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REAL ESTATE MATTERS

New infrastructure a game changer for Sungai Buloh

This low-profile area has lagged behind other parts of the Klang Valley that have seen explosive growth in the past few decades. But the recent completion of the MRT line has stirred things up and looks set to usher in a new wave of development in the area. Property experts share their views with **Ethel Khoo**. See Page 4.

PICTURES BY PATRICK LAU & MUHD IZWAN MOHD NAZAM/THE EDGE

New MRT line set to spur growth

BY **ETHEL KHOO**
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Mention Sungai Buloh, and what invariably comes to mind for many would be the general hospital or the numerous plant nurseries in the area. Few, however, are aware of its colourful history.

In the 1930s, Sungai Buloh was known for a leprosy center and settlement established in an isolated valley in Bukit Lagong by the then British government. Spanning 568 acres, it would become the world's second largest settlement for such a purpose.

When the disease was eradicated in the country, part of the settlement was carved out in the late 1990s to early 2000s for the development of Universiti Teknologi MARA's medical faculty and the Sungai Buloh government hospital.

Some 78 acres were gazetted as a national heritage site.

The remaining settlers, comprising recovered leprosy patients, remained there with their families and later ventured into farming and operating plant nurseries.

Light industrial factories sprang up in Kampung Baru Sungai Buloh, which gained notoriety in 1991 for one the country's worst disasters. An explosion at the Bright Sparklers Fireworks factory and the blaze that broke out claimed 26 lives and injured more than 100.

Today, Sungai Buloh has grown and now covers 8,410ha to 12,900ha, part of which come under the jurisdiction of the municipal council of Shah Alam, and part of it under Selayang's.

Within its boundaries are Kampung Baru Sungai Buloh, Pekan Sungai Buloh, Kampung Paya Jaras, Kampung Baru Subang, Kampung Melayu Subang and Kampung Sungai Kayu Ara. The population is predominantly Malay, with a significant number of Chinese residents.

Amenities in the area include recreational clubs, medical facilities, shopping centres, parks and institutes of higher education, both government and private.

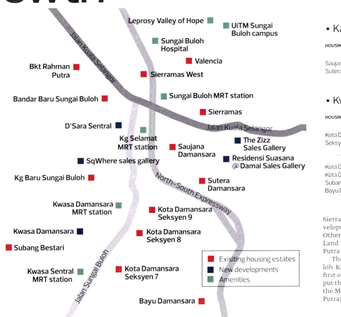
The game changer

Improved accessibility and the opening up of more land for development have resulted in a surge in housing schemes in Sungai Buloh, says Tang Chee Meng, chief operating officer of Henry Butcher (M) Sdn Bhd. Among them are high-end residential enclaves in Sierramas and Sierramas West by Tan & Tan Developments Bhd and Valencia by Gamuda Land. Other developments are Bukit Rahman Putra by Land & General Sdn Bhd and Sunway Rahman Putra by Sunway Bhd.

The recent commencement of the Sungai Buloh Kajang mass rapid transit (MRT) line — the first of three planned for the Klang Valley — has put the area in the spotlight. The second phase of the MRT is the proposed Sungai Buloh-Serdang-Putrajaya line.

Four stations serve the area — Sungai Buloh, Kampung Selamat, Kwasa Damansara and Kwasa Sentral. The Sungai Buloh station serves Sierramas, Sierramas West, Valencia, Bukit Rahman Putra and Bandar Baru Sungai Buloh while the Kampung Selamat station caters for Kampung Baru Sungai Buloh, Saujana Damansara and Sutera Damansara.

The Kwasa Damansara and Kwasa Sentral stations will serve Kota Damansara's Seksyen 7, 8, 9, Subang Bestari and Bayu Damansara.



