
Properties with 10% Rental Return

Posted by Lin Chiek Chong - 2010/01/04 03:09

i would appreciate it if someone could direct me to property that can give 10% return. please advice....

i'm bit blurr with a client request. :unsure:

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Re:Properties with 10% rental return

Posted by kim massey - 2010/01/04 14:02

Hi Lin Chiek Chong

A few ideas regarding your post of a client wanting 10% yield..don't we all!!!...when this market finally hits bottom maybe that is what we will get...pe's of 6 to 10 and similar dividend yields of 6 to 10% on stocks...I know it seems crazy but at bottoms..real bottoms history tells us that is maybe what we should expect...till then we wait and wait and wait some more for all the government bailouts in the world to end and for the real correction in stocks and properties to continue on its course and reach a genuine reset in asset prices ..

A client wanting 10% return...!!!That is the very reason why this market will continue to go south price wise.People expect a return and this market doesn't give a return so why buy ..My area of interest is KLCC and IMO it gives 3 -4% max gross yield in 90% of cases if you use realistic rental rate.(If you use 2 year old rental figures from a long contract started a few years back then you will get a higher yield but when that contract finishes you will be looking at 3%(realistically) -4 gross yield or less in most cases(2% or less nett after maintenance and assessment/quit rent).A friend was getting 7.5k for a KLCC unit from an Embassy on a 4 year contract.The contract finished and after 5 months empty it just got rented again at 5k with new furniture!)Yes unfortunately rents continue to fall around KLCC and so yield based on todays prices keeps falling too.In fact the yield say 18 months ago when prices were say 1200 psf (and MUCH HIGHER rents)were far more compelling than the situation today.Today prices have dropped but so have rentals and from what I can see the yields 2 years go were far higher EVEN though condo prices were higher than they are today.So yes we all want higher yields to encourage us to buy but prices remain at a level that doesn't encourage any buyers.People buying today clearly need to think harder before parting with their cash IMO.If people think buying today is good value then they must be far smarter than I am because I fail to see any value in the market place and no driver for higher prices!So the wait continues...and continues and we wait for the bailouts to end .

So Chong When you find 10% yields..tell us all where!!

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Re:Properties with 10% rental return

Posted by Lin Chiek Chong - 2010/01/04 23:11

:unsure: i definitely agree w you.....! LOL

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Re:Properties with 10% rental return

Posted by Samer Helmy - 2010/01/05 03:00

Yes, 10% is a ridiculous return to "expect" or ask for if that is a client of yours. I wouldn't necessarily be as gloomy as to say 90% of property returns only 3 to 4%. Such numbers are indeed prevalent but confined to the overpriced condos of KLCC golden triangle that reached for the stars a few years back, and where many investors thought indeed that all multinational expat managers had RM 20,000 housing allowances that they didn't care about. It is because of such disparity you find some KLCC properties with such miserly returns.

Normally however a smart buy can get you 6 to 8% gross, and slash 1.5% or so for service charges and other costs to get net. It is not uncommon today to pick up a RM750K Mont Kiara three-bedroom that can easily rent for 4K per month. with equipment being new and under warranty, and service charges being under 400 per month, you can net 40,000 per year. Armanee Terrace in Damansara Perdana has many corner units that are selling for 800,000 (forget intermediate units, the back bedrooms are too dark and gloomy), and these are renting at 5000 per month if furnished properly considering they are 4+1 bedroom duplexes at over 3000 sq. ft. with a view. 60,000 per year in net rental after service charges and petties is still decent above 6% net return, and that is without considering a high floor can fetch more. There

are also semi-d's that are renting at 8000 per month when they cost less than 1.2 million in the first place, and with really almost non-existent service charge it nets over 7%.

