go on to scale new heights in the years to come.

In BVAM, we are continuing to conduct our Courses in Business Valuation where Malaysians can obtain a certification known as International Certified Valuation Specialist (ICVS) which can open the door for opportunities in the business valuation space and perhaps MIPFM members will avail themselves for this since we are all in the same fraternity as valuers, estate agents, property managers and property consultants.

With this 10th Anniversary marking the close of one chapter and the beginning of another, I would like to conclude my congratulatory remarks by wishing MIPFM all the best in its future endeavours and hope that MIPFM will continue to contribute even further to the enhancement of the real estate profession in the future.

**Sr ELVIN FERNANDEZ, PPRISM, FRISM, FRICS
PRESIDENT
BUSINESS VALUERS ASSOCIATION MALAYSIA**



PERSATUAN PERUNDING HARTANAH MUSLIM MALAYSIA (PEHAM)

NO 47-2, TINGKAT 2, WISMA IMG, JALAN 3/76D DESA PANDAN

55100 KUALA LUMPUR

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Our Reference : PHM/GEN/018-2021

Date : 12 APRIL 2021

To whom it May concern,

SUBJECT: CONGRATULATIONS ON THE 10TH ANNIVERSARY CELEBRATION OF THE MALAYSIAN INSTITUTE OF PROPERTY & FACILITY MANAGERS (MIPFM)

Assalamualaikum and salam sejahtera.

2. As the President of Persatuan Perunding Hartanah Muslim Malaysia (PEHAM), I would like to congratulate the Malaysian Institute of Property & Facility Managers (MIPFM) on its 10th anniversary celebration on 30 March 2021.

We hope that MIPFM continues to move forward in the real estate industry in Malaysia, and that cooperation between us can continue for the benefit of all. Congratulations once again.

Thank you.

Sincerely,

(Sr. Tn. Hj. Ishak Ismail)
President of PEHAM



PERSATUAN PERUNDING HARTANAH
MUSLIM MALAYSIA (PEHAM)
PPM-011-14-1652014
No 47-2, Tingkat 2, Wisma IMG
Jalan 3176D, Desa Pandan
55100 Kuala Lumpur

SPECIAL ISSUE OF *THE PROPERTY MANAGER*
COMMEMORATING A DECADE OF MIPFM (2011 - 2021)

INTERVIEW WITH President Adzman Shah Mohd Ariffin



What are your visions and expectations for MIPFM and its members?

MIPFM has outlined its objectives in length, emphasizing on promoting the role of property and facility managers and professionalism in the practice through training and continuous education.

My own vision is for MIPFM to provide professional vocational avenue for those who wish to pursue property and facility management as a profession. MIPFM can be the right body to provide the training and certification for building management and strata management as well as property and facility management in-keeping with the needs of owners and tenants.

We anticipate that the clients will have increasingly high expectations and therefore, practitioners must strive to improve their knowledge and skills to meet the expectations.

What are your views on the quality of property management professional services as delivered in the industry?

The quality in delivery of services has come a long way since the last few years due to the ever evolving built environment. Smart buildings, for instance, are demanding for higher skilled technical workers. The COVID 19 pandemic, in fact, also has pushed practitioners to expand their skills to utilise technology as part of their service in order to keep up with the new norms.

What are the ways to improve the future of the property management profession in facing local and global challenges?

There is need for structured training in order to promote property management standards in a consistent manner. By ensuring that all practitioners are educated and trained in a consistent manner, the industry will be able to have property and facility managers who have the same understanding on what duties and responsibilities falls under them.

What are your advice to future professionals entering the property management industry?

Professionals who enter the industry must be brave and willing to face the challenges ahead. These challenges include keeping up with the industry trends which require the practitioners to have wide ranging knowledge from technical and operational knowledge on building to finance and accounting as well as legal and public relations. If they wish to set up a property management company, they will need business acumen and invest in human capital as well as continuous training. MIPFM can help to guide them in becoming true professionals.

How do you maintain a work-life balance especially as President of MIPFM?

I operate my own property and facility management company as well as serve as the President of MIPFM and on the Board of Valuers, Appraisers, Estate Agents and Property Managers as Chairman of the Property Management Practice Committee.

Being actively involved in professional bodies as well as associations gives me the opportunity to give back to the profession and the community. At the same time, I set aside time for family and friends too. This is what work-life balance means to me.

How did you get into the industry?

I started in property management about 33 years ago when I first did my year out in a private practice during my third year at the university in the UK as part of the course. I found that it suited me and continued to pursue it after graduating and joining a local authority in Cardiff, UK. Upon returning to Malaysia, I did corporate real estate management in public listed companies, MNC and REIT and soon it was clear that this is my true calling.

Tell us an interesting incident that stands out or you will never forget.

Haunted buildings can be challenging for those who are faint-hearted. I can share the details with the readers who are interested when we meet over a cup of coffee.

What is the best part of your job?

The best part of the job is when the client expresses their gratitude for work well done.

What's something you would like the readers to know about you?

I love sharing my experience and knowledge in the interest of enhancing property and facility management practice. Being a part time lecturer at university in the past as well as conducting public training has given me the opportunity to extend this sharing. I intend to continue sharing as much as I can.

What is something you would like people to know about being a property manager as a profession?

To take up the profession as Property or Facility Manager, one must have the skill in multi-tasking as the role requires him/her to possess wide ranging knowledge and skills in technical, financial, legal and communications. The person must also have integrity and initiative in finding solutions to solve problems. ■



SPECIAL ISSUE OF *THE PROPERTY MANAGER*
 COMMEMORATING A DECADE OF MIPFM (2011 - 2021)

INTERVIEW WITH Past President Sr Hj Ishak Bin Ismail

FRISM, MRICS, MPEPS, FMIPFM, MBVAM, MIACVA, MMPIEAC, MMIEA
 Managing Director of IM Global Property Consultants Sdn. Bhd.



What are your visions and expectations for MIPFM and its members?

I expect MIPFM and its members to help the Board of Valuers, Appraisers, Estate Agents and Property Managers (BoVAEP) to train newcomers interested in property management. These newcomers are professionals without real estate background and I would like them to come in and register as Property Managers, who can play an important role to help developers, Joint Management Body (JMB) and Management Corporation (MC).

My expectation of MIPFM members is also to maintain their service quality with a high degree of integrity and abide by the rules and guidelines issued by BoVAEP. Additionally, I hope that the people working under the supervision of registered property managers can render their service diligently and observe service quality standards.

I also hope that more new members will join MIPFM in the future as they can have one united voice and become stronger. MIPFM on its part can assist the government in drafting new policies and standards pertaining to the real estate industry.

What are your views on the quality of property management professional services as delivered in the industry?

It is very good, however, there is still a lot of room for improvements especially in the aspect of embracing property technology (proptech). Although the industry standards are yet to be determined, the

Covid-19 pandemic has accelerated the need to incorporate proptech into property management. The delivery of quality services will improve with the use of proptech. Perhaps proptech will be incorporated in the next edition of the Malaysian Property Management Standards.

What are the ways to improve the future of the property management profession in facing local and global challenges?

We need to understand that the real estate sector is a critical sector of the economy and the backbone of the current economy. Therefore, the sector has a huge effect because it is a big driver of economic growth. The challenges in the real estate sector depend on three important dimensions, namely technology, globalisation and sustainability. The challenging situation requires property managers to handle these three requirements that can come concurrently, and at the same time improve their deliverables.

What is your advice for future professionals entering the property management industry?

New professionals entering the industry need to understand the impact of technology, globalisation and sustainability. The first is disruptive technology that can change the ways of doing things and provide more choices to clients or building users who can achieve greater success in sustaining a building. Destructive technology can help make work becomes easier. Secondly, the impact of globalisation is in terms of branding and location. Due to globalisation, people nowadays can work from home or anywhere for as long as they have good Internet connectivity. Therefore, property managers should improve their knowledge and skill in managing smart buildings with well-equipped first-class infrastructure, which will ultimately help to bring in more rental demand. Lastly, in terms of sustainability, the real challenges to property managers in the future are how to sustain a green environment, how to conserve energy, and so on. This is something that property managers must be good at in order to overcome challenges in the future.

IM Global Property Consultants Sdn. Bhd.

Year Founded

2005

Assets under management

RM4.5 billion

Property management clients

Residential high rise buildings – 11

Commercial buildings – 10

Consultancy and advisory – 7

Special properties – 6

Personnel

Shareholders – 2

Associate Directors – 10

Total staff members – 218

Branch Offices

9 branches

How do you maintain a work-life balance especially when you were the President of MIPFM?

I have no secrets except that I planned my time wisely. Time management is important because we must follow work schedules, while self-discipline plays an important part as well. I also ensured that my work was all done before I went back home. At home, I would spend time with my wife and kids. I am glad to have a family who understands my workload and responsibilities. The key that drives me to move forward up to this day is the passion and love that I have for the industry.

I was one the founding members of MIPFM, which was previously known as the Malaysian Association of Professional Property Managers (MAPPM). It was established in 2011 to promote the development of property management profession and the role of the board of valuers, appraisers, estate agents and property managers. The members of MIPFM voted me as the association's second president. Being an active board member and the president of

MIPFM, as well as the founder of IM Global Property Consultants Sdn Bhd all at the same time was challenging but I believe that I have managed to deliver my tasks and responsibilities to the best of my ability.

How did you get into the industry?

I started getting involved in the real estate agency sector in 1991 right after I graduated from Universiti Teknologi Malaysia (UTM). When I was in Year 4 at the university, I was already active in real estate agency more so because of my family's financial constraints. Being the only son in the family, and due to my father's poor health condition, I had to find money and help my family. I started by selling new developments in Taman Universiti near UTM. I did property listings, as well as found tenants and buyers. At the same time, I created Tadika Siswa when I was the President of the Student Union of UTM. From there, I found lecturers and other potential buyers for the newly developed properties in the area.

In June 1991 after my graduation, I went to Japan under a friendship programme by Japanese International Corporation Agency. When I returned from Japan, Vigers International in the valuation and estate agency sector offered me a job. A year later, I decided to go back to my hometown in Pulau Pinang where I joined another international company called Henry Butcher as a valuer.

Years later, I noticed the progress in the development of the real estate industry in the country and realised that no one was interested to start a property management firm except for several small firms in Pulau Pinang. In 1997, I joined Jurunilai Bersekutu as a partner. Three years later in 2000, I managed the company's Desa Pandan branch and from there, I began to be passionate about the property management sector. I managed to secure a few projects in the neighbourhood of Desa Pandan. Later I established my own company, IM Global Property Consultants Sdn Bhd. I started to penetrate the competitive industry by specialising in property management, which at the time was weak in most of the real estate firms in Kuala Lumpur.

How does your company expand its property management services to a large number of properties?

Starting from small residential projects, I then focused my services on developers of big-scale projects with limited resources in their property management division. One of my company's clients is MK Land, owned by Tan Sri Mustapha Kamal, the well-known founder of this development company. My first large-scale projects were Damansara Damai and Bukit Beruntung, each having 12,000 units of properties. Due to the sizeable number of projects, I found ways to reduce the management costs for both development schemes. The Damansara Damai project is still under the management of my company until today while the Bukit Beruntung project was handed over to the Joint Management Body (JMB) for this residential scheme.

I also expanded my services to cover corporate businesses in the property management sector. I began in 2007 by presenting a proposal to Syarikat Takaful Malaysia Berhad (STMB), a public-listed company. STMB accepted my proposal to undertake the operation of its property department, as well as train and transfer knowledge to their staff members for a period of five years. One of our major responsibilities was to ensure that their staff were equipped with the right skills to manage their company's assets and at the same time improve its yield. It was a very good experience. Despite various challenges, we managed to increase STMB's assets yield significantly.

Which property sector is your company active in?

My company is a real estate firm that focuses on property management, valuation and estate agency practices.

Your company is also active in managing healthcare properties. Are there any differences in managing these types of properties from other properties?

Knowledge and technical skills make the difference between managing specialised properties, such

THE PROPERTY MANAGER

as healthcare, public transport and wholesale market properties from other types of properties. The specialised properties also require different management mindset as well as resources. Resources in this context are the skilled staff or the employees because they are the asset of the company. Taking care of the portfolio of the company also involves paying attention to the company's core assets, namely people, place and process in the property and facility management sector. If these are effectively managed, the expectations of clients can be fulfilled.

Additionally, it is crucial to deliver fast and high quality service to clients. Process improvement can be achieved by cutting down response time. Having the right people in the company is also important because they can help achieve goals. When I conducted staff training, I emphasised on the aspect of working harder, and making the staff understand about the importance of the whole property management process as well as getting ideas from them on how to enhance the process. Continuous training is essential to improve each and every section, including enhancing staff mentality, behaviour and communication skill

as well as the company's customer support system. I strongly believe that all these aspects require my full attention.

