

Property is an asset, Gen Y told

JOHOR BARU: Many Generation Y (Gen Y) individuals in Malaysia are living beyond their means, which means they may face difficulties when they decide to buy a house.

Khalil Adis of Khalil Adis Consultancy said Gen Y gives more importance to buying a car than a house as soon as they enter the working world.

“It’s a need but not a necessity. It is actually a liability as it will depreciate in value. As soon as you drive out of the showroom, the value of the car will decrease. Whereas property is an asset. It will appreciate in value and is a necessity,” said Khalil.

He said those with credit card debts might face problems when applying for housing loans.

Khalil said this in his talk entitled “Property Buying for Gen Y” at the New Straits Times Press and Andaman Group’s MyRumah Property Showcase at Komtar JBCC, here, yesterday.

“I would advise Gen Y to settle their study loans as soon as possible to secure housing loans.”

Khalil said a person’s first property must be residential property, for his or her own use.

“Only later should you look at other types of properties for investment like commercial or retail properties,” he said, adding that in deciding where to buy a property, one should look at the most affordable property that provides the greatest room for capital appreciation.

He said buyers should look at five factors when deciding where to buy a property.

“You should check the development’s master plan, the area’s transportation master plan, the infrastructure development the government is planning for the area as well as the economic drivers and job creation opportunities in the area,” said Khalil.

Another speaker at the showcase, Dr Daniele Gambero, said demand for property in Iskandar Malaysia would only increase in the future, especially with the development of the high-speed rail (HSR) project.

“It is estimated that by 2025, the population in Iskandar Malaysia will increase by 1.3 million. With the continued investments that are coming to the region, plus the development of the HSR project, demand for property in the region will increase,” said Gambero, who is the chief executive officer of the REI Group.

“Car is a liability, but property is an asset. It will appreciate in value and is a necessity.”

Khalil Adis
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