Some properties are good buys for long term investment and won't make good rental return, some are good for rent but not great appreciation, you need to study the whole city and open up your options to desirable locations that are undervalued. Seems reasonable though that a property that returns 10% rent will not just be sitting there waiting for someone to want it. :)

Re:Properties with 10% rental return

Posted by Lin Chiek Chong - 2010/01/05 09:47

btw, what the formula used to calculate the % of rental returns? :blush:

is it $(\text{Rental per months} - \text{Maintenance charges}) \times 12 / \text{Property price} \times 100$???:blush:

Re:Properties with 10% rental return

Posted by Lin Chiek Chong - 2010/01/05 09:52

if a property priced at RM165400 can fetch rental of RM800 per month would it be a good buy?

the maintenance charge is less than RM150, inclusive of sinking fund..... :dry:

Re:Properties with 10% rental return

Posted by kim massey - 2010/01/05 10:10

Samer,Chong etc

My post states my area of interest is KLCC and my ideas relate to that area mainly.I stick with my broad numbers.Another important point considering actual iproperty investment yield is vacant period between between tenancies and frankly I imagine from one tenant to the next one may have to wait 3 months or longer.(I say longer but lets say every 2 years you wait 3 to 4 months to find a tenant which is very probable at the moment from cases I am aware of)This is just another number to reduce the ACTUAL investment yield.If investors look around KLCC today and do a REAL calculation of yield after deducting maintenance fees,assessment,quit rent,ongoing minor repairs,estate agent recurring fees for renting or collecting rent etc and further allow for vacant periods etc on maybe a rolling average basis(say lose 1 to 2 months per year)then my figure of even 3 to 4 % is a dream IMO.

Frankly I believe that in time KLCC will cannibalize tenants from other areas and so rents will fall further in areas like MK which presently may experience better returns as you discuss.Time will tell but for sure KLCC continues to face declining yields.As for the property price well..it has already fallen hard and now at best is flat lining before the next leg down IMHO.No yield support and continuing oversupply..

Re:Properties with 10% rental return

Posted by Lin Chiek Chong - 2010/01/05 10:14

thanx kim...! marvelous explanation...! :woohoo:

Re:Properties with 10% rental return

Posted by Samer Helmy - 2010/01/05 22:17

Chong,

In general that is the formula yes but you also factor in actual costs of furniture depreciation and appliance maintenance. The apartment you mentioned seems to be on a hair less than 5% before other costs. I cannot comment on the appreciation prospects of the unit since I don't know where it is, but there are better yields out there.

Kim,

Please don't get me wrong, I wasn't trying to correct your opinion, merely pointing out where you're probably getting the point of view, that's all. KLCC property was inflated over the past few years and bought by inexperienced investors in the hopes of long-lasting high rentals, before falling back to normal. Some corporations and expats didn't care about the high rentals and actually paid them, but overall it wasn't sustainable and the crunch was a big wake up call.

Today's rentals if calculated on those inflated prices of a few years ago will produce what you say 3% or so, however such prices are not what is on the portfolios of professional investment houses or seasoned investors, and that is where the difference emerges. People who owned KLCC properties before the inflation had RM700 per sq. ft. on their books and therefore today's rentals are around 6% or so for them and that is good. Those who are buying today are also not interested in any RM1000+ because they're only good for remarkable classified ad and they know that the price is neither realistic on the current terms nor reasonable in terms of rental yield, they are only interested in units that are offered at reasonable prices. I am currently examining a unit for a client that is 1500 sq. ft. and offered at 1.1 million only. It is walking distance from the Petronas towers and the park and has all the amenities desirable.

So yes I am sure the successful IT director who just turned to property investments and bought a K-residence condo apartment unit a year ago at two and a half million ringgits is complaining about how low the rental yield is and that the 15K per month they were expecting is not happening. That however is not where the market really is and if he was to offer his apartment right now he would still struggle in selling even if he takes a 20% loss on what he paid. So if you calculate rental yields on ACTUAL market prices of what these apartments are worth today and what it would be bought at by the mainstream buyer, then you will find that your figures adjust.