Healthcare properties, such as hospitals, focus on hygiene hence the management process must look into this aspect. Hospitals run 24 hours a day, similar to the operating hours of bus terminals and wet markets, for example. Therefore it is important to deploy the property management team based on the functions and operations of the premises. The people or the team basically make the difference in running the operations behind the scene. They are the ones who can raise the quality standard in managing these different kinds of properties. However, property management quality standard apply to all other types of properties as well.

Do you need new skills or certification in order to manage healthcare properties?

Yes, development of new skills to manage healthcare properties is required. It is similar to efforts in managing green buildings, which requires green property managers to acquire green practitioners'



certificate and relevant licence. Licenses issued by CIDB and Ministry of Health (FM02) are required to manage healthcare facilities and properties.

How do you prepare your staff to manage healthcare properties?

Obviously by training them to follow the Standard Operating Procedures (SOP) and build the Key Performance Index (KPI) for them to follow. Understanding the client's objectives and legal requirements is necessary. While each staff member has his or her own responsibilities to carry out, he or she must be able to work as a team in the workplace.

How will property management evolve in the future?

Diversification is the way forward. I believe property management will diversify into several portfolios. One of these is Real Estate Investment Trust (REIT). Other than this, there is also strata management consultancy, which can start right from the beginning of a property project, from its planning stage to the development and completion of a stratified building. There is also a need in the near future for the involvement of property managers even at the stage of building plan submission because whatever is decided prior to the plan submission will impact the management of the building after its completion. Diversification can also happen in leasing management, including renewal of lease, negotiation for better terms, enforcement of lease agreement and negotiation for reduction of rental. In addition, building audit or building due diligence

is necessary for better monitoring and in making purchase decisions.

What is the trend in property management?

Landed and high rise stratified property development is becoming more prominent now, while mixed strata development is the future trend. Gated and guarded housing scheme is in demand, and this also requires property management. New areas that I want to venture into are land consolidation and the management of plantations, including how to manage agricultural lands and farms. There is also another sector, which is managing infrastructures, such as railways, highways, ports and such.

What do you think are necessary to be a successful property management company?

A property management company must have the right people who are well trained and have the patience to listen to clients' complaints and entertain the needs of the clients. Secondly, the company must have a good system and process to deliver services effectively. Without a good leader, the company's team will fail. The effective leader does not only deploy a team but also ensure that the team can work well and deliver quality services efficiently. The client expects the property manager to focus on the big picture, managing yields and giving good value to shareholders.

What is the best/worst part of your job?

The best part is when I get payment on time. The worst is when my staff resigns in 24 hours and joins a competitor's company. It is also worst when a client does not listen to professional advice. ■

SPECIAL ISSUE OF *THE PROPERTY MANAGER*
COMMEMORATING A DECADE OF MIPFM (2011 - 2021)

INTERVIEW WITH Sr Wong Kok Soo

FRISM, FPEPS, FMIPFM

Managing Director of Burgess Rawson Management Sdn. Bhd.



Sr Wong Kok Soo is the recipient of the Property Manager Award by the Board of Valuers, Appraisers and Estate Agents Malaysia in 2015; Property Manager Award by the Royal Institution of Surveyors Malaysia in 2014; and the Property Manager Award by the Board of Valuers, Appraisers and Estate Agents Malaysia in 2011. Sr. Wong has more than 40 years of vast experience in the Property Industry. He was actively involved in the Drafting & Working Committees for the Malaysian Property Management Practice Standards 2011; the Strata Management Act 2013; the Standard Formulation of Allocated Share Units in SMA 2013 and Share Units in STR 2015; the Strata Management Regulations 2015; PTG KL's draft S.O.P. for formation of Subsidiary Management Corporations. Burgess Rawson Management Sdn Bhd is a niche market professional property management and consultancy firm, having a property management stable of 25 projects in the Klang Valley with special focus on integrated mixed-use strata development areas. Burgess Rawson Management Sdn Bhd was successful in helping the 1 Mont Kiara Dan Kiara 2

Management Corporation to form the first subsidiary management corporations in Malaysia, which currently is still the first and only one at this time of writing. Sr. Wong is also the Technical Advisor to the National House Buyers Association (HBA) and a property management consultant to a number of developers.

What are your visions and expectations for MIPFM?

MIPFM shall become the leading professional NGO for all the registered property managers in Malaysia and be their strong voice in the media and dealings with the authorities. Our property management industry is relatively young and weak due to lack of properly trained manpower in the rank and file. This is certainly a critical area where MIPFM can actively work with private and public institutions and training centres to provide specific skill training to quickly improve and strengthen the current levels of weaknesses in the property management manpower.

Where are we now in the evolvement of the property management industry?

Is the Malaysian market now in the initial growth stage?

The Register of Property Managers was launched immediately upon the gazetting of the Valuers, Appraisers, Estate Agents and Property Managers Act 1981 on 2 January 2018; and all the existing property managers and building managers meeting the relatively low level entry qualifications set by BOVAEP

were invited to apply to BOVAEP for registration during the one-year window opening period in 2018. The number of registered property managers then grew substantially from about 1,000 then to currently more than 2,750. Thus, we are now at the initial stage of growth and need to quickly improve ourselves, our rank and file manpower and, at the same time, we have to quickly adapt to the fast moving digital technology and apps coming into the property management industry.

The Malaysian market is currently flooded with a choice of property managers where there is a lot of undercutting of professional management fees by less competent or new property managers. The market will experience some pains and, eventually, the high end sector of the market will filter out the less competent property managers and including those lacking in professional integrity.

What is the direction of growth for the property management industry?

The property management industry needs competent property managers with professional integrity and good application of digital technology and apps for effective and efficient property management deliveries. This will be the direction of growth in the property management industry in the near future.

Sadly, I do not see a wholesome growth in this challenging property management industry. This is due to our poor basic resources where the universities and higher institutions of educations are not able to produce graduates of property management or real estate degree who are able to do the job competently because the courses are valuation biased. Thus, only a very small minority of these graduates will dare to take up the enormous challenges in the property management industry. Even then, they can only be, at best, absorbed into the industry as property management executives or clerical assistants instead of being a building manager or property manager. This is the sad reality for a fresh property management graduate, notwithstanding the fact the salary of a building

Burgess Rawson Management Sdn. Bhd.

Year Founded

1994

Assets under management

RM14 billion

Property management clients

10 Residential strata developments

4 Office strata developments

11 Integrated mixed-use strata developments

Personnel

1 Managing Director

2 Executive Directors

238 total staff members

Branch Offices

Nil

manager or property manager is very much higher and lucrative than that of a property valuer in term of market demand, relevant working experience and salary increments.

Hopefully, the universities and institutions of higher educations may find the courage within themselves to streamline and have separate specialized courses for property managers and property valuers in the near future. This will be, indeed, a major paradigm shift for the property management industry.

What are your views on the quality of property management services delivered in the industry?

The quality of the delivery of property management services in the industry is currently very wide ranging depending on the objective of each company and its principal and the competencies of the area manager, the building manager, the support staff and the support expertise relating to law and C&S and M&E engineering. Hence, the quality may range from good to poor or much to be desired. The current lack of skilled manpower is an important factor.

Which property sectors are your company active in?

Burgess Rawson Management Sdn Bhd is active in integrated mix-use strata developments, residential strata developments and strata office developments. We are also active in providing consultancy services in relation to the convening and facilitating of AGMs and EGMs of management bodies, the determination of unit rates of maintenance charges in integrated mixed-use strata developments, the formation of subsidiary management corporations and conducting in-house seminars.

How does your company expand its capacity to manage a large number of properties?

Basically, we operate as the niche market professional property management company where we trained our own staff and only manage projects according to our trained staff capacity. Hence, we have to be selective of our management projects. This accounts for the moderate number of management projects under our wing.

Your company is managing a number of integrated mixed use strata development. Are there any differences in managing these type of properties?

What are the issues in managing integrated mixed use strata development?

We are currently managing 11 mixed-use strata developments. The property management of mixed-use strata developments require higher skill levels and expertise to meet the demands and expectations from the owners of different components within a mixed-use strata development. This type of development is usually very large, encompassing a mixed permutation of various components such as office blocks, Soho blocks, Sovo blocks, Sofo blocks, retail mall, shoplots, hotel, serviced apartments, carpark parcels and car bay accessory parcels, as the case may be. The manpower for onsite staff, security guards, cleaners and landscape maintenance workers is much bigger and has to be properly managed. The same applies for billings, collections, credit control, Opex and Capex budgets, human relation management and

communication, procurements, maintenance and repairs, M&E facilities, etc. Hence, they are much more complicated and complex than a normal condominium or serviced apartments.

How do you prepare and train your staff to manage these type of properties?

We have our own trainers who are our senior staff to guide and train the new staff. The management of strata developments require a solid grounding in the Strata Management Act 2013 (SMA) and regulations in order to make daily decisions in compliance with the SMA. Since I had the benefit of being involved in the drafting and working committees of the SMA and its regulations, I have prepared a helpful compendium of the SMA and regulations for the in-house training of our staff.



Year 2011

Recipient of LPPEH Award for eminent contribution to the development of property management in Malaysia



Year 2014

Recipient of RISM PMVS Professional Property Manager Award

Do you think property management professionals should specialize in specific property areas e.g. office, retail, etc.?

At present, although the majority are generalists, there are some property management professionals specializing in accordance with their forte such as retail malls and shoplots, office buildings and mixed-use strata developments. This trend will continue into the future.

What are the ways to improve the future of the property management profession in facing local and global challenges?

How will property management evolve in the future?

What are the new knowledge and skills necessary for the future?

The future of the property management profession lies in digital technology and apps for effective and efficient deliveries of professional management services. The groundwork and foundation have to be laid over the next couple of years. Albeit this is important, we must not forget to step up the training of our rank and file to have a strong grounding in the brick-and-mortar basics. This is an area where MIPFM, as the professional NGO for property and facilities managers, can spearhead and lead the property management profession to improve in facing local and global challenges.

What do you think are necessary to become a successful property management company?

Generally, there are two types of property management companies, namely the fly-by-night operators and the professional operators.

The success of a fly-by-night operator comes from securing as many projects as possible including undercutting fees to secure contracts and later optimizing personal profits at the expense of clients as the operator expects only a short tenure and does not bother with professional integrity and deliveries. The market is relatively young and there are not less than 15,000 strata developments to be exploited by such fly-by-night operators. The moral of the story for

the clients is that, when you pay peanuts, you get monkey.

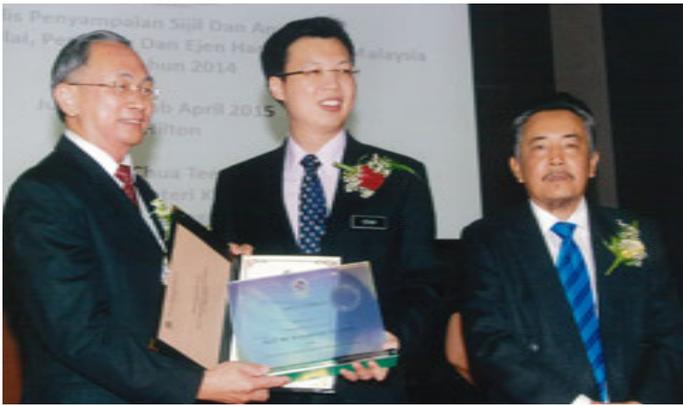
The success of a professional operator comes from providing efficient and effective professional deliveries with integrity in property management services and, at the same time, providing sound professional advice to the clients. This requires strong team work from the rank and file who have to be properly trained with the necessary skill levels and imbued with a strong culture of dedication, professionalism and integrity in the performance of their work.

Do you think there will be mergers and acquisitions among local property management companies to grow into bigger entities to enjoy economy of scale in its operations?

At the present moment, I do not see any mergers and acquisitions among local property management companies. In future when some of the property management companies become more mature and specialize in their respective areas of work, such mergers and acquisitions may then take place.

What are your advice to future professionals entering the property management industry?

My simple advice to the wannabe professional property managers is to have passion, integrity, perseverance and leadership in pursuing your profession. The property management profession is lifelong learning and learn from all the hard lessons which are likened to the bamboo nodes that make the bamboo strong and resilience. For our local graduates with a degree in property management or real estate, you need to understand that your degree course is valuation biased and, as such, you have much to learn on the ground. More importantly, you have to master the command of the English Language, which is the lingua franca in the private sector, for communication, correspondences and writing reports and minutes. Another advice in the corporate game is never blow out the candle of your colleague in order to make your own candle brighter. The way forward is always brightest when all candles are lighted up together.



Property Manager Award 2015 by BOVAEP

How did you get into the industry?