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Transacted prices of areas near:

• Sungai Buloh MRT station

HOUSING SCHEMES	TYPE	AVERAGE LAND AREA (SQ FT)	AVERAGE FLOOR AREA (SQ FT)	TRANSACTED PRICE (2010 – 2016)
Sierramas	Terraced	1,755	–	RM1,000,000 – RM1,560,000
Sierramas West	2½-storey semidee	3,487	–	RM2,100,000 – RM2,350,000
	2½-storey detached	6,324	–	RM2,550,000 – RM3,000,000
Valencia	2-storey terraced	1,937	–	RM1,350,000 – RM2,100,000
	2½-storeyterraced	1,948	–	RM1,835,000 – RM1,850,000
	3-storey terraced	1,797	–	RM1,680,000 – RM1,750,000
	2-storey semidee	3,498	–	RM2,505,000 – RM2,500,000
Taman Bukit Rahman Putra	2-storey terraced	1,645	–	RM150,000 – RM630,000
	2-storey semidee	3,648	–	RM150,000 – RM1,400,000
	2½-storey semidee	1,915	–	RM660,000 – RM1,000,000
	3-storey shop	1,603 – 1,646	–	RM450,000 – RM1,390,000
Bandar Baru Sungai Buloh	1-storey terraced	1,399	–	RM150,000 – RM430,000
	2-storey terraced	1,399	–	RM350,000 – RM560,000
	Low cost flat	NA	581	RM50,000 – RM60,000
	2-storey shop	1,399	–	RM1,200,000 – RM1,630,000
	3-storey shop	1,528	–	RM1,750,000 – RM2,000,000
	4-storey shop	1,539	–	RM3,500,000 – RM3,075,000

• Kampung Selamat MRT station

HOUSING SCHEMES	TYPE	AVERAGE LAND AREA (SQ FT)	AVERAGE FLOOR AREA (SQ FT)	TRANSACTED PRICE (2010 – 2016)
Saujana Damansara	Terraced	1,539	–	RM4,30,000 – RM800,000
Sutera Damansara	Terraced	1,647	–	RM620,000 – RM900,000

• Kwasa Damansara and Kwasa Sentral MRT stations

HOUSING SCHEMES	TYPE	AVERAGE LAND AREA (SQ FT)	AVERAGE FLOOR AREA (SQ FT)	TRANSACTED PRICE (2010 – 2016)
Kota Damansara Seksyen 7	1½-storey terraced	1,331	–	RM390,000 – RM550,000
	Low cost flat	NA	602	RM60,000 – RM97,000
	Medium cost flat	NA	742	RM90,000 – RM120,000
	Townhouse	NA	1,356	RM480,000 – RM500,000
Kota Damansara Seksyen 8	Apartment	NA	818	RM180,000 – RM250,000
Kota Damansara Seksyen 9	Terraced	1,789	–	RM600,000 – RM910,000
Subang Bestari	Terraced	1,539	–	RM530,000 – RM700,000
Bayu Damansara	Terraced	1,595	–	RM650,000 – RM853,000

Above: A development coming up near the Kampung Selamat MRT station

Left: Kampung Baru Sungai Buloh is one of the earliest industrial areas in Sungai Buloh

Sungai Buloh will become an attractive alternative for people working in KL, says Tang

Chen: We expect property prices here to increase in the mid to long-term period

Transit-oriented developments or transit adjacent developments, particularly high-rise residential projects, will be in demand, says Foo

Diverse range of properties and buyers

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terraced houses in Subang Bestari and Subang 2. For the low-to-middle-income groups, there are medium cost apartments like Danau Bayu and Sri Putra II."

Meanwhile, Chen says buyers in Sungai Buloh are predominantly from the low middle to middle-income segment. "Single and double-storey terraced houses are seeing the most demand, although apartments are also becoming more popular."

Property transactions at developments close to the MRT stations have grown over the past six to seven years, according to data from Tang and Chen.

Semi-detached houses in Valencia, with land areas of 3,498 to 4,069 sq ft, were transacted at RM1.55 million to RM2.8 million in 2010. In 2014, prices ranged from RM2.398 million to RM2.85 million, and a year later, between RM2.413 million and RM2.5 million.

In Subang Bestari, comprising mostly terraced houses catering for the middle-income group, a unit with a land area of 1,539 sq ft sold for RM530,000 in 2011, compared to RM700,000 for a similar property last year.

Low-cost flats in Seksyen 6 and 7 with built-ups of 603 to 614 sq ft were also not left out of the action. Units in Seksyen 6 were sold for RM60,000 to RM135,000 from 2014 to 2015. Meanwhile, units in Seksyen 7 went for RM60,000 to RM80,000 from 2010 to 2012, and RM65,000 to RM97,000 between 2013 and 2014.

As for commercial properties, 3-storey shophouses in Taman Bukit Rahman Putra with built-ups of 2,637 to 4,790 sq ft were transacted at RM650,000 to RM1 million in 2010 to 2011, increasing to RM1.2 million to RM1.39 million in 2012 to 2014.