As for an apartment being empty for 3 to 4 months, that is just bad management. I know a close friend and her apartments are never empty for more than the week it takes to clean the place out, and I would never be managing a unit and have it lying empty for that long. It is normal for a unit to be empty for months if it's just delivered by the developer and the whole building is up for rental/sale offers, but not later on when the building is at normal occupancy.

Otherwise the location and choice of the unit was bad in the first place or the rent request is unreasonable. I do this for a living and such periods of inactivity is not normal for my clients' portfolios, and either way technically speaking such a period of inactivity is never included in the accounting calculation of rental return of a property. It is certainly included in the assessment of how the property was managed, and in assessing the location and building attractiveness, but not the rental yield as it is just marked as "unrented" for the period and excluded from the formula.

Now as for where the market will go next that is of course a roll of dice. And your guess is as good as any. If stability lengthens and the government doesn't throw any more surprises then it's smooth sailing and properties can start going up again. There are positive signs indeed like the influx of foreign investors and a steady stream of affluent migrants coming in on the MM2H program, and Malaysians are forever growing in numbers with KL still being the center of commerce. If however the stability doesn't last and the global recession turns out to have only been resting, or the World does something stupid or the government makes yet another market-upsetting-change, yes the property market can still go south again.

Good luck to all of us I guess. :)

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Re:Properties with 10% rental return

Posted by kim massey - 2010/01/06 01:11

Briefly a few points as you seem to have misunderstood some of my post so will clarify.

When analyzing a property personally I am only interested in the yield on my investment at the price I am prepared to pay to purchase the property. The yield the present owner gets is of no interest to me and his yield has no relationship to what I will receive when I purchase the property unless my cost base is the same as his. I, when considering an investment, will definitely consider likely vacant periods as I am interested in the return I receive on total funds invested over x period. Renting around KLCC frankly for 2k plus square feet is not easy. Well managed or not, some blocks like Hamp Res (predominantly sub 1200 sft) have over 100 units for rent as of now and that is a lot of competition and not all units are created equal. Furthermore large units are just a struggle as the number of likely tenants are few and far

between. Frankly I am only interested in the yield available today to investors who are looking today and I believe that is around 4% gross but clearly it varies on a case by case base and unless a potential buyer really does his homework he could easily end up with such a pathetically low yield. Of course guaranteed yields are irrelevant as they are built into the offered price by the developer from day 1. My WHOLE post is in reference to yield at today's likely transaction prices. Anything else is essentially not relevant. Talking of Av K I can think of a specific sale that went thru around 900psft in late '09 for 2472 sft.. approx 2.22mil and cheaper than today's ask.. add on another 150k in fees and finishing for a total cost base of 2.37mil.. rented for 7.5k giving a gross yield of 3.79% and FAR less nett. Pathetic.. 2 years ago that unit would have sold for 1200-1500 per sft (some sold in the secondary market at that price) and the yield would obviously be sub 3% but that is NOT what my post refers to. I see no point in talking about yields of properties purchased years ago. I have a property giving me 12% yield on what I paid 5 years ago but as the price has gone up at today's value the yield is closer to 5% and so I am looking to sell it. If we looked at any number of blocks around KLCC from Suria Stonor, Binjai Res etc at today's likely transacted prices after an allowance for fees and finishing costs to give a total investment cost there are so many earning sub 4% gross. If I look at prices paid 18 months ago, when the market was more buoyant it would be closer to 3%. Marc Res today for a 1000sft sells at say 1000 psft.. lets say total investment of 1.1 mil. My friend rented one 2 months back at 3700pm... gross yield 4.03% approx on a TOTAL invested funds cost base but it varies for sure. (I agree empty period is strictly from an accounting viewpoint not relevant but an investor should consider it when the likelihood of having a vacant apartment is great as it is around KLCC presently). If a REIT looks to buy a few floors I am sure they will get a better yield but I am assuming people reading these posts are looking and considering purchasing for themselves.

