

Up-close and personal with Malaysia's Condo King

BY NATALIE KHOO

Believe it or not, the group chairman of Bukit Kiara Properties Sdn Bhd (BKP) Datuk Alan Tong, who is well-known as the person behind the creation of high-end residential enclave Mont'Kiara in Kuala Lumpur, is thinking of developing the next Mont'Kiara.

"I am thinking of where the next Mont'Kiara will be, and the location is in my head," Tong smiles, giving little away during the "Breakfast Chat with Datuk Alan Tong" session presented by TheEdgeProperty.com on Oct 8 at Bukit Kiara Properties' Verve Suites KL South in Kuala Lumpur.

Interestingly, Tong had never held the ambition to be a property developer but surprised himself by ending up being one of the most successful developers in Malaysia.

"I wanted to be an architect! I did not even know what property development was about then. It was only after I started my own architectural office that I learnt so much more about property development that I decided that I should be a developer myself. I formed Sunrise Bhd in 1968," said Tong, who is also known as Malaysia's Condo King. His first condominium development in the country was OG Heights in Old Klang Road.

Tong is most well known for developing Mont'Kiara — transforming what was formerly a rubber estate into one of the most exclusive addresses in Malaysia.

"Sometime in the 1990s, a real estate agent approached me to see

if I was interested in a 10-acre parcel in Segambut. At that time, I wasn't interested in Segambut so I introduced her to other property developers. Six months later, she came back to me and insisted I see the land for myself. I thought, I will just buy it first and then see what I can do with it.

"Within the next one and a half years or so, the agent introduced me to even more land there which totalled over 100 acres. I got a huge bank loan for the land purchases, up to 80%! Can you imagine that? It was not loan for a property purchase but whole pieces of land!" recalled Tong. But what gave him the idea to start building high-rise residences?

Condos — the way to go

"Back in the 1990s, I saw that there were increasingly more cars on the road. The population is ever increasing. I was thinking, instead of spreading out our development, why not build upwards? When you build upwards, the sky is your limit," said Tong and that was what inspired him to build condos.

"That is why I feel it is important that the authorities do not limit the height of condominiums. It is always said that to reduce the height of the condominium is to reduce congestion. But the question is, how long are we going to continue spreading out our development? This is not the solution to the problem (of congestion)," Tong added.

What more, as people want to live in areas with good connectivity, there would be a need for higher density residential developments near public transportation systems



Some of the participants mingling with Tong after the session



Tong (right) and Au during the breakfast chat

in future such as near mass rapid transit (MRT) and light rail transit (LRT) stations.

"We have three MRT lines in the Klang Valley which have been planned. I think we will definitely need more than three lines in the future to accommodate the growing population. On the other hand, we also need an adequate volume of passengers to be able to maintain the stations.

What to consider when buying your first home?

Tong tells first-time homebuyers to consider connectivity of the place where their new home will be and to always remind themselves not to overstretch their budget.

"You do not want to stay in an area where you will take a few hours to travel to and from work. That three hours you spend on the road should be used for more productive activity and not in a traffic jam," he said.

First-time homebuyers, he added, have to consider their financial circumstances and be frugal if they need to. "I have learned from my late father to not overstretch when it comes to spending. My father was a migrant from China who came to Malaysia to make a living for his family. Out of his 13 sons, he managed to send eight of his sons overseas to study. When he passed away, he left a bus company, 150 employees and four pieces of land

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in Klang. He was able to do it because he was frugal in his spending," said Tong.

"Furthermore, the national household debt stands at about 89% currently. We are the second nation in the world with the highest household debt. It is important that we are able to pay off our debt once we have borrowed it," he added.

Tong, who also shared about his experience as a property developer who had sustained his business through multiple recessions, talked about perseverance, foresight, calculated risk, faith and timing as crucial factors that brought him through those challenging times.

The event was presented by TheEdgeProperty.com with the support of BKP. About 125 people turned up at the Verve Suites KL South to listen to the breakfast chat which was facilitated by TheEdgeProperty.com managing director and editor-in-chief Au Foong Yee.