It was out of compassion that I became involved with property management during the Asian financial crisis in 1997. At that time, the partner in charge of the property management department resigned, and it was a toss between my late managing director and I to helm the department. I told my late managing director that I should take charge of the stressful department instead of him because of his age and health condition. Hence, compassion got me into the property management industry.

Share with us an interesting story from behind the scenes.

I was instrumental in the successful formation of the subsidiary management corporations for the 1 Mont Kiara Dan Kiara 2 Management Corporation in 2019. The whole process took about one and half year from the appointment of the licensed land surveyor, Jurukur Pinang, and the consultant, Burgess Rawson Management Sdn Bhd. The casting of votes by poll began on 6th December 2017 over a period of 60 days. I then left my team to take charge of the voting process when I took a break in New Zealand. I came back at the end of December and I really had a fright of my life when I was told that it was impossible within the next 35 days to achieve the required poll of not less than 66.7% of the aggregate shares units to pass the comprehensive resolution for the special plan and subsidiary management corporations. Then I took charge of the team and made them to call and

send emails to the registered proprietor on a daily basis. Finally, the mission impossible was achieved with a poll result of 67.6% only after the last proprietor flew in from London to cast the crucial vote just a day before the counting of the votes on 5th February 2018 which was witnessed by the COB KL. It was certainly a race against time.

There was a 10 months of undue delay by COB KL on the issuance of the certificate of acknowledgement of receipt of the approved comprehensive resolution until the Malaysia Productivity Corporation intervened into the matter. The three subsidiary management corporations successfully commenced their independent management of their respective limited common properties on 1st June 2019 within a month of their first AGMs after receiving their certificates of establishment from the PTG. About a year later in 2020, KPKT came to check and audit the management corporation and its subsidiary management corporations; and KPKT was very satisfied with the successful and smooth operations of management corporation and its subsidiary management corporations.

There are real tangible reasons and benefits to form subsidiary management corporations for mixed-use strata developments:

- (1) Mitigate the problem of inequitable share units and corresponding voting by poll;
- (2) Resolve the issue of different rates of maintenance charges as it applies the principle of paying for what an owner is entitled to enjoy and use;
- (3) Each subsidiary management corporation has independent management of its limited common property and financial accounts; and
- (4) Each subsidiary management corporation will be fully protected from all risks and liabilities of the other subsidiary management corporations.

It is of great concern at the time of writing to note that there is ONLY ONE management corporation having successfully formed its subsidiary management

corporations in the whole country after 6 years from 2015 when the new section 17A was enacted into the Strata Titles Act 1985 for purpose of forming the subsidiary management corporations in order to resolve the dilemma faced by the completed mixed-use strata developments. This raises the big question as why no other subsidiary management corporations can be formed when there is a need to do so. Is it due to the lack of knowledge or is it due to the imposition of unnecessary regulatory obstacles?

Tell us an interesting event(s)/incident(s) that stands out.

I am also known as the mover and shaker of paradigm shifts amongst the working committees of the Authorities. These are some of the paradigm shifts in which I have been involved:

- (1) The share value of a parcel shall be based on weighted areas of the parcel and its accessory parcels and is expressed as share units which are used for apportionment of maintenance charges and voting by poll. Price is discarded from the calculation of share units because price has no correlation to maintenance charges. Reference is made to section 36 of the Strata Titles Act (Act A 1450).
- (2) Instead of share units, the open market capital values of the parcels as ascertained in a valuation report by a registered valuer shall be used to apportion the distribution of net sale proceeds to the proprietors when the subdivision of the strata development is terminated. Reference is made to section 57 (e) of the Strata Titles Act (Act A 1450).
- (3) The share unit formula is the summation of the weighted parcel area and the weighted areas of the accessory parcels. The parcel type weighted factor is derived from the ratio of maintenance charges of the different types of parcels in various multiple parcels' blocks.

The use of past standard factors of 1, 4, 5 & 5 and price have been discarded as they have no correlation to maintenance charges. Reference is made to First Schedule of the Strata Management Act 2013 and the Schedule IV of the Strata Titles Rules 2015.

- (4) An integrated or mixed-use or phased development area can now be subdivided into multiple lots for development without the need to provide inner setbacks at the common party boundary wall between two adjoining lots. Reference is made to KPKT's circular dated 20 December 2017 under ref: 25 KPKT/8/974/9/A stating that, inter alia:

"For integrated development, the developer has to determine the outer setback only and if the developer had complied with all the requirements as set out in the Forms G1 to G2 (without conditions), then the professional architect as the principal submitting person can issue the Certificate of Completion and Compliance (Form F) to each phased development that has been completed."

- (5) JKPTG has agreed in principle to the formation of subsidiary management corporations for mixed-use strata developments upon the delivery of vacant possession with strata titles. This is in line with the current practice in Singapore.

Lastly, what is something you would like people to know about being a property manager as a profession?

A property manager is a jack of all trades and a master of his specific trade. Property manager is a good profession which can be very stressful and challenging; and, at the same time, rewarding in terms of remuneration and job satisfaction. Every property manager has to manage stress and find a balance in his life and work. Upon mastering his specific trade, the property manager becomes a consultant to his clients. ■

SPECIAL ISSUE OF *THE PROPERTY MANAGER*
COMMEMORATING A DECADE OF MIPFM (2011 - 2021)

INTERVIEW WITH Senior Lady Property Manager Grace Goh Hooi Yan

Director, Facilities & Asset Management
Henry Butcher Malaysia Property Management (Sel) Sdn. Bhd. and
Henry Butcher Malaysia Facilities Management (Sel) Sdn. Bhd.



Grace Goh is the Director of both Henry Butcher Malaysia Property Management (Sel) Sdn Bhd and Henry Butcher Malaysia Facilities Management (Sel) Sdn. Bhd. She holds a Masters Degree in Land Economy from University of Cambridge and a First Class (Honours) Bachelor Degree in Property Management from University Technology Malaysia.

She has more than twenty years of professional experience in matters relating to the real estate industry, particularly in the areas of property and facilities management, property and development consultancy, valuation, market research and feasibility studies, strata title application and establishment of Joint Management Bodies / Management Corporations, project marketing, and estate agency.

She is a Registered Valuer, Property Manager and Estate Agent with Board of Valuer, Appraiser, Estate Agent and Property Manager, Malaysia. She is member of The Royal Institution of Surveyors Malaysia, Royal Institution of Chartered Surveyors, Association of Valuers & Property Consultants in Private Practice Malaysia, International Certified Valuation Specialist, Business Valuers Association Malaysia, and a Fellow of Cambridge Commonwealth Trust.

ROUTE TO A PROPERTY MANAGEMENT CAREER

When did you join the property industry?

I joined the property industry upon graduation from Universiti Teknologi Malaysia in the early 1990s, then took a break to continue my Masters Degree in Cambridge in mid 90s.

How has your background and experience prepared you to become a property manager?

I started my career in the Valuation field until I obtained my registration with BoVAEP as a Registered Valuer, Property Manager & Estate Agent. I was also involved extensively in Research & Development Consultancy work before switching my practice to Property Management Services. The diversity of experiences in different fields of property has prepared me well to become a competent property manager and consultant.

When and why you found that property management is your key calling?

I was given an opportunity to try my hands in facilities management in late 1990s when there were demands for such services from multi-national telco companies that were looking to outsource their fringe services in order to concentrate on their core businesses. I took up the challenge and there was no turning back since then.

How do you get to this point in your career?

From the experiences I gained in facilities management, I set up Henry Butcher Malaysia Facilities Management (Sel) Sdn Bhd (HBMFM) in 2002 intended to render facilities and asset management services. Demand for facilities management services from local companies is rather limited. Major bulk of demands is for conventional property management services. As Facilities Management does not come under the purview of BoVAEP, I set up Henry Butcher Malaysia Property Management (Sel) Sdn Bhd (HBMPM) in 2004 to render full-fledged property management services.

HBMFM is used as a vehicle to render consultancy services mainly in the aspects of pre-development and strata-subdivision to developers. Having engaged with post development services for many years, I believe that prevention is always better than cure. We highlighted potential problems to developers while projects are still on the drawing boards, and scrutinised the details before the bricks and mortar are put into shape. We were involved in many mixed development projects assisting developers to strike a balance care of the distinctive priorities between different stakeholders.

What motivates you to be a success in the property management industry?

When clients appreciate the advices / services that you have rendered and stay with you for a long period of time. Fifty percent of our property management portfolios are under our care for more than 10 years.

How do you define success?

To me, success is not measurable in monetary term. Success is peace of mind; is a direct result of self-satisfaction in knowing that the efforts you put in have yielded good results for others. Success also means a sense of giving back to the world and making a difference.

I was appointed as a member of Industry Expert Advisory Panel of Tunku Abdul Rahman University College for their Diploma in Technology (Property Management) and Bachelor of Estate Management (Honours) programmes since 2015, and Master of Science in Real Estate programme since 2018, providing inputs on the latest and future trend of development in the industry relevant to the programmes conducted by them.

I received a scholarship from Cambridge Commonwealth Trust to pursue my Masters Degree in University of Cambridge. This master degree has paved me a good career path. As appreciation to this kind award, I donated back to Cambridge Commonwealth Trust and there is a scholarship named after me – “Grace Goh Cambridge Trust Masters Studentship



in Land Economy" to help deserving postgraduate students to study a Masters Degree in the Department of Land Economy of University of Cambridge.

MANAGEMENT STYLE

What is your management style? How do you like to communicate with your team?

I employed a very democratic management style. My managers have the free hand to make decisions guided by the company's SOPs and I provide supports from behind. My door is always opened for discussion/consultation. Staffs of every level are free to see me for discussion and guidance.

This management style has propelled a very healthy working environment with more than 40% of my staffs serve the company for more than 10 years. Staffs with potentials and have the right working attitude, are

groomed to assume heavier responsibilities and they grow with the company.

How do you balance your work and home life? How do you push through your busy time period?

Work and family are equally important to me. It is not easy to strike a balance between work and family especially in the field of property management as our supports are required all year long. Being a mother to three kids, I have to efficiently switch my roles between work and home. I do not bring my work problems home nor do I take my family issues to the office.

I gave my utmost supports to my staffs when I am in the office, and the same are duplicated to my children when I am home. This has worked well for me. My eldest boy just completed his Masters Degree at the age of 22 with a scholarship from the UK, and

my twin daughters are doing their 1st Year degree in Medicine and Law respectively in the UK.

How do you maintain a work/life balance?

I always have this principal of "have just enough on my plate, so that I can savour the food well". Property management is a human-intensive industry where the services rendered requires very high commitment from the management team. The nature of our work demands our supports round the clock. It is unwise to take on too many portfolios if you do not have suitable manpower. It will drain you out in this profession.

WOMEN AND PROPERTY MANAGEMENT

Do you think the property management career is suitable for women?

When it comes to work, I do not believe in gender differences. To me, the most important factors stem from a person's working attitude and the eagerness to excel. About 35% of my Building Manager/Building Executives are female and they have delivered very diligent services, if not better, than their male colleagues.

What do you think are the common misconceptions people have about women professionals?

When I started to venture into property management services in the late 1990s, market in general were rather skeptical about the ability of female property managers whether we could withstand the demand of getting our hands dirty, as building maintenance requires us to climb up to the roof to inspect leakages, inspect building services such as pump room, lift motor room to check on the machineries. Today, I think the market has accepted the involvement of female property managers and many of my clients have indeed asked for the placement of female building manager due to the sensitive and detailed nature of female staff.

What are the issues or challenges of being a woman property manager?

Long hours of working, particularly late-night meetings with JMC / MC, as most committee members are working populace and are only free at night / on weekend.

With the Covid-19 pandemic, a lot of meetings have turned virtual and this could be a turning-point direction to be continued post pandemic as we noticed quorums for meeting are easily achievable as management committee who are away are able to join the meeting. Furthermore, this has reduced the carbon emissions from less transportation usage, but most importantly travel time is saved for property managers.

What are the key elements for women to be successful in the property management industry?

Women's natural characters of being soft, sensitive, patient and detailed are the added advantage. Managing property is alike managing a household. Woman is always the pillar of a home. Thus, what we need to do is to transform our domestic duties into a larger commercial scale.

How do you overcome any gender related roadblocks in your career?

I am very lucky that throughout my career span, I have never been treated differently from my male colleagues. Perhaps this is due to my open-minded character and never position myself as a female worker. I work and take up challenges like my male colleagues and I hope my junior female colleagues can emulate this.

Any patterns you have seen in the workplace that suggest differences between men and women handled certain situations?

Yes, like I said earlier, women's nature characters of being soft, sensitive, patient and detailed are

THE PROPERTY MANAGER

the added advantage especially when handling unreasonable difficult clients. The patience and calmer character of a female staff could soften the anger of a client better.