As for ads in the newspaper and many on this site also related to secondary sales.. well LOL is in order shall we say. At some of the asks yield would be sub 2%!! I can't understand the point of even placing half the ads. Maybe sellers are just deluded and agents just blindly follow their price lead. A large % of asking prices are so far from reality. (Same block, similar layout and position 50% price variance... lol)

As for the future well who knows as you rightly point out. IMHO I am not betting on smooth sailing and find that an extremely low probability outcome. With Gordon Brown, Ben B and Tim G at the helm of world finances my confidence level is not high. At least GB will be gone soon.

Good luck to all for the New Year.

Re: Properties with 10% rental return

Posted by Samer Helmy - 2010/01/06 02:48

Briefly a few points as you seem to have misunderstood some of my post so will clarify.

Granted, but the opening poster was speaking in general and not under the specific assumptions that you have in your case, so the confusion might have been also on my own notes. Allow me to elaborate directly on your statements.

When analyzing a property personally I am only interested in the yield on my investment at the price I am prepared to pay to purchase the property.

In agreement on that. However your earlier statement was specifically "IMO it gives 3-4% max gross yield in 90% of cases if you use realistic rental rate." and that is simply inaccurate. People are getting more than that in KLCC. Your explanations that you are indeed aware of the price differential between hyper market of before and the real market of today is all good, however you are not factoring in other issues that no property investor who is primarily interested in the yield on investment should go without. For example:

Talking of Av K I can think of a specific sale... Suria Stonor... Marc Res

Those for example are bad choices for rental units. Stonor units are too large and the others are too expensive per sq. ft. They are oversupplied in that form and can only deliver decent rents in hypermarket conditions. They've been known as such for a long time and I never would advise an investor to take them for rental return.

You see, my earlier response post was mostly explaining that when the right steps taken by the experienced investors or those using a knowledgeable property manager, they yield more, significantly more, and those people are not as rare as you might think.

Some investors are inexperienced and may make mistakes in buying, or managing, or furnishing, but such factors though prevalent and existent and cause those investors loss in their income, does not describe the situation of the market when knowledgeable or dedicated investors are making full use of their property. Let me put it to you this way: I don't have a single property managed with me, whether in KLCC or outside, that yields less than 5%, not one. And unless the unit is

fresh delivered from the developer so all owners are now scrambling to rent and sell, or an investor bought a bad unit and is unwilling to do the necessary steps to make it a worthwhile option, units in a good location should not sit for months empty on average annual basis. There is stuff done to keep them always occupied and getting money, it shouldn't stay empty two months a year, if the unit's condition/activeness of search/landlord's demands are ever so slightly above the average of the curve.

You are ahead of many investors in that you know what you want and what you are looking for. If you would like, you can pm me the details of some of the units you own and hopefully I can give you some input on what to do to increase the tenancy and rent yield.

As for the ads online and in classifieds, I most certainly agree with you. :) I never get why some of those sellers and agents aren't just checking even adjoining ads for clues. It is strange that some are even advertising the very same property unit with a 15% price differential.

Re:Properties with 10% rental return

Posted by James - 2010/01/06 05:04

10% return simply means you can get a rental of 10% of the purchase price per year. For example a RM100,000 property. You will need to rent out this property at RM10,000/ year which is RM833/month.

In the current economy, actually there are quite a lot of property that can offer this rate of return from property as long you can rent out the property.

I would like to give one example this unit of
http://thinkproperty.com.my/realestate/index.php?option=com_propertylistings&Itemid=9999&type1_my=1&task=detail&id=125029.

The purchase price is RM86,000. This unit can be easily rented out at RM600 - RM750. If I have this amount of cash in hand I believe this is a good unit to buy for investment.

Re:Properties with 10% rental return

Posted by Soehardy Zainudin - 2010/01/07 16:39

Can anybody challenge this theory (with real life examples):

It is near impossible to get ROI of 10% and above in the current economy.

