

Brief Guide of Property Practice in Malaysia

Sale & Purchase Procedure		Residential	Commercial
Booking	<i>Completed</i>	Pay 2% of Purchase Price as booking deposit upon signing Letter of Offer.	Pay 2% of Purchase Price as booking deposit upon signing Letter of Offer.
	<i>Under construction (buy from Developer)</i>	No booking deposit is required as ruled by the Housing Developers (Control and Licensing) Act 1996	Usually is 2% of Purchase Price or any amount determined by the developer.
Signing Sale & Purchase Agreement (SPA)	<i>Completed</i>	Pay 8% of Purchase Price within 14 days from the date of acceptance of offer by the vendor.	Pay 8% of Purchase Price within 14 days from the date of acceptance of offer by the vendor.
	<i>Under construction</i>	Within 14 days from the date of booking and pay the first 10% of Purchase Price.	Pay the balance of the first 10% of Purchase Price within 14 days from the date of booking
Financing	<i>Completed</i>	Buyer can apply financing facility before signing SPA by using the booking form	Buyer can apply financing facility before signing SPA by using the booking form
	<i>Under construction</i>	Buyer can apply financing facility before signing SPA by using the booking form	Buyer can apply financing facility before signing SPA by using the booking form
Balance Payment	<i>Completed</i>	The balance of 90% must be settled within 3+1 months after signing S&P or the date of Letter of Consent of Transfer granted by the State Authority or the Developer (the developer consent is required for property pending issuance of title) whichever is later.	The balance of 90% must be settled within 3+1 months after signing S&P or the date of Letter of Consent of Transfer granted by the State Authority or the Developer (the developer consent is required for property pending issuance of title) whichever is later.
	<i>Under construction</i>	by progressive payment based on completion of work as certified by the architects in accordance with Schedule G of landed properties or Schedule H of strata-titled property prescribed in the Sale & Purchase Agreement standardized by the Housing Developers (Control and Licensing) Act 1996	by progressive payment based on completion of work as certified by the architects in accordance with Schedule set the developer.
Handing-over of vacant possession	<i>Completed</i>	Upon settlement of the balance of 90%. Should the buyer is urgent to move in, a short-term tenancy is required and the rental rate is on mutual agreement.	Upon settlement of the balance of 90%. Should the buyer is urgent to move in, a short-term tenancy is required and the rental rate is on mutual agreement.
	<i>Under construction</i>	2 years from the SPA date for landed property while 3 years as for strata-titled property.	Subject to the SPA.

For further details on buying from housing developers, please visit <http://www.kpkt.gov.my>

Tenancy Procedure	Residential	Business Premises
Booking	Pay one month's rent as earnest deposit upon signing Letter of Offer.	Pay one month's rent as earnest deposit upon signing Letter of Offer.
Term	Subject to mutual agreement but will not be more than 3 years. For expatriate, a special clause will state that a minimum stay of one year and early termination of agreement due to relocation of working area.	Subject to mutual agreement but will not be more than 3 years. Usually the landlord will require at least 2 years tenancy.
Signing Tenancy Agreement	In 7 days, sign Tenancy Agreement and pay 2 months rental as Security Deposit, half month rental or RM1000 as Utility Deposit, stamp duty and disbursement.	In 7 days, sign Tenancy Agreement and pay at least 2 months rental as Security Deposit, half or one month rental as Utility Deposit, stamp duty and disbursement.
Handing over of keys	The tenant should be provided a checklist of the inventories upon handing over of keys.	The rent free period or renovation period should be mutually agreed prior signing tenancy agreement.
Refund of deposit	within 30 days from the expiry of the agreement, deducting any loss or damaged items, and outstanding unpaid utility bills.	within 30 days from the expiry of the agreement, deducting any loss or damaged items, and outstanding unpaid utility bills.

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