What are some strategies you have learned that can help women achieve a more prominent role in the property management industry?

Every profession has its fair share of challenges. To sustain and excel in the property management industry, you have to stay resilient.

What are your advice to junior women property management/building executives who wish to become a property manager in the near future?

I believe if you have the passion and determination for success, you will be able to make it.

ORGANISATION

How would you describe the company culture here?

Our company is like a big family where staffs share their joys and despairs. Bonding between staffs is good where they support each other and share their experiences selflessly.

Describe how you would motivate a group of people to do something they did not want to do.

I lead the staff by example. When problems surface, I am always with the team to get problems solved together. I believe this approach has won me a lot of trust from my staff and they are prepared to face challenges.

What is the biggest challenge your group has faced in the past year?

The nature of property management work is mundane and requires a lot of patience. It is not easy to get the right candidate for the work.

Are there any projects that hold special memories/lesson for you?

We were engaged by Alpha REIT to manage their school portfolios, and decided to enroll two of their

schools for the EdgeProp Malaysia's Best Managed & Sustainable Property Awards 2021. Both Sri KDU Schools and The International School @ ParkCity won Gold and Silver respectively in the Specialised Above 10 Years and Below 10 Years Old categories.

The achievements have boosted the staff morale and team spirit, and hope we can reap in more success in the coming years.



FUTURE OF THE PROPERTY MANAGEMENT INDUSTRY

What is the outlook for the property management industry?

Property management industry is a profession that hedges against recession / pandemic. You would notice that during the Covid-19 pandemic, most of the property related services are affected but not property management. Property Management is the essential services that every highrise / stratified development would require be it during good or bad times. The outlook for property management industry is bright but as professional property managers, we need to diligently deliver our services and uphold the roles of property managers, constantly raising the bar of good property management practices.

What change do you wish to see?

The appreciation to property managers - who work hard to preserve the value of every property under our care, and defend the safety and security of every occupant. This is particularly prominent during the Covid-19 pandemic where the management team risked their safety to stand at the forefront to ensure that workplace / living place are well kept for the comfort and safety of all occupants.

What are the major shifts you think will transform the profession?

Employment of technology in the aspects of accounting & financial management, building automation system, database management, visitor management to virtual meeting.

Do you foresee any developments that will significantly change the property management profession?

Property development is an ever-evolving industry. From stratified landed properties to complex mixed smart developments, the evolution in property development and innovative ideas have changed the landscape of property management. As property managers, we need to tail closely with the pace of innovation and equip ourselves with up-to-date knowledge and know-hows in order to deliver the best services to our client.

How should the property managers prepare for these changes?

Lifelong learning ! ■



SPECIAL ISSUE OF *THE PROPERTY MANAGER*
COMMEMORATING A DECADE OF MIPFM (2011 - 2021)

INTERVIEW WITH YBhg Datuk Chang Kim Loong DSPN AMN

Honorary Secretary-General, National House Buyers Association (HBA)



National House Buyers Association of Malaysia (HBA) is a voluntary non-governmental, non-profit and non-political organization. The working committee consists of volunteers from various professions. Their work revolves around sheer humanitarian principles and ethics and we strive wholly

for a balanced, fair and equitable treatment for house buyers in their dealings with housing developers.

1. *What are the most common complaints regarding property management of newly completed strata properties?*

Unlicensed property managing agents has created some dents to the industry whereupon unwary strata owners and management bodies (Joint Management Body (JMBs) and Management Corporation (MCs)) have engaged them and are now caught in a dilemma when questioned by owners during AGMs and EGMs. Those unlicensed/illegitimate property managing agents continues to flout the laws and exploit with impunity because they are not regulated by BOVAEP. There are many stories of monies being absconded by unlicensed property managers ranging from high-end and to the low end. Owners must surely know the risk and perils associated with using unlicensed property

managing agents as compared with registered and licensed ones.

Read published HBA article titled “Licensed Registered property managers vs. Unlicensed non-registered property managers” (<http://epaper.mmail.com.my/2018/03/07/licensed-registered-property-managers-vs-unlicensed-non-registered-property-managers/>)

Free maintenance charges gimmicks by property developers during their sales and marketing campaign assuring that potential buyers will not have to pay for a certain duration of time. Some JMBs when formed do not have sufficient ‘contribution’ towards their maintenance and sinking funds and thus unable to pay for property maintenance and upkeep.

This free maintenance charges may be promised at the time of sale but the reality is that the Strata Management Act, 2013 (SMA) states that the developer must form the JMB within 12 months from date of Vacant Possession (VP). Accordingly, the developer must pay the maintenance charge to the JMB for the second and third year, after the developer’s management period in the first year has lapsed.

The developer presumably, is able to honour offers such as free maintenance charges because of factors such as no big capital expenses since it’s a new building and only the bare minimum expenses are incurred during this period.

Thus, it is not wrong or misleading for a developer to offer to pay the maintenance charges in the first year (developer’s managing period) but in the second and third year, it becomes apparently difficult when the JMB takes over with the developer contributing minimum charges. The JMB is an entirely new set up. Can they sustain property management without maintenance charges?

Read published HBA article titled “Don’t be fooled when buying a home” in The EdgeProp (<https://www.edgeprop.my/content/1519699/don%E2%80%99t-be-fooled-when-buying-home>).



JMBS SHOULD NOT INHERIT LIABILITIES OF THE PROPERTY DEVELOPERS

There have been instances where JMB inherit huge debts in the form of water and electricity arrears from the developers due to the lackadaisical attitude of the developers who failed to settle the same prior to handing over the management of the condominiums and flats.

As a result of this, the JMBs and property management agencies are immediately saddled with huge debts upon taking over the management of the development areas. The implication is that the JMBs and property managers are not able to maintain the common facilities in a satisfactory manner as substantial portion of the monies collected from the owners have to be utilised to settle such debts. The JMBs do not have other options because if they ignore such debts, the utilities companies will cut-off water and electricity supplies.

This is patently unfair to the owners and the JMBs because it can take many years to fully settle such debts while, in the meantime, the owners who have diligently paid up maintenance charges and sinking fund since taking vacant possession of their respective parcels have to endure the inconveniences and being deprived of the enjoyment of a well-maintained common facilities. The other equally bad option is that the owners have to fork out additional sum of money to settle such debts in a lump sum settlement.

Read published HBA article titled “Should JMB inherit ‘debts & liabilities’ from their Developer?” (<https://themalaysianreserve.com/2017/11/15/jmb-inherit-debts-liabilities-developer/>)

FIFTH SCHEDULE (FORM OF CHARGE STATEMENT)

This Fifth Schedule is attached to the statutory Sale & Purchase Agreement (SPA) (Schedule H) under the Housing Development (Control & Licensing) Regulations, 1989 and is referred to in Clause 19 vis-à-vis ‘Payment of charges and contribution to the sinking fund’. It consists of particularized expenses, albeit ‘estimate’ at the time of signing the SPA with details of estimated monthly and annual expenses.

It seems that during the time of sale the expenses detailed in the Fifth Schedule were far lower as when actual vacant possession is delivered to the buyers. After vacant possession, the charges are drastically increased as compared to during the sale. A reasonable increase is acceptable since the effluxion of time at sales and actual VP delivery; inflation and increased costs sets in. Property managers bears the brunt of compliant when housing developers ‘overly promised but under delivers’ especially when common facilities, as promised in the SPA, were far from acceptable and fall short of expectation.

2. How about the complaints with older strata properties?

SINKING FUNDS IS A RECURRING ISSUE WITH OLDER STRATA PROPERTIES

The sinking fund contribution is separate and shall be equivalent to 10% of the Charges (i.e. general

maintenance charges) under the management period by the developer or equivalent to at least 10% of the Charges under the JMB or MC management period.

The Sinking Fund Account is a mandatory account to be opened and maintained by a developer, JMB or MC. It is a provision for a capital expenditure fund to meet all actual or expected capital expenses in the common property such as repainting the building facade, water filter systems, water tanks and pumps, building surveillance system, gymnasium equipment, etc. Major items will deteriorate through wear and tear, and need replacement to maintain or enhance property market value. Hence the importance of the sinking fund. Alas, older strata properties has none.

Getting strata owners to volunteer themselves to serve on older strata properties is a problem. It is admirable for someone to come forward and serve the strata community without any expectation of being rewarded. Yet, it is imperative for volunteers to make effort to get to know the SMA and Strata Management Regulations lest they may be saddled with liabilities for being sued by aggrieved owners though certain times can be unsubstantiated. This issue has been a perennial problem with older strata properties especially when the properties have been unkempt and seems ‘run downed’ beyond redemption.

3. Why do you think these problems arise? Is it due to poor building construction, irresponsible management or attitudes of residents?

There are several factors that attribute to these problems. But, the glaring factor is the attitude of owners, tenants and occupants. It is indeed an astronomical task to understand the prevailing strata laws to understand their rights, benefits, obligations, responsibilities and duties. Many strata owners complain about the difficulties in understanding the SMA, its regulations and the standardized forms that are to be applied in certain situations. It’s the evolution of time from a government ‘do all’ to a culture of ‘self -help’. The culture of ‘tidak apa’ attitude has to change with time and the renewed spirit of volunteerism must prevail.

Volunteering is generally considered an altruistic activity where an individual or group provides services for no financial or social gain 'to benefit another person, group or organization' as in this case the JMB and MC. Working together with a group of people who have different ethnicity, backgrounds, and views reduces stereotypes.

4. *What can be done to reduce these problems in the future?*

LACK OF GUIDANCE FOR THE PUBLIC

The National House Buyers Association (HBA) believes that the lack of written reasons for Awards by the Strata Management Tribunal could deprive the public, or persons aggrieved or affected by the SMA of proper guidance on matters related to the SMA, and the same mistakes are repeated in a vicious cycle of ignorance or misunderstanding.

This could also hamper the development of strata laws and the SMA as a whole since there is no known published body of awards by the Tribunal for comparison or comprehension.

HBA has previously mooted and we now reiterate our call for the publication of awards and reasons for such awards; even if not for each award, at least for those important awards that will impact the future application of laws.

Firstly, the SMA is a relatively new legislation and strata development has become more complex with the advent of mixed developments, phased developments, developments that incorporate public infrastructures such as the Mass Rapid Transit running through, under or above strata properties and there are many lacunas which require the clarification and interpretation of the courts and the Tribunal.

By preparing written reasons and thereafter publishing the same, this will enable the public to deepen their understanding and comprehension of the operation of the SMA. Over time, when the law becomes clearer and more settled, there may be

fewer disputes, hence reducing the need to lodge claims with the Tribunal.

In addition, this will also expedite the decision-making process at the Tribunal because the body of decisions will serve as a useful source of reference.

Secondly, by making the written decisions available and transparent to the public, this will instill public confidence on the awards granted by the Tribunal. The written reasons will enable the public to understand the rationale of the awards.

TRANSPARENCY

It was reported that the majority of claims filed with the Tribunal are practical in nature, revolving around issues such as recovery of maintenance charges, disputes on validity of meetings, squabbles between committee members, disputes involving property managers and inter-floor leakage problems.

While these types of cases are generally perceived as rarely involve complex arguments on strata laws, the Tribunal ought to seriously consider publishing its written reasons with the main purpose of making transparent awards which may shed light or clarify the application of various provisions in the SMA for the benefit of the public who may be proprietors, committee members of a JMB, MC or sub-MC. Also, there should be a common position adopted by each Tribunal for facts which are similar or the same so as to formulate a consistent policy.

We have been encouraging the KPKT to be transparent and accountable by publishing the Tribunal's written reasons on KPKT's website, perhaps under a separate section called "Past-Decisions" or "SMT-Resources" as a source of reference and information to the public.

It could also help preempt any potential disputes and motivate parties to settle the same or similar disputes if the outcomes from earlier published cases are already known.

HBA urges KPKT to consider the proposal to encourage the chairman of the SMT to publish their awards, decisions and grounds and make available for viewing from KPKT's website.

Read published HBA article titled "Make tribunal's written decisions available to public" (<https://www.edgeprop.my/content/1803765/make-tribunal%E2%80%99s-written-decisions-available-public>).

FAQ TO BE MADE AVAILABLE IN COB'S WEBSITES

Often, the same questions are asked by strata owners, tenants and occupiers of stratified properties. These 'Frequently Asked Questions' should be accompanied with answers so that the COBs will not be bogged down. Their time could be effectively utilized towards settling problems and offering guidance as well as intervention, when a need arise. Communication too is crucial as a source of seeking information and amicably resolving issues.