Looking forward to this :P

Re:Properties with 10% rental return

Posted by Samer Helmy - 2010/01/07 19:18

Annual rent being at 10% of a property's price is not entirely impossible, in ANY economy including this one. It is getting reliable annual rent of that level in a PROPER piece of real estate that is near impossible.

Like James up there demonstrated, if one is looking purely at 10% rental yield, there it is. But as the building shows it is a joke and a waste of money to buy something like that. Dilapidated leasehold building that is probably a couple of decades from expiry and maybe 5 more years before becoming unlivable. Its maintenance costs are high and can easily be in violation of multiple health and safety codes. So obviously cannot be regarded as a proper real estate investment when nobody knows how long that building is allowed to remain like that without serious work, or even allowed to remain, period. Maybe if it is developed and rebuilt extensively it will be ok, but then it isn't costing 86000 anymore, is it?

However great rental returns can be achieved with creativity. Tired houses in great locations and apartments bought from desperate sellers in PROPER buildings and condominiums, then renovated on the quick and then furnished to excellence can end up being an excellent investment in and by itself, but also produce rental returns that are indeed 10%

or more of the cost of the property plus work.

Now the tricky question: Is it REALLY 10% considering the property's value have improved so much due to the work and therefore is valued differently now?

Point is that a standalone property with its location, condition, amenities and options if it's not under imminent legal threat or in great disrepair, why WOULD it not be more expensive when it's producing such return? I remember a property guru (Jerome Tan from Singapore) was talking about his 10 second rule: Calculate the average rent yield and if the price is 150 times the monthly rent (annual rent yield 8%), then buy. Combining that with the rule that should apply to only the top 1% of the market (Examine 100 properties, make 10 below market offers, buy one.) you should then automatically understand that 99% of the ready-to-rent market is below 8% rental yield.

So are there REALLY 10% yield properties? I know of one: A shop near china town that is renting at 11% of its price. I understand that because it is a retail business in a busy market, tax wise it is better to have several shops full of goods with rent slashing your profits down in the accounting books, than a fully owned shop locking the business's cash. I suggest if someone is so specific as to 10% rental yield without taking a tired unit and developing it on the cheap, then Mall stalls and downtown market shops is a place to look.

Re:Properties with 10% rental return

Posted by Edward Chen - 2010/01/07 19:30

Those are really precious points. Thank you so much for sharing Samer!!!!
Greatly appreciate it!!!

Re:Properties with 10% rental return

Posted by Lin Chiek Chong - 2010/01/08 12:28

would we get 10% if invest in commercial property?

:blush:

Re:Properties with 10% rental return

Posted by Kalai Singam - 2010/01/20 21:45

no commercial rental same as residential in terms of yield

Re:Properties with 10% rental return

Posted by hz 83 - 2010/02/11 15:06

I believe you'll have a good chance to get 10% yield if you buy from developer (under-construction). Of course, it depends on other factors as well.

If it's completed/in subsale market, it is fairly difficult to get 10% yield. Normally, you'll have a better chance with smaller units i.e. studios.

Mostly, sellers will mark-up the price to make the current rental just enough to cover installment. For subsale cases, you can buy now and forecast that rental will increase over time due to huge future office/commercial projects around the area. Urban redevelopment may make an area of low rental to become high in the future. Examples of planned future redevelopment in the news are Kg Baru, Datum Jelatek, Stadium Merdeka area, Jalan Cochrane area & Tamansari.

Examples:

Melur apartment near Sentul LRT. Developer's price is only about RM120k, but now you can get rental of min RM1000 p/m. Now, market price is about RM220k.

Putra Villa condo (near Gombak LRT) was sold at min RM170k. now can command rental of RM1500 p/m.

Casa Mutiara's studio is only about RM100k+ when opened to public. In 2007, subsale was around RM160k. Now can get rental min RM1500 p/m.

For Maytower, it's even lucrative. Capsquare is not even fully opened yet. Same with Amcorp studios.

Similarities from these examples are NEAR TO LRT STATIONS + HIGH-RISE BUILDINGS. :)

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Re:Properties with 10% rental return

Posted by Lin Chiek Chong - 2010/03/07 02:08

Soehardy Zainudin wrote:

Can anybody challenge this theory (with real life examples):

It is near impossible to get ROI of 10% and above in the current economy.

Looking forward to this :P

try this one.....

property price RM460k, monthly rental RM6k, maintenance RM200 p.m.

:woohoo:

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Re:Properties with 10% rental return

Posted by Farin Fay - 2010/03/07 06:28

Lin Chiek Chong

Is that a joke? I think everyone here would be interested. Please tell us more.

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Re:Properties with 10% Rental Return

Posted by China Coin - 2010/03/07 09:24

Mana ada? Interest to know about it..

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Re:Properties with 10% Rental Return

Posted by Nichole T - 2010/03/07 12:42

Chiek Chong,

You have a mission impossible task but maybe you are the "one" who can turn "mission" into "possible" task. Do share with us if you really have...LOL

Hz 83,

Thanks for your tips..

Nichole :P

Re:Properties with 10% Rental Return

Posted by Lin Chiek Chong - 2010/03/07 23:55

well..... rental RM6000 unfurnished too..! :woohoo:

p/s - i'm not supposed to disclose this info.... owner will kill me. erk....!

Re:Properties with 10% Rental Return

Posted by Ken - 2010/03/09 20:17

Hi All,

Is there really any area in KL offering 10% rental return?

Is this a good time to invest in properties in Malaysia? If so, can anyone suggest some good areas with good rental return or good future capital appreciation?

Sorry for all the questions. I'm living in Australia (but with such a high property prices here), I am considering whether i should put my cash into properties in Malaysia. I have about RM1m to spare (currently all sitting in bank earning 5.75% interest - about 45% has to be given away as tax).

many thanks for your help.

Ken

Re:Properties with 10% Rental Return

Posted by Nichole T - 2010/03/09 21:23

Hi Ken,

Where are you staying in Australia? Actually, I am thinking to invest a property in Australia besides Malaysia due to personal reason. How high is "high" the value over there? Hope that you can share with me. Do you have any property website for me to refer?

By the way, I am also looking for property with 10% rental return in Malaysia. I guess only Mr. Lin know about it.

Cheers:) Nichole

Re:Properties with 10% Rental Return

Posted by Lin Chiek Chong - 2010/03/09 21:57

ken, has u consider the risks investing in malaysia while u r at australia? :huh:

p/s - get 10%, go & buy lelong property... LOL :woohoo:

=====

Re:Properties with 10% Rental Return

Posted by Ken - 2010/03/10 19:10

Hi Nichole,

I am in Sydney - Australia's property prices have increased to a level that is only affordable to the high income earners. A normal house in good location (good but not the best location) will probably cost you more than A\$1 million. There are, from memory, more than 50 suburbs with median house price of more than A\$1 million. The newspapers are claiming the median house price in Sydney is A\$600,000 (apartment median price A\$400,000). With median salary of A\$60,000 in Sydney, that is probably 7-10 times of earnings (bear in mind this is earnings before tax - average Australian pays 31.5% tax with top rate of 46.5%).

I think one will have to think logically about Australia. You have all the developed countries having a house price crash - with Australia avoiding this (may be it is a miracle of Australian economy? may be all the govt stimulus is delaying the crash?) - I do not know the answer but I know I will not buy in this market.

You can try www.domain.com.au.

Cheers
Ken

Re:Properties with 10% Rental Return

Posted by Ken - 2010/03/10 19:20

Lin Chiek Chong wrote:

ken, has u consider the risks investing in malaysia while u r at australia? :huh:

p/s - get 10%, go & buy lelong property... LOL :woohoo:

Hi Lin,

I guess you are talking about forex risk, capital losses etc? I guess from my point of view, I'm a Malaysian, so eventually I would like to retire in Malaysia or Asia. Given the strong Australian dollar now (1 AUD is slightly more than RM3), I guess it is probably a good idea to bring the cash back. As i mentioned previously, my cash is sitting idle in the bank (earning 5.75% less 46.5% tax = 3% - just enough to cover inflation here). If Malaysian properties can offer 10% yield, why not bring it back? By the way, one question, is 10% the rental income or net of all expenses?

Many thanks.
Ken

Re:Properties with 10% Rental Return

Posted by Ken Ken - 2010/03/10 19:37

By the way, I think this is a good explanation on Australian properties.

<http://www.smh.com.au/news/business/money/property/house-prices-balloon/2010/03/09/1267896783846.html>

Enjoy.

Re:Properties with 10% Rental Return

Posted by Nichole T - 2010/03/10 20:41

Hi Ken,

I agreed with you regards to Lin's comment. I am also Malaysian residing in Singapore for years. However, for me most important is diversification of investment and also make your money work harder. Parking cash in the bank won't help you to generate any passive income.

By the way, thanks for your website. :)

Cheers:) Nichole

Re:Properties with 10% Rental Return

Posted by Lin Chiek Chong - 2010/03/11 09:51

Ken wrote:

Hi Lin,

I guess you are talking about forex risk, capital losses etc? I guess from my point of view, I'm a Malaysian, so eventually I would like to retire in Malaysia or Asia. Given the strong Australian dollar now (1 AUD is slightly more than RM3), I guess it probably a good idea to bring the cash back. As i mentioned previously, my cash is sitting idle in the bank (earning 5.75% less 46.5% tax = 3% - just enough to cover inflation here). If Malaysian properties can offer 10% yield, why not bring it back? By the way, one question, is 10% the rental income or net of all expenses?

Many thanks.

Kennope..... i'm not into forex... :blush:

Re:Properties with 10% Rental Return

Posted by Tony V - 2010/03/16 12:22

I am just curious the way ROI is calculated...isnt that ROI means making money? means...let say i am lending RM1000 with 10% interest...then the borrower have to pay 110 for next 10 months...in this case...there is ROI of 10%..and my money now is worth 1100 after 10 mths.... if i lend 1000 but get back 100 every month the next 10 months...i get back what i lend but not any profit....there is no ROI here...

in housing terms...if i buy 100,000 unit...and the rental from bank after 90/10...let say 800....this is the default payment...let say service 100...in this case..i have to rent out at least 1000 to make RM100 profit minus service (total default payment 900)....(of course all this for simple calc....to make it complex, probably we need to factor in depreciation, lawyer fee, etc etc).....

let's take for simplicity...is that correct?

feedback pls...tq

Re:Properties with 10% Rental Return

Posted by mow onn lau - 2010/03/17 21:33

you can check out kenanga wholesale city in kuala lumpur

Re:Properties with 10% Rental Return

Posted by mow onn lau - 2010/03/18 10:07

it is hard to find.pls look out for kenangs wholesale city.the return is more than 10%

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Re:Properties with 10% Rental Return

Posted by hz 83 - 2010/03/18 11:38

if u're in spore, maybe it's better to look nearer, maybe JB?
i think there's some studios in JB that have the potential to give u 10% return. e.g. check palazzo.

=====

Re:Properties with 10% Rental Return

Posted by JENNY CHIN - 2010/03/19 09:12

If i tell you i have property investment and the return more than 10% p.a and will double up or more your capital within 4-7 years. Do you will invest in this investment?

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Re:Properties with 10% Rental Return

Posted by Andrew Page - 2010/03/19 09:22

Jenny, for sure. But the problem is that just because you say it will go up 10% p.a it doesn't mean it will go up 10% p.a!!!

What is it?

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Re:Properties with 10% Rental Return

Posted by JENNY CHIN - 2010/03/19 10:16

Hi Andrew, i emailed to you already.

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Investment in Saujana Residency Condominium in Subang Jaya

Posted by Suseendran Pillai - 2010/03/21 12:23

Hi ,
Can someone advise :
I plan to invest in Saujana Residency for a 883 sqft condo . Firstly how is this condo . Is this a service condo? Any good rentals yields of at least 6~8% from this condo.
Is the quit,assessment rent,electricity and water bill similar in rates as other condo.
The present owners of this condo are asking ridiculous prices >RM 510 per sq ft.

Can someone also advise the suitable areas in Subany jaya for investment purpose for condos and link double storey houses .

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Re:Investment in Saujana Residency Condominium in Subang Jaya

Posted by Lin Chiek Chong - 2010/04/05 03:35

Suseendran Pillai wrote:

Hi ,

Can someone advise :

I plan to invest in Saujana Residency for a 883 sqft condo . Firstly how is this condo . Is this a service condo? Any good rentals yields of at least 6~8% from this condo.

Is the quit,assessment rent,electricity and water bill similar in rates as other condo.

The present owners of this condo are asking ridiculous prices >RM 510 per sq ft.

Can someone also advise the suitable areas in Subang jaya for investment purpose for condos and link double storey houses .serviced condo meaning condo built on commercial land, if i'm not mistaken the quit and assessment rate is higher. not sure about the electricity and water bill.

Re:Investment in Saujana Residency Condominium in Subang Jaya

Posted by Chin Kim Keong - 2010/04/10 10:23

yes, it is under commercial rate.

Re:Properties with 10% Rental Return

Posted by edd eddt - 2010/04/10 15:32

hi

anyone got comments regarding investment in KENNY heights, mont kiara? a lot of hype, but the Developer is not officially launching it yet. Why are they playing games with a 88 acres project?

Re:Properties with 10% rental return

Posted by Siew Tian Lee - 2010/05/07 12:00

May i know the type of property & area
Thank you.

Re:Properties with 10% Rental Return

Posted by Sean Liew - 2010/05/09 12:13

Jenny, can provide me more info too? Thanks

Re:Properties with 10% Rental Return

Posted by serene - 2010/05/10 00:00

Jenny,

Pls give me more info, thanks

Re:Properties with 10% Rental Return

Posted by alex morgan - 2010/05/20 12:58

Hi Jenny,

I'm actively looking for property. Can you please email me the detail. Thanks

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Re:Properties with 10% Rental Return

Posted by Kim Sang Yong - 2010/05/27 21:37

Hi Jenny;

I am interested.. on the 10% or more return property investmnet. Could you furnish me with more information. Thanks.

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Re:Properties with 10% Rental Return

Posted by Sean Liew - 2010/05/30 00:34

No Response.... Dun think its true...

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Re:Properties with 10% Rental Return

Posted by JENNY CHIN - 2010/06/03 11:14

Sorry, I not online recently.. I will reply to you all by today..By the way,can you all send me your email address??

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Re:Properties with 10% Rental Return

Posted by William Foo - 2010/06/10 14:00

pls send me as well.....fookeesan@yahoo.com

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Re:Properties with 10% Rental Return

Posted by Lin Chiek Chong - 2010/06/10 23:19

guys, what's your opinion bout this property?

selling price RM435k full furnished with kitchen cabinet.

currently tenanted by expat at RM2300 per month.

monthly maintenance fee including sinking fund is RM309....

can buy???? :dry:

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Bukit Rimau

Posted by kingpro - 2010/06/11 01:56

Anyone can tell me why recently the bungalow land increase so much in Bukit Rimau? I remember 1.5 year back i did transacted one piece in Bukit Rimau Sri Damai at the price of RM63/sf and recently i have few enquiries from the owner wanted to sell their land at the price of RM150/sf and most latest at RM188/sf.....it the price too high?