Transaction records for detached factories in Kampung Baru Sungai Buloh show only a handful of sales from 2011 to 2016. Of factories with land areas of 23,000 to 23,000 sq ft sold, one was transacted for RM1.2 million in 2011. In 2013, the transacted price was RM2.99 million. For factories with a land area of 34,000 to 49,000 sq ft, a transaction was recorded at RM2.76 million in 2012, while last year, one was sold for RM7.9 million. Of larger factories with a land area of 71,000 to 84,000 sq ft, one went for RM2.9 million in 2012, compared to RM8 million in 2014.

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The completion of MRT Phase 1 is breathing new life into the area

UiTM's medical faculty in Sungai Buloh

Sungai Buloh boasts a government hospital

Strong property growth

Foo says transit-oriented developments or transit adjacent developments, particularly high-rise residential projects, will be in demand.

According to Tang, the wide range of property projects in Sungai Buloh has led to a diverse buyer profile.

"High-end residential enclaves like Sierramas and Valencia are targeted at the higher-income group, while the upper-middle-income group can go for newer condominiums or serviced apartments such as SqWhere and D'Sara Sentral, or

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Changing public perception

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Landsveve's Chen says there are few transactions of industrial properties as their prices are too high. Also, as small and medium enterprises become more export-oriented, potential buyers will look for modern industrial premises within well-planned industrial schemes.

CBRE|WTW's Foo says there has been significant transaction activity of development land since the construction of the MRT was announced in 2010.

"We estimate that land prices saw an average annual growth of 13% between 2013 and 2016."

Before 2010, industrial land was sold at RM65 psf, residential land at RM30 psf and development land at RM12 psf. But prices soared after 2010, with industrial and residential land transacted at RM100 psf, and development land at RM60 psf.

Challenges and prospects

A key challenge is the increasing traffic congestion in Sungai Buloh as a consequence of the many new development, according to Tang.

But new infrastructure such as the Guthrie Corridor Expressway and the MRT Phase 2 have helped ease the situation. "The completion of DASH as well as MRT Phase 2 will further improve the situation in the future," he adds.

Chen says another proposed highway, the WCE connecting Banting to Taiping, will also alleviate the traffic condition.

But one thing that could hinder development in Sungai Buloh is "illegal buildings" — those without proper building plan approval or infrastructure — primarily in the industrial areas and villages such as Kampung Baru Sungai Buloh.

Another challenge is changing the public's perception of the area, which is associated with villages and industrial facilities, some of which are regarded as polluting industries.

"But with the development of the MRT and new expressways, the government has been successful in changing the perception of homebuyers, retail businesses and offices and corporate entities to set up base there. As the township is large and well planned, it will bring better living standards to the area," he says.

The collaboration with private developers will help speed up the development of the township and inject some differentiation into the designs and concepts, he adds.

Foo opines that the property values in the surrounding areas will continue to appreciate because of the facilities and services in Kwasa Damansara's commercial district that will include purpose-built offices and shopping malls.

However, future projects are likely to be relatively small and high in density because of the limited supply of large development tracts.

"Future price appreciation, especially at Kwasa Damansara, will depend on whether infrastructure facilities are able to support the anticipated population explosion in the area," Foo says.

Chen expects a fraction of the population in Sungai Buloh to move into the modern township in 5 to 10 years, transacted at RM100 psf, and development land at RM60 psf.

Kwasa Damansara

Kwasa Damansara is a massive township sandwiched between Sungai Buloh in the north and Kota Damansara in the south. The master developer, Kwasa Land Sdn Bhd, is a wholly-owned subsidiary of the Employees Provident Fund (EPF). It purchased the land — a former rubber estate belonging to the Rubber Research Institute Malaysia — for RM2.8 billion in 2012.

Launched in 2015, the township will have residential, commercial, institutional, educational, recreational, and leisure sectors and facilities. Kwasa Land is collaborating with local developers on building the township, which is expected to take 15 to 20 years to complete. Malaysian Resources Corp Bhd and Gadang Holdings Bhd are among those that have inked agreements.

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The collaboration with private developers will help speed up the development of the township and inject

The future certainly looks promising for Sungai Buloh.

Kwasa Damansara is a massive upcoming township in Sungai Buloh by Kwasa Land Sdn Bhd