HBA EFFORTS TO SIMPLIFY STRATA LEGISLATIONS FOR EASY READING

While HBA is more than happy to continue educating its readers and members of the public on current property issues through its weekly articles, HBA feels that after more than 2 years of strenuous writing, it was timely to compile these articles on strata properties and legislations into a single volume.

The starting point for HBA's journey into publishing its book on strata legislations took place 3 month ago. Our book entitled "*HBA's Insight into the Strata Legislations*" was launched by the YB Hjh Haniza Talha, the then EXCO in charge of Housing for Selangor who had generously contributed to the seed fund in starting the publication of our Book. The retail price of the Book is **RM39.90** as part of fund raising for HBA's activities. Contact HBA at info@hba.org.my to make a mail order.

SEMINAR ON STRATA MANAGEMENT

HBA conduct seminars on strata management and the intricacies of compliance with the legislation with pertinent topics e.g. *How compliance with strata legislation preserve the value of your property?; How does an owner file a claim with the Strata Management Tribunal; How Court decision affects the operation/ implementation of strata legislation; How Prop-Tech could enhance your value of property; Need for major paradigm shifts in strata schemes?; Equitable share units & Multiple rates for mixed use development.* Q & A sessions are conducted with special invited guests from the Ministry of Housing & Local Government.

Whilst HBA conducts our own seminars, there are also other similar seminars conducted by other NGOs e.g. MIPFM, PEPS, RISM, Bar Council Malaysia, MIEA etc.

INVESTMENT IN KNOWLEDGE PAYS THE BEST INTEREST

We have published an article on the topic of Education in the context of housing laws and its intricacies. The same arguments could be adduced in the Strata Management legislation through HBA title and link: "*Investment in knowledge pays the best interest*" (https://www.hba.org.my/articles/buyer_watch/2005/investment.htm).

5. *Are the current laws relating to strata property management adequate? What are the areas that need to be improved?*

The SMA is a significant improvement of its predecessor, the Building and Common Property (Maintenance and Management) Act 2007 which has since been repealed. However, the SMA is not flawless.

Two years down the road, the users of the SMA have spotted some lacunas in this legislation which require fine tunings or clarifications.

There are several pertinent issues that need to be addressed inter-alia:

DEVELOPER'S OBLIGATION TO PAY CHARGES OVER PROVISIONAL BLOCK

Under various provisions in the SMA, a developer is required to pay Charges and contributions to the sinking fund in respect of those parcels in the development area which have been completed but not sold.

However, there is a long standing and unresolved debate on whether a developer is also obliged to pay charges and contributions to the sinking fund in respect of the proposed parcels in each provisional block.

In a phased development, provisional block refers to a block of building which has been proposed to be built or in the course of being erected for which a separate provisional strata title is applied for.

The proponent advocates that as the common property is built with a view to cater for the eventual usage by all the occupants in the development area and hence is constructed up to considerable scale, the developer shall bear responsibility as well to maintain the common property even though the provisional block is not completed yet.

Pursuant to sections 59(2)(a) and 61(3) of the SMA, the Management Corporation (MC) has the duty and power to collect charges as well as sinking fund contributions from the proprietor of provisional blocks based on the provisional share units.

In addition, section 60(3)(b) of the SMA also provides for the MC to determine the charges to be imposed in respect of provisional blocks.

Although there is no specific provision that requires developers to pay 100% charges for provisional blocks, section 60(3)(b) provides the MC with the power to do so.

There is an ongoing discussion and consultation on the issue whether a developer should only be required to pay a certain percentage of charges and sinking fund contributions considering the fact

that the developer, as the owner of the provisional block, does not utilise the common facilities and common services in the completed blocks save for service roads, drains, street lightings, landscape and security of the compound areas.

However, there are also cases where the completed common facilities are been designed and intended to be shared by the completed blocks and the uncompleted blocks.

In such cases, it is gross injustice for the purchasers of the completed blocks to bear the full cost of management, operation and maintenance of such completed facilities without equal contributions from the uncompleted/provisional blocks.

Until the SMA is amended, HBA is of the view that, save for the management period by the management corporation, a developer should pay charges and sinking fund contributions for its provisional blocks at the same rate as any other parcels in the development area.

IMPOSITION OF DIFFERENT RATES

Pursuant to section 60 of the SMA, a MC may at a general meeting determines different rates of charges to be paid in respect of parcels which are used for significantly different purposes and in respect of the provisional block.

This provision is intended to provide flexibility to the MCs, especially those managing a mixed-use development area comprising different components e.g. commercial, residential and retail, to impose different rates of charges to different components.

However, this provision appears to be only applicable to MCs and not JMBs based on current regime.

The naïve application of a single uniform rate of Charges in a mixed-use development area has caused unnecessary injustice to the purchasers of those affected component blocks. This was resulted in the Court of Appeal decision in the Menara Rajawali case were the Courts ruled that there should be 'flat rate' in JMB stage.

It has been suggested that the same flexibility to be extended to JMBs and developers management period for mixed-use development areas.

APPOINTMENT OF NEW COMMITTEE MEMBERS IF THERE IS A VACANCY

There is an obvious error in paragraph 3(5), Second Schedule and this provision has made it practically impossible for the remaining members to appoint another owner to be a committee member until the next AGM, if a vacancy arises.

Paragraph 3(5), Second Schedule provides that where a vacancy in the membership of the management body occurs otherwise than by operation of subparagraph (1) or (3), the remaining members may appoint another proprietor to be a member until next AGM.

Subparagraph (1) set out the situations where a committee member shall vacate or deemed to have vacated his office, e.g. if a committee member resigns, dies, becomes a bankrupt, is no longer a proprietor, convicted for certain offences, becomes of unsound mind, in default of payment of charges etc. Subparagraph (3) provides for removal of a committee member in an extraordinary general meeting.

The effect of paragraph 3(5) is that the remaining members are barred from appointing a new member to fill up the vacancy in the committee in many situations which commonly happen. In practice, there are no foreseeable events that will allow remaining members to appoint another owner to be a committee member until the next general meeting. If there are only 3 committee members and one of them resigns, the situation can be very disruptive and serious.

It has been proposed that paragraph 3(5), Second Schedule is to be corrected by replacing subparagraph (1) with subparagraph (2) and then further amended to say that, in the event that a vacancy arises as a result of any of the situations stated in subparagraph (1), the remaining members are entitled to appoint another legible owner to fill up the vacancy.

BRINGING DISCREDIT TO THE MANAGEMENT COMMITTEE

Paragraph 3(1), Second Schedule set out the situations where a committee member shall vacate or deemed to have vacated his office. Notably, paragraph 3(1)(f) states that if a committee member by his conduct, whether in connection with his duties as a member of the management committee or otherwise, has brought discredit on the management committee, he would have to vacate his office or deemed to have been vacated his office.

This provision has been criticized for being allowing a committee member to be removed on vague and subjective ground. It follows that this provision is susceptible to abuse. It has been proposed that paragraph 3(1)(f) is to be removed.

Read published HBA article titled: 'Lacuna in the Strata Management Legislation – Part 1' (<https://themalaysianreserve.com/2018/01/03/lacuna-strata-management-legislation-part-1/>) and 'Lacuna in the Strata Management Legislation – Part 2' (<https://themalaysianreserve.com/2018/01/17/lacuna-strata-management-legislation-part-2/>)

HBA together with the Malaysian Bar Council (BC), Association of Valuers, Property Managers, Estate Agents and Property Consultants in the Private Sector Malaysia (PEPS), Royal Institution of Surveyors, Malaysia (RISM) and the Board of Valuers, Appraisers, Estate Agents & Property Managers (BOVAEP) have submitted a joint memorandum to the Ministry of Housing & Local Government highlighting the above proposed possible amendments, amongst others, to the SMA.

6. What are your advice to strata property owners and occupiers?

TO SERVE OR SELF-SERVE?

We all know the Joint Management Committee (JMC) or Management Committee (MC), stipulated under the Strata Management Act 2013 (SMA) to take care of a strata community, comprises volunteers who have to use their personal time to serve in the

various roles assigned to them. While most of them are genuinely passionate about the wellbeing of their communities, there are unfortunately some bad eggs with personal agendas who take advantage of their positions for self-advancement.

Be particularly careful about “one-issue” candidates who volunteer because they want to “take-over” property management. Be particularly cautious of those “unlicensed property companies/property managers” that have managed to infiltrate committee members in the JMC and MC, if they are not themselves in the committee. Equal concern too must be accorded to those person with pecuniary interest and those that award themselves with jobs.

Read published HBA article titled ‘To serve or self-serve?’ (<https://www.edgeprop.my/content/1783068/serve-or-self-serve>)

CHOOSE THE RIGHT LEADERS AND PROSPER

Leaders, good or bad, spell the difference between a well-run or badly-run strata property. The concept of a management body should be fairly clear to Joint Management Body (JMB) and Management Corporation (MC) council members or even to many long-time strata property owners. However, for non-active owners and residents — especially first-time owners — this form of common-interest “governance” can be perplexing, what with the many parties (developer, managing agent, management council, other buyers, etc) involved, not to mention the legal duties of each party.

Those who have never lived in an owners’ corporation (condominium, apartment, townhouse, gated community) often do not understand the necessity of service charges, sinking fund, rules and volunteering to sit in the management council. For them, the “management” may be perceived as little more than a nebulous entity that expects prompt payment on monthly invoices. This lack of understanding can lead to miscommunication and misunderstanding, with the general perception that strata living is “hard”.

Call it by whatever name — JMB, MC or Residents’ Association (RA) — they are all basically an association of property owners looking out for their best interest. In the first two, it is a requirement by law for strata-titled properties under the Strata Titles Act, 1985 and the Strata Management Act, 2013 (Act 757), whereas RAs are voluntary organizations registered with the Registrar of Societies.

In the SMA, the management committee, be it the JMB or MC, the purchaser representation should comprise a minimum of three purchasers and a maximum of 14. There shall be a chairman, secretary and treasurer, all of whom shall be natural persons. Although these are voluntary positions, they have to be taken seriously because they involve people and their investments. Most owners’ corporations are headed by a leader who might also be the chairman at meetings. Strong leadership is an essential component of every successful owners’ corporation.

A good leader can make a difference for community spirit. Selecting a leader with the right strength and qualities can lead to a more productive and happy community. Here are some tips on how to choose the leader of your home community as published in HBA article titled ‘Choose the right leaders and prosper’ (<https://www.edgeprop.my/content/1715730/choose-right-leaders-and-prosper>)

7. What are your advice to JMBs/MCs?

THREE-FOLD LEGAL RELATIONSHIP

A person who purchases a unit in a strata development enters into a three-fold legal relationship. First, he is the individual owner of his unit. Second, he is a co-owner with all other owners of the common property and the land of the strata development. Third, he is automatically a member of the owners’ body to whom the management and maintenance of the scheme is entrusted.

Harmony can only be achieved if the strata development is managed properly, the common property and facilities maintained adequately

and regularly. The proper maintenance, efficient management and ultimately the success of the strata development depends on a steady flow of payments to the coffers of the common fund of the owners' body.

Repeated failure to contribute to common expenses may hinder timely maintenance and efficient management and ultimately wreck the whole strata development scheme.

Firstly, every strata property purchaser or owner should read and be conversant with the newly minted SMA and its related regulations to understand his duties, obligations and responsibilities as an individual owner. Secondly, he should be aware that he is a co-owner of the common property of the strata development and thirdly that he is a member of the owners' body formed.

COMPLIANCE WITH THE LAW – DO IT THE RIGHT WAY FROM THE ONSET

Office bearers and committee/council members elected to serve the management bodies should indulge themselves; to educate and equip themselves with the intricacies of the legislation governing strata management vis-à-vis Strata Management Act, its Regulations and the usage of the related Forms as well as understand the scope of jurisdiction of the Strata Management Tribunal and the role and power of the Commissioner of Buildings.

Dealing with the maintenance charges and sinking fund is one of the most important and yet contentious functions of developer, Joint Management Body or Management Corporation (collectively 'Management Bodies') in a stratified development. In order to ensure that accountability and integrity are constantly upheld in the Management Bodies, the Strata Management Act 2013 ('SMA') has criminalized a host of non-compliances with the SMA in particular financial provisions. In other words, failure to comply with certain provisions in the SMA may attract not only financial penalty in the form of fine but may also land the unwary in jail.

Read published HBA article titled 'Compliance with the law-Do it the right way from the onset' (<https://themalaysianreserve.com/2017/06/07/compliance-with-the-law-do-it-the-right-way-from-the-onset/>).

8. What are your advice to strata property managers?

HBA has been supportive of BOVAEP and recognizes the role of professional property managers in the property industry and the need to regulate and control the professional property management practice of registered property managers under BOVAEP. The homebuyers' interest will be better-protected and safeguarded through registered property managers under the BOVAEP pursuant to the Act 242.

Hence, BOVAEP should be strict to discipline those wayward registered property managers that gives the industry a bad name.

9. What are your advice to Commissioner of Buildings?

ENFORCEMENT

We have repeatedly stated that laws are only as effective as the degree of enforcement. This had been the bane of the whole situation. Wayward developers, JMBs, MCs and managing agents know that the chances of them getting away with their wayward deeds are extremely good. Thus, enforcement is the key to more protection. Our fundamental belief is that even the best of legislation to counter a particular situation would remain ornamental pieces unless strict enforcements are carried out against offenders, without fear or favour.

Our comments aforesaid are supplementary to our stand that no amount of law will be able to eliminate or solve the problems unless they are strictly enforced. As the saying goes, **"The law is only as good as its enforcement"**.

DON'T ACT ULTRA VIRES THE ACT

The COB holds an important and special position in enforcing and administering the SMA without

which the SMA could not function efficiently. Notwithstanding this, the COB being a creation of the SMA, ought to be strictly guided by the provisions of the said SMA when exercising its duties and responsibilities. Any acts which traverse beyond the boundary of SMA will be subjected to challenge and may be declared *ultra vires*.

Read published HBA article titled 'Don't act *ultra vires* the Act, COB' thru the facebook: RS180425 PG28 — Postimages (postimg.cc) and RS180425 PG29 — Postimages (postimg.cc)

10. Do you think mediation can play a role in reducing disputes?

Yes, I am sure any platform to seek possible amicable settlement between two or more feuding parties can be resolved. Most of the feuds are domestic matters over trivial issues when each have their own interpretation and point of views. It will save time and expense of litigation at the Strata Management Tribunal and the Courts of Law.

In fact, DBKL has initiated a 'Pusat Mediasi Komuniti Strata' operational since October, 2018. From what we understand from YBhg Datuk Sr Hj Kamarulzaman, Pengarah JPPH, DBKL they have resolved more than 700 cases outside the perimeters of SMA e.g. *gaduh pasal kucing, gaduh pasal hentap isteri orang guna CCTV dalaman dan lain-lain*.

11. Who should play this role? Can professional bodies provide this service?

Perhaps, BOVAEP could initiate the formation of a Mediation Centre and formulate the rules, regulations for all property professional bodies keen to participate.

12. Are there any new issues on strata properties that you are now working on?

What do you think are the solutions?

The Covid-19 pandemic and the resulting lockdowns have changed the ways we conduct our daily activities.

Gathering or meeting in a big group are prohibited. It was not until the country entering into recovery movement control order (RMCO) on June 10, that the Government relaxed the rules against group gatherings and allowed management bodies of stratified properties to organise AGMs, EGMs and management committee meetings subjected to the adherence of the standard operating procedures (SOP) prescribed by the Government.

The SOP, amongst others, restricted the duration of meeting to not more than four hours, provides that attendance of the general meeting is on 'first come first serve basis', if the venue of meeting could not accommodate all the attendees.

It also stipulates that only important motions are to be discussed and decided upon in a meeting and such decisions are to be recorded. Those proprietors above the age of 60 years are not encouraged to attend (*you gotta be kidding* – pun intended).

While the intention of the SOP is noble, to a certain extent, it curtails the rights of proprietors to participate in a meeting. For example, proprietors wishing to participate in a general meeting may find themselves being denied to do so as the venue has reached its full capacity even before the meeting starts.

VIRTUAL MEETING FOR STRATA SCHEME OR 'HYBRID' CONCEPT

Unlike the Companies Act 2016, the Strata Management Act 2013 does not contain any provisions which allow AGM, EGM or management committee meeting to be held virtually.

Section 59 of the Temporary Measures for Reducing the Impact of Coronavirus Disease 2019 (COVID-19) Act 2020 ('COVID-19 Act') provides that a Minister charged with the responsibility for any Act of Parliament, may by Order published in the gazette, provide for alternative arrangements for such statutory meeting which in his opinion is not possible to convened, held or conducted in the manner provided in such Act due to the pandemic from March 18 to June 6. The COVID-19 Act has been extended until 31.3.2021.

In this regard, the Housing and Local Government Minister ought to look into the possibility of prescribing an Order pursuant to Section 59 of the COVID-19 Act to allow management bodies to convene general meetings and committee meetings either through fully electronic method or 'hybrid' method.

Hybrid meeting simply means the meeting is conducted both physically and electronically at the same time: co-existing. Hybrid method may be suitable in situation where there are a number of proprietors who do not have the equipment or 'know how' to participate in a virtual meeting. Having a hybrid meeting will allow them to attend the meeting at the designated venue.

Having virtual meeting brings a host of benefits and ideally shall remain an option even after the pandemic has been controlled. Virtual meeting will encourage more people to take part in the general meetings as joining meeting is just a few clicks away. However, it is important for management bodies to identify the suitable electronic platform or software which will enable a seamless meeting.

The Minister has since formulated a Focus Group Discussion (FGD) with all stakeholders to discuss the possibilities of Virtual Meetings (AGM/ EGM) becoming a reality. The 1st meeting is scheduled for Tues, 23.2.2021.

Read published HBA article titled '*Virtual meetings in strata management during pandemic*' (<https://focusmalaysia.my/opinion/virtual-meetings-in-strata-management-during-pandemic/>).

13. What is the most significant achievement by HBA in relation to management of strata properties?

MAINTENANCE & MANAGEMENT – THE NEW REGIME

As the country enters a new era of democracy, all of us are beginning to realise the importance of information so that we can be aware of our rights, obligations and responsibilities.

This is especially true for owners who are concerned about the management and maintenance of their

stratified properties, now governed by the Strata Management Act, 2013 (Act 757) and its governing Strata Management (Maintenance & Management) Regulations, 2015 which has resulted in the repeal of the Building & Common Property (Maintenance and Management) Act 2007 (Act 663) that has outlived its effectiveness.

DOWN MEMORY LANE – MINISTERS' CREDIT

HBA would like to firstly thank Tan Sri Ong Ka Ting, the then Minister of Housing and Local Government for having the courage to first tabled Act 663 that gives "Power back to the hands of the Owners" in the year 2007. Management and maintenance was a 'cash cow' for housing developers and they were steadfast refusing to 'give up' management role. Their clarion cry was: 'It is my project and we have the rights to reap in the fruits of our projects'. There were numerous meetings from the year 2003/6 between HBA and all stakeholders with the Ministry and AGC. Finally, the Developers' Organisation relented and it became possible for Tan Sri Ong Ka Ting to table the legislation. The previous Act 663 instilled on the Developers the mindset and recognized the rights, benefits and entitlement of the strata owners upon delivery of vacant possession. The Developers' duty was to sell property whilst that of the owners is in forming community. The said Act 663 had worked "with some teething problems" for the past eight years. There were a lot of uncertainties and ambiguities. But it had since outlived its usefulness.

When Tan Sri Chor Chee Heung helmed the Housing Ministry portfolio, he boldly took a notch higher in the succeeding years to table the current wholesome legislation named the STRATA MANAGEMENT BILL, in Parliament on Dec 19, 2012.

Congratulations to the immediate past Minister and his team at the Ministry of Housing and Local Government who have worked through unequalled weekends with the numerous stakeholders (including HBA's volunteers) in the related industry: tweaked and tuned both the maintenance and management (M & M) aspects in the Strata Titles Act, 1985 (Act 318)

and the related Housing Development legislation. Hence, the birth of the Strata Management Act (SMA). Equally important is his counterpart Minister at the Ministry of Natural Resources and Environment, Datuk Sri Douglas Uggah Embas, who has also simultaneously tabled his law, i.e. Strata Titles Act, 1985 (amendment 2012) at the previous sitting in Parliament to make the SMA a reality.

Credit too must be accorded to the previous Housing Minister, Dato Seri Abdul Rahman Dahlan, for implementing the SMA whereupon his Ministry has assumed the task of being the caretaker of M&M as well as following up on the past efforts of his Ministry. We were afraid that he may do another “U-turn” as what happened to HBA's long-drawn proposal in the mandatory implementation of the Built-Then-Sell 10:90 (BTS 10:90) concept in the housing industry.

(PS: We are, however, dismayed that the word “registered property manager” was removed from the SMA legislation which invariably opens the floodgates to unregistered property managers. This is another topic that I have written on numerous occasions.)

14. *What's something you would like the readers to know about?*

WHAT IS AN AWARD UNDER THE SMT & WHY IS IT IMPORTANT?

The decision and Order granted by Strata Management Tribunal (SMT) upon hearing is known as an ‘Award’. An Award is similar to a Court Order, and Section 120 of the SMA states that an Award is final and is binding on all parties to the proceedings.

In the event an Award is still not complied with, the winning party may file enforcement proceedings at the Courts of Law. However, the reality is far from ideal. Sometimes, a winning party may have financial difficulty to apply for enforcement in Court through the civil processes and is left with a paper Award.

While the SMT's primary job is to listen to disputes and reach a satisfactory conclusion for both parties, not everyone likes to do as they're told – this is

where the SMT can also step in and impose some substantial penalties. In order to give more force to the awards granted by SMT, the SMA 2013 has criminalised non-compliance with awards of SMT:

Section 123 of the SMA 2013 provides that any person who fails to comply with an award made by SMT commits an offence and shall, on conviction, be liable to a fine not exceeding RM250,000 or to imprisonment for a term not exceeding 3 years or to both, and in the case of a continuing offence, to a further fine not exceeding RM5,000 or every day or part thereof during which the offence continues after conviction.

Read published HBA article titled: ‘Non-compliant strata property owners may now be given a criminal penalty’ (<https://www.iproperty.com.my/news/strata-property-owner-strata-management-tribunal/>).

The success of these prosecution cases further boosts and bolsters the sanctity of the SMT's awards. The positive effect of these prosecution cases will hopefully not only be confined to cases involving default in paying maintenance charges. It is expected that the successful prosecution will also send a firm message to all members of public and stakeholders to treat all awards of the Strata Management Tribunal seriously or risk facing criminal penalties such as heavy fines or imprisonment, or both.

It is worth highlighting that the punishment can also be extended to individuals being held responsible for the ‘management and control’ of the affairs of a corporate body who disobeyed the awards. In this regard, it is important for all committee members of the management bodies to closely monitor the status of each case filed and take appropriate action to ensure compliance if need be.

Strata unit owners or parcel owners are advised to get acquainted with the SMA 2013, its rules and additional by laws. If they do not understand the intricacies of the SMA 2013, they should seek out the services of the professionals in this field. ■

SPECIAL ISSUE OF *THE PROPERTY MANAGER*
COMMEMORATING A DECADE OF MIPFM (2011 - 2021)

INTERVIEW WITH Professor Dr. Ting Kien Hwa

Professor of Property Investment, Universiti Teknologi MARA



Professor Sr Ts Dr. Ting Kien Hwa *RPM, RV and REA* is currently the Founding Editor and Editor-in-Chief of *The Property Manager*, professional journal of MIPFM. Prof. Ting was the Editor of *The Malaysian Surveyor* and Founding Editor of *International Surveying Research Journal* of Royal Institution of Surveyors Malaysia (2011-2016). He is also an Editorial Board member of local and international refereed real estate journals – PRPRJ, JCRE and JREL.

Professor Ting is an external examiner for local degrees (Imperia College and TAR UC) and masters real estate programme (Universiti Malaya) and Visiting Professor of Real Estate Investment, Henley Business School, University of Reading Malaysia. Prof. Ting is the PhD External Examiner for University of New South Wales (UNSW), Western Sydney University, Queensland University of Technology, Australia and Lincoln University, New Zealand on thesis related to real estate investment trusts and property investment.

At the international front, Prof. Ting is a member of the Standards Setting Committee of *International Land Measurement Standards* (ILMS - supported by United Nation-FAO) for due diligence of land transactions and also *International Property Measurement Standards* (IPMS – supported by World Bank)) for measuring international real estate.

Prof. Dr. Ting was Vice President of the MIPFM, member of Asia Public Real Estate Association (APREA), Board member of the Pacific Rim Real Estate Society, RICS Malaysia Board member, member of the NAPREC Expert Panel (INSPEN) and Council member of the Royal Institution of Surveyors Malaysia.

With your long service in a public university, what is your view on higher education for property management?

Traditionally a Degree in Real Estate covers the basic disciplines e.g. economics, building construction, law, town planning, valuation etc. that affect the management of real estate in the first year degree program. Based on this foundation, Year Two and Three focus on the principles on the management of real estate that entail specialized areas e.g. property development, property finance, property investment, property valuation and property management etc.

A Degree in Real Estate provides a foundation towards an integrated approach to managing real estate. Undergraduates are required to undertake integrated projects that require inputs from different aspects of the property market e.g. building grade, tenant's preference, property market trend, supply and demand, capital values and market rental etc. Students are required to collect and collate market information and data, analyse and apply them in the project. In doing so they need to evaluate and choose their course of action and to substantiate the decision with facts and figures.

Students need to consider the many options as a solution to the property under management which may include upgrading, repositioning, refurbishment etc. and also to consider expansion, relocation, disposal, securitization etc. A much wider set of factors and considerations need to be taken into account in coming to the decision and to be able to defend the recommended solution. This integrated approach provides an insight into the complexity of real estate solutions. Hence the management of real estate is not merely about property management that involves construction, repair, maintenance, engineering, strata law, building management, safety, outsourcing, SOP etc. But an interrelated, integrated and holistic approach is needed to find solutions to problems faced in the management of real estate. Therein lies the strength of real estate degree.

Traditionally property management is not singled out as a discipline itself. A degree that focus purely

on property management will only see the woods without seeing the forest.

Whilst there are pressures for real estate graduates to understand Act 757 in detail and to know the provisions in the regulations at their fingertips, a specialization during Year 4 is recommended. Yes you read it: a real estate degree should be a four year program. I would strongly advocate for a four-year real estate degree with the Year 4 for specialization in one of the following areas: estate agency, property management, plant and machinery valuation etc.

How could postgraduate studies help in developing the property management discipline?

For the property management profession to expand, universities should offer specialize masters degree in facilities management, real asset management, infrastructure management, corporate real estate management, property investment and finance etc.

With increasing economic growth, the nation will need more specialized professionals to manage the real estate assets in an efficient and effective manner, and in the process to value-add to these assets.

Different universities have different strength in terms of expertise, resources, industry linkages and hence may develop specialized masters program accordingly.

Enrolments for postgraduate studies are generally low. What would you suggest to make pursuing a Master degree attractive?

Master degree should be "bundled" with additional professional qualifications meaning the Master degree would serve as a recognized qualification into a cognate discipline of real estate and to be able to obtain membership in a professional body. For example:

Master in Facility Management leads to membership in IFMA or RICS

Master in Corporate Real Estate leads to membership in CoreNet

Master in Business Valuation leads to membership in BVAM/ICVA

What is happening in the current practice in property management ?

These are my observations:

- Over focused on residential strata properties but not strata properties involving commercial, industrial, institutional, public sector etc.
- Over focused on the maintenance aspects of residential strata properties.
- Over emphasized on the procedural aspect and compliance with Act 242 and its rules.
- The profession has focused on the operational aspects of property management.
- The profession has lost the holistic view in the management of real estate.
- For the profession to move forward, there is a need to add strategic thinking into property management.

Why do you initiate this journal, The Property Manager (TPM), that focus on property management?

Firstly MIPFM has been formed for almost a decade. It is time a dedicated professional journal on property management is created for its members and the property management profession at large.

Secondly, I wanted to impress on our members that the practice of "property management" should not be confined to Act 242 or SMA 2013. There is a much wider and bigger world out there in the built environment where the management of real estate is needed. Do note the difference in the terminology that I imply in using the word "property management" and "the management of real estate".

In the past few issues of TPM, I have compared and relate property management with facilities management, property asset management and property portfolio management.

I wanted to emphasize that the management of real estate may also relate to corporate real

estate, real asset management, infrastructure management, public asset management etc. I hope "property management" will evolve and cover a more comprehensive and wider scope and not merely confined to residential strata management of condominiums and service apartments but all real assets mentioned earlier.

Perhaps with the shortage of development land in Kuala Lumpur, we may see more upgrading, refurbishment, adaptive reuse activities on existing older buildings in the near future. The property managers will then have the opportunities to carry out property asset management on these properties.

What is the common perception of public towards academics?

The most common perception is that lecturers only teach which the public perceives as a mundane task.

But working in a university, academic life is not about teaching but also research, consultancy and inputs in policy making. There are ample opportunities for the motivated academic to explore these areas:

- Research – An academic has the freedom to research on any topics of his choice. One can research in collaboration with academics of other disciplines and with any researchers in the world.
- Intellectual property rights – A versatile academic may delve into producing works that could have IP rights e.g. copyright, patents etc.
- Commercialization – The IP rights can be commercialized into a product.
- Companies – The academic can setup a company to convert the IP rights into products and services that generate revenue and profits and in the process create jobs and employment.

Also an accomplished reputable academic has high employment mobility with opportunity to work in any universities in the world. ■

10 TRENDS IN PROPERTY AND FACILITY MANAGEMENT IN MALAYSIA



CEO/CHIEF REAL ESTATE CONSULTANT

SR HAJI ADZMAN SHAH HAJI MOHD ARIFFIN

EXASTRATA SOLUTIONS SDN BHD

The last one year has been an unprecedented experience. The Covid-19 pandemic has led to disruption of business operations and the routine of the population. This has led to innovations and accelerated evolution of practices in property and facility management.

Building owners and practitioners in property and facility management industry have had to speed up embracing the changes and adapting to the new trends.

New trends have emerged the last 12 months and are expected to continue to evolve according to the needs of the prevailing conditions. It is good to take note of the trends and appreciate how they

will affect the landscape of property and facility management in the future.

1) TECHNOLOGICAL TREND

Digital property technology has had a major impact on the overall real estate industry. The digitalisation initiatives were accelerated due to the sudden awareness of its usefulness during the pandemic period.

Some of the property technology features are as below:

1. Community portal
2. Security and safety

3. Energy conservation
4. Online payment portal
5. Visitor management
6. Indoor air quality

Practitioners need to keep abreast of the trends in order to stay relevant. Their personnel too must be updated with the latest trends to ensure continuous improvement in service delivery.

2) DEMOGRAPHIC TRENDS

The recent pandemic critical period has brought demographic changes involving Millennials / Generation Z and Senior Citizens.

With Millennials forming a major proportion of the future generation in the country, their needs are now becoming a major focus by the real estate industry. They have become important building user as tenants and occupants. With their tech savvy skills and daily needs, buildings and facilities need to cater for the convenience required by this segment covering the following:

1. Good and efficient broadband infrastructure
2. Online payment portal
3. Community Environment
4. Free Wifi
5. Charging hubs for mobile phones and tablets
6. Lifestyle cafe
7. Work from home/anywhere convenience

3) SOFTWARE AND APPLICATIONS

As part of property technology trend, the need for software for property management and supporting application has never been more important. In view of social distancing and contactless engagements, the software designers have started to step up their game to cater for the ever demanding needs for convenience due to the mobility of the population and the request for online transaction.

These cover the following:

1. Billing and accounting system
2. Complaint Handling/ Customer relationship management (CRM)
3. Work tracking
4. Communication
5. Cloud computing

4) CUSTOMER SERVICE

Due to pandemic, property and facility managers are spending more time handling request and dressing complaints from clients, residents and owners.

Property and facility managers need to be trained to have good public relation and communication skills. The speed of response to such request and update on progress has become a standard operating procedure.

Tracking of complaints and progress can be done by using applications. With this tool, one will be able to ensure that good customer relationship management can be implemented.

5) MANAGING RENTAL PROPERTIES

Property and facility managers are tasked also with the management and maintaining different category of properties. Rental properties for instance have become active during the pandemic period especially when property prices seem to be out of reach for certain segment of the population. There is thus rise in tenants taking up space in residential and commercial buildings.

Request for contactless interactions has led to a number of innovations such as:

1. Online payment portals
2. Smart door locks
3. Community application for notification
4. Smart building/homes
5. Safety and security features
6. Virtual Reality (VR) and Augmented Reality (AR)

6) SMART BUILDINGS AND HOME TRENDS

The recent couple of years has seen lifestyle development trends with smart building features. Such smart aspects have also become part of the homes too.

The efficiency of the broadband infrastructure must be maintained in order to support the features. Therefore, there is need to ensure daily monitoring and regular maintenance to avoid disruptions.

For the Senior Citizens, there is increasing demand for multi-generational development aspects and building features to suit assisted living requirements. There are facilities which need to be monitored in good condition with the senior citizens' safety and health in mind. Managers need to be able to cover the unique requirements from the different population generation.

7) SAFETY AND HEALTH TRENDS

The Covid-19 pandemic has resulted in deep concern in health and safety of the building for the occupants and visitors. To break the chain of infection, certain measures must be adopted under the standard operation procedures (SOP) by the authority.

Body temperature screening and contact tracking need to be undertaken. Sanitising and disinfection are also required. Scheduled cleaning on regular basis must be implemented as part of property and facility management scope of work. Touchless surface must also be practiced.

With this trend under the new norm, property and facility managers must be aware of the SOP requirements and familiar with crisis management skills in case of infection.

8) BIG DATA AND DATA ANALYTICS TRENDS

Technology has brought about better access to data. For the property and facility manager, this is a good opportunity to obtain data and analyse in order to understand the needs and wants of the customer. Such data analysis is able to provide good insights into the building occupants and



THE PROPERTY MANAGER

users. This way the property and facility manager can become proactive in anticipating the needs and requirements of the client.

Property and facility managers must be able to compile the relevant data and utilize the analysis findings for whatever purpose related to property and facility management.

9) ONLINE BUSINESS AND SERVICES TRENDS

In view of the popularity of online business and shopping, the property and facility manager needs to cater for delivery services especially for residents who are absent. A safekeeping facility is often needed in strata residential properties to keep delivered parcels/goods. The need for safety in allowing the delivery service provider to enter the property will require some security measures to be adopted.

10) COMPETITION

With the recent window period for the licensing of property and facility managers by the Board

of Valuers, Appraisers, Estate Agents and Property Managers (BOVAEP), there is a healthy trend in the increase of the number of property and facility management companies entering the industry.

The challenge now is to stay competitive not only in terms of labour cost and professional fees but also in terms of the service performance delivery. Customer relationship management has also become an important aspect in property and facility management which need to be improved to stay competitive.

It is, therefore, important to explore how to take advantage of the trends to ensure that property and facility managers remain relevant in the industry. Continuous professional development training should be encouraged for the site personnel in order to enable them to upskill or reskill to meet the clients' demanding expectations in line with the latest trends. Professional bodies such as the Malaysian Institute of Property and Facility Managers (MIPFM) can provide the right training for this purpose. ■



MIPFM 5TH CONFERENCE 2021 (WEBINAR): BEST PRACTICE IN THE NEW NORM FOR PROPERTY MANAGEMENT

25 MARCH 2021, 9.00AM - 1.00PM

CELEBRATING 10TH ANNIVERSARY OF MIPFM (2011 - 2021)

CONFERENCE PROGRAMME

08.45am - 09.00am :

Welcome speech by MIPFM President, Sr Haji Adzman Shah Mohd Ariffin

09.00am - 09.15am :

Keynote address on Future Directions and Outlook for Property Management by Prof Sr Ts Dr Ting Kien Hwa

09.15am - 10.00am :

The SOPs and Issues for Online Annual General Meeting (AGM) / Extraordinary General Meeting (EGM) by Datuk Sr Haji Kamarulzaman Mat Salleh, Director Property Management and Valuation Department, Dewan Bandaraya Kuala Lumpur (DBKL)

10.00am - 10.15am :

CSS Decisions product presentation

10.15am - 11.00am :

The Pandemic-proof Building Design: A Way Forward by Ar. Anthony Lee Tee, Director Architect Centre Sdn Bhd

11.00am - 11.15am : Break

11.15am - 12.00pm :

Operational changes in property management due to Covid-19 Pandemic by Sathish Rajendren, Chief Operating Officer & Head Facilities & Asset Services at Knight Frank (India) & Board of Director at CoreNet Global

12.00pm - 12.15pm :

Nippon Paint product presentation

12.15pm - 13.00pm :

Contactless technology without human touch in building facilities by Irene Lim, Managing Director CSS Group



Sr Haji Adzman Shah Mohd Ariffin
MIPFM President & Chief Executive Officer
(CEO), ExaStrata Solutions Sdn Bhd



Professor Sr Ts Dr Ting Kien Hwa
Editor-in-Chief The Property Manager



Datuk Sr Haji Kamarulzaman Mat Salleh
Director Property Management and
Valuation Department, DBKL



Sathish Rajendren
Chief Operating Officer (COO) & Head, Facilities &
Asset Management Services, India
Knight Frank (India) and Board of Director at
CoreNet Global



Ar. Anthony Lee Tee
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KEYNOTE ADDRESS OF MIPFM 5TH ANNUAL CONFERENCE

Topic: Outlook and Future Directions of Property Management

PROFESSOR DR. TING KIEN HWA

25 March 2021

BACKGROUND

The significant growth in urbanization has been the key driver for the growth of the property management industry. With increasing completion of high-rise strata residential projects, the demand for property management services is expected to increase in tandem.

