



IMG MONTHLY BULLETIN

The IMG Monthly Bulletin serves as a comprehensive review of developments in the real estate industry, bringing together insights, news, and updates on the property market. Each week, we publish focused snapshots on the month's main theme, offering timely perspectives on key trends shaping the sector. At the end of every month, these insights are consolidated into the IMG Monthly Bulletin, providing readers with an in-depth overview of industry movements, emerging opportunities, and strategic considerations for stakeholders across the property market.

Power Imbalance in the Real Estate Market : Exploring Mutual Bullying Among Developers, Landlords, Buyers, Tenants, Agents, and Investors

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Part 1: When Power Meets Shelter: Developer & Landlords Pressuring Buyers and Renters

Developer vs Buyer

Bullying Forms:



Overcharging buyers



Misleading Show Units & Brochures



Delays in Project Completion



Hidden clauses in Sale & Purchase Agreement



"Buy Now or Lose out" Marketing

Landlord vs Tenant

Bullying Forms:



Overprices Rent



Excessive Deposits



Unfair Eviction Practices



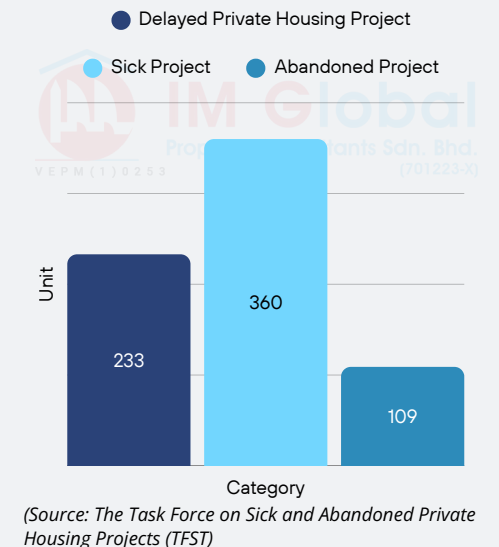
Deposit Withholding



Neglecting Repairs & Maintenance

💡 Did you know?

In August 2025, TFST identified and monitored 233 delayed private housing projects, 360 sick projects and 109 abandoned projects.



Key Takeaway

- Developers often hold stronger bargaining power, using marketing pressure, hidden clauses, and extra charges that leave buyers, especially first-timers.
- Lack of transparency in agreements and differences between show units vs actual delivery reduce buyer protection.
- Project delays and one-sided defect liability terms can create long-term financial and emotional stress for homeowners.
- Landlords may misuse their control over housing by imposing sudden rent hikes, withholding deposits, or ignoring essential repairs.
- One-sided tenancy agreements and harassment practices leave tenants with limited recourse, especially in competitive rental markets.
- The imbalance underscores the importance of clear tenancy laws, enforcement, and education to protect buyer and tenant rights while maintaining developer landlord confidence.

Part 2: Behind the Market Curtain: When Agents, Investors & Government Control the Strings

Agent vs Buyer

Unethical Practices (Bullying Forms):



Inflating property value to raise commission



Colluding with sellers to push higher prices



Hiