



Real Estate snippets

Malaysian construction sector looks bright

The construction sector is expected to remain attractive next year amid a weaker domestic currency due to lower demand for commodities and the general public apprehension over the goods and services tax (GST).

Malaysia Building Society Bhd president and CEO Datuk Ahmad Zaini Osman said he expected the property market to remain sustainable, with the demand not much affected, even upon GST implementation in April next year. Despite possible slight oversupply of properties in certain areas, he said the government had already put a freeze on new projects in certain areas to neutralise the demand. The construction industry reported the strongest growth across sectors in the first six months of 2014, registering 14.3%.

NRIs shaping up Indian Real Estate industry

Luxury properties, green buildings and eco-friendly homes are gaining momentum among non-resident Indians, or NRIs, that will shape up the future of India's real estate industry. The exhibitors, developers and participants of the Indian Property Show, or IPS, said NRIs, who also opt for the affordable housing concept, will be playing a major role in boosting the property sector as the current demand in the domestic market is weak.



In the Netherlands virtually all housing is developed and built through property developers

Real Estate industry from buyer's perspective



NEHAL AHMED

THE Real Estate Industry/sector, which had experienced an incredible boom in Bangladesh even a couple of years back, now is going through a sudden slump and is on the downside. But what could be the reason? What has accounted for this tremendous crisis in the market? Why is this negative sentiment suddenly developing amongst buyers?

We often hear people in the industry putting the blame on different factors like government regulations and policies, global economic slowdown and various other political and economic reasons. Prima facie it may seem to be correct to some extent but going through the situation a little deeper may reveal a lot of other more alarming and detrimental causes that has completely jeopardized the industry as a whole.

I feel the time is ripe for a thorough self-introspection instead of putting the blame on different other reasons. Do we, as the real estate developers, owe any responsibility for this total dismal state of the industry? Is there anything that we can do to prevent this sudden free fall? Let us take a few minutes and try to analyze the situation from a very neutral perspective.

To start off with, the real estate

sector, despite having the tremendous potential to boost the economic growth of our country is grossly unregulated till date.

Because of the absence of strict laws and regulations in place to protect the consumer rights, the real estate developers have the upper hand in most of the aspects of the industry. The consumers are at the mercy of the developers and totally vulnerable to exploitations. I don't mean all, but definitely quite a few of the developers with a quest for making some extra money or quick money had become too greedy and had taken advantage of all these limitations on part of the customers. They have miserably failed to stick to their commitments in terms of quality, in terms of delivery timing, in terms of transparency and have continued with somewhat undesired and unethical business practices for years. We have all witnessed innumerable instances where the customers have been deceived and exploited but being helpless in most cases they were unable to take any proper action against the builders and developers. But what has happened as a result of these malpractices for several years? The industry as a whole has completely lost the trust of its consumers who understood to be the second god of all businesses and fell into a dilemma caused by their own decisions that resulted in a deadlock.

We must all remember that any industry, by large, is dependent on the trust and confidence of its client base. As long as there is trust and belief amongst the consumers the demand will grow and the industry will thrive and flourish. Before it is too late we must shift our focus from being the dominant and controlling factor in the industry and try to look at things from the buyer's point of view. We should all pledge to stick to the basic business ethics and morals

which will definitely help us to regain our lost ground in the industry. There should be no ambiguity whatsoever and we should strictly adhere to the commitments. We can segregate the quality of product as luxury product, mid-range product and economic products - but we must ensure what we commit we deliver the same without compromising on the quality.

I feel the government has a vital role to play here as well. Any industry remains a bit disorganized in its budding stage but it's time the Government through the help of trade body (FBCCI, REHAB) should intervene and take proper measures to consolidate the industry. The real estate industry is in dire need of stringent laws and regulations for protection of consumers' rights which will make them feel secure and eventually bring out more investments from them. If the industry thrives, one and all associated with it will also benefit from its growth. The Government can probably take a bit more initiative in improvising the real estate industry from where the poorest of the poor section of our society make their living. If proper measures are in place to protect their rights, it will help uplift the lifestyles of these poor people resulting in betterment of the society as a whole. I would also like to request the different Government authorities and regulatory bodies to lend their hands of cooperation and come forward to help revive this industry by improving its standard of quality and safety compared to developed country. A bit of more interest and support from them in the process of getting the required approvals in different aspects can also make things easier and hassle free for all of us.

Furthermore, we all must remember that for a society as a

whole to develop and grow, the basic infrastructure and housing needs has to be addressed and improved upon to bring a complete change in lifestyle for the whole community. If we can provide a good standard of living, a better lifestyle, a great environment to the children of today they will certainly develop into better and more responsible citizens of the country tomorrow. Rather than having separate, congested buildings mushrooming all around we should focus on developing properly planned, cleaner, greener, gated communities where a child gets the opportunity to have a much healthier upbringing, better lifestyle and gets nurtured in a good secured environment in the midst of like minded friends and neighbors. We should discourage all unplanned and poorly constructed buildings as they pose a great danger to the society since we are living in a Red Zone, vulnerable to earthquake.

Finally, though it's not all light it's not all darkness either - there is a bright ray of hope. It is really encouraging to see a lot of companies and concerned authorities coming up and seriously thinking of ways to stabilize the industry. Let us all pledge to be focused in our greater social responsibility and take corrective measures on war footing to save the industry from further downfall. We have to try, by all means, to regain the trust and renew the confidence in our customers that has been shaken up for a while. If we are clear in our vision and strongly focused in our commitment we will in no time regain the lost trust and confidence and can emerge as the biggest and most promising industry in the country that everyone can rely upon.

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