In the Federal Territory of Kuala Lumpur, there are 5,872 strata residential schemes (refer Table 1). About two-third of the 1.8 million population of Kuala Lumpur are staying in these high-rise residential schemes.

Table 1: The type and number of residential strata management entities (as at 25 March 2021)

Type of residential strata management entities	Number
Management corporations (MC)	3,157
Joint Management Bodies (JMB)	579
Developer (private sector)	971
Developer (DBKL)	46
Managing agent	30
Pentadbir	1
Others	1,088
TOTAL	5,872

(Source: Kamarulzaman bin Mat Salleh (2021) The SOPs and Issues for Online Annual General Meeting /Extraordinary General Meeting, MIPFM 5th Annual Conference/ Webinar, 25 March)

The number of property management firms ready to manage these strata schemes are shown in Table 2 whilst Table 3 shows the number of property

management professionals registered with BoVAEP. The large increase in Registered Property Managers is due to the opening of the Register for Property Managers by BoVAEP in 2018.

Table 2: Number of active firms related to property management registered with BoVAEP

Type of firms	No. of firms
Estate Agent & Property Management (EPM)	12
Property Management (PM)	275
Valuer, Estate Agency & Property Management (VEPM)	218
Valuer & Property Management (VPM)	9
TOTAL	514

(Source: <https://lppeh.gov.my/WP2016/role/> as at 13 January 2021)

Table 3: Number of active registered members of BoVAEP related to property management

Registered members	No. of members
Registered Property Managers	2776
Registered Valuers	1008

Note: There are common members between the two groups of Registered Members above.

(Source: <https://lppeh.gov.my/WP2016/role/> as at 13 January 2021)

The completion of a large number of strata residential schemes since the property boom in 2013-14 provides ample opportunities in this area of property management. The focus of property managers has since targeted on the management of these schemes. Figure 1 aptly reflects the situation

in a building where its condition drops below the designed performance level and maintenance and repair are carried out to bring it back to its design level. Many of the newly completed strata residential buildings would see the repeat of these cycles in the short to medium time period.

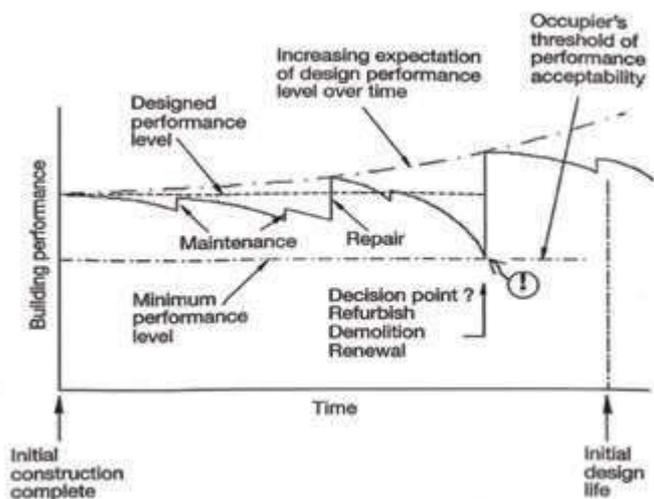


Figure 1: Maintenance expenditure and life cycle of a building

ARE PROPERTY MANAGERS PROPERTY VALUE MAINTAINERS OR PROPERTY VALUE MAXIMISERS?

With the focus being on the activities of maintenance and repair of these properties, property management is subsequently perceived as property value maintainers. So an issue arise: are property managers property value maintainers or property value maximisers? This issue highlights the need for the property management industry as a whole to continue its effort to gain market recognition as a provider of value-added professional services.

PROPERTY MANAGEMENT IS NOT JUST ABOUT THE MANAGEMENT OF HIGH-RISE STRATA RESIDENTIAL PROPERTIES

Another issue is that for the uninitiated, property management is perceived as all about the management of residential strata properties i.e. apartments, condominiums, service apartments and strata landed properties. This itself is a myopic view of what is property management. The scope of property management is best seen in the context of the three dimensions of the management of



real estate i.e. the real estate management triad: property management, property asset management and property portfolio management (refer Table 4).

Table 4: Major responsibilities of the real estate management triad

Major Responsibilities of the Management Triad	
Property Manager	<ul style="list-style-type: none"> ■ Tenant relations and retention ■ Rent collection ■ Control of operating expenses ■ Financial reporting and record keeping ■ Maintenance of property ■ Planning capital expenditures ■ Crisis management ■ Security issues ■ Public relations
Asset Manager	<ul style="list-style-type: none"> ■ Developing property strategic plan ■ Analyzing whether to hold or sell the property ■ Reviewing opportunities to reposition properties and to justify major expenditures ■ Monitoring property performance ■ Managing and evaluating the property manager by comparing property performance with peer properties in the particular submarket ■ Assisting in tenant relations
Portfolio Manager	<ul style="list-style-type: none"> ■ Communicating with investors and setting portfolio goals and investment criteria ■ Defining and implementing portfolio investment strategy ■ Overseeing acquisitions, dispositions, asset management, and reinvestment decisions ■ Accountable for portfolio performance ■ Client reporting and cash management

Source: Mike et al (2015)

THE CHANGING AND CHALLENGING EXTERNAL ENVIRONMENT

Urbanisation, globalisation and technological advancements have played a role in increasing the complexity of building and property management. Table 5 shows the key factors affecting the operating environment.

Table 5: Changing operating environment

Key factors	Elements
Environmental	Climate change, ESG, sustainability
Regulatory	Amendments to Act 757,
Demographics	New bill: Residential Tenancy Act
Technology	Boomers, Gen X, Gen Y (Millennials) and Gen Z
Economic	IoT, AI, AR, VR, robotics, 5G, proptech,
Financial	3-D printing, cloud computing, blockchain,
Pandemics	machine learning, deep learning, big data
Economic	Economic recovery, new cycle
Financial	E-payments, e-wallet, bitcoin
Pandemics	Covid-19, WFH, e-commerce

Among these factors, technological advancements have a key impact on the future directions of the property management industry. Technological advancements are the underlying drivers of the Fourth Industrial Revolution and Industry 4.0 (refer Table 6 and Figure 2).

Table 6: Definition of 4th Industrial Revolution and Industry 4.0

Definition: The 4th Industrial Revolution (4IR)
"The fourth industrial revolution, however, is not about smart and connected machines and systems. Its scope is much wider. Occurring simultaneously are waves of further breakthroughs in areas ranging from gene sequencing to nanotechnology, from renewables to quantum computing"
"It is the fusion of these technologies and their interaction across the physical, digital and biological domains that make the fourth industrial revolution fundamentally different from previous revolutions"
Definition: Industry 4.0 (I4.0)
The convergence of industrial production and information and communication technologies. Industrie 4.0 relates to the convergence of Internet of Things (IoT), the Internet of People (IoP), and the Internet of Everything (IoE) (22)

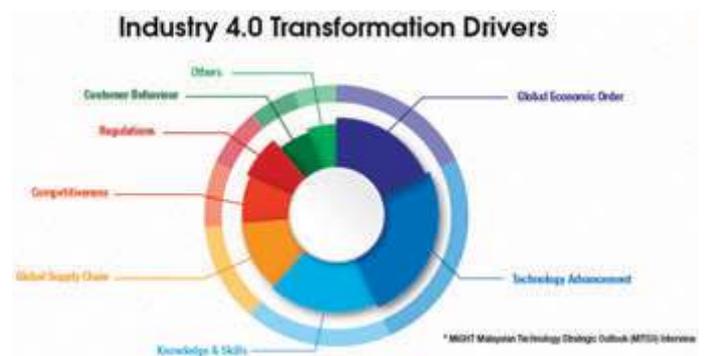


Figure 2: Transformation drivers of Industry 4.0

PROPERTY TECHNOLOGY (PROPTech) AND PROPERTY MANAGEMENT

Property technology (proptech) is expected to provide the underlying change to property management. PropTech is the use of information technology (IT) concerning information provision, transactions, management and related to all types of real estate including residential, commercial, hotel, logistics and land. It is designed to streamline and connect processes for participants in all stages of the real estate market involving buyers, sellers, brokers, lenders and landlords.

The applications of proptech is yet to be widely adopted in property management. Various impediments and constraints are hindering widespread market adoption of proptech (refer Table 7).

Table 7: Factors hindering the spread of Industry 4.0

Cultural Market Obstructing Factors	Labor Market Obstructing Factors	Organizational Obstructing Factors	Technological Obstructing Factors
Distrust	Inadequate quality workforce	Lack of digital strategy	Expensive technologies
Uncertainty	Shortages among workforce	Risky investment	Lack of standards
Realistic judgment of the abilities of the organization	Old-fashioned training	Fear of loss of control over intellectual property	Security of data, uncertainty regarding the level of encryption
Lack of demand for continuous learning		Partners do not have the technology	Underdeveloped data analysis
		Failure to develop data-based services	
		Lack of senior management support	

Source: Author's own editing, based on Porter and Heppelmann [17]; PwC [14].

INSPIRATIONS FROM THE LISTED INTEGRATED FACILITIES MANAGEMENT COMPANIES

Despite these obstructing factors, integrated facilities management companies listed on Bursa Malaysia are adopting and applying technologies in their operations and business activities (refer Table 8). These listed integrated FM companies are also carrying out a wider scope of the management of real property assets and facility:

- Facilities management
- Infrastructure management
- Highway management
- Rail management
- Public asset management
- Corporate real estate management

Table 8: Listed integrated FM companies on Bursa Malaysia (as at 23 March 2021)

	Price (RM)	Market capitalisation (RM)	PE ratio	Dividend yield (%)
1. UEM Edgenta	1.78	1.48 b	110	7.87
2. Widad	0.48	1.33 b	-	0.48
3. AWC	0.65	204 m	-	1.57
4. GFM	0.32	167 m	19	0.55

A LISTED PROPERTY MANAGEMENT COMPANY ON BURSA MALAYSIA IN THE NEXT DECADE?

Whilst the integrated FM companies have provided the inspirations, perhaps the property management fraternity could look forward to a property management company listed on Bursa Malaysia in the next decade. More cue from the listing of China property management companies on the Stock Exchange of Hong Kong that raise a record of US\$10.4 billion last year. These include China Evergrande Group, Sunac China Holdings Ltd and Shimao Group Holdings Ltd that floated their property management businesses on the stock exchange.

Note: Additional materials have been added to the original Keynote Address to provide a smooth flow in the write-up. ■

MIPFM OFFICIAL VISIT TO DATUK BANDAR KUALA LUMPUR ON 13 APRIL 2021

The President of MIPFM, Tn Hj Adzman Shah, has led a team of Executive Committee members to have an official visit on YBhg. Datuk Seri Hj. Mahadi bin Che Ngah, the Commissioner of the City of Kuala Lumpur, Federal Territory of Kuala Lumpur on 13th April 2021.



During the visit, the President briefed the Datuk Bandar of Kuala Lumpur on the roles and functions of MIPFM in property management particularly the management of strata properties.

An in-depth discussion has also been held to discuss the following:

1. Progress on the new Kuala Lumpur Structure Plan

- Potential collaborations with the Commissioner of Building, Kuala Lumpur on the strata management of high-rise residential properties in the Federal Territory of Kuala Lumpur which will help achieving the vision of the Structure Plan.

2. Sharing session with Joint Management Body (JMB) and Management Corporation (MC)

3. The potential application and implementation of integrated Property and Facility Management for public facilities and amenities in Kuala Lumpur.

4. The need to provide Property Management inputs into the maintenance aspect of building design and having identified strata parcels of the proposed building layout before planning and building plan approvals from DBKL. ■

COURTESY VISIT TO THE BOARD OF VALUERS, APPRAISERS, ESTATE AGENTS AND PROPERTY MANAGERS ON 23 MARCH 2021

MIPFM made a courtesy visit to the Board of Valuers, Appraisers, Estate Agents and Property Managers (BOVAEP) on 23 March 2021. The meeting is mainly to get acquainted with the newly appointed Registrar of BOVAEP, Ms. Sumarni bt A. Rahman.

The President of MIPFM, Tn Hj Adzman Shah, led a team of MIPFM Executive Committee members for the meeting. The role of MIPFM in assisting BOVAEP to uphold the professionalism in Property Managers profession was highlighted in the meeting.

During the discussion MIPFM highlights the need to expedite the approval by the Ministry of Finance on the changes involving the Rules & Regulations in Act 242 especially on *Skala Fi, Jadual 7*. MIPFM also suggested to provide an examination route for those who do not have real estate academic qualifications but intend to join the property



management industry. Discussion has also focused on the Registration of Probationary Property Managers.

There was also an update on the proposal by the Ministry of Housing and Local Government (KPKT) on the intended amendments to Act 757 and the proposed Residential Tenancy Bill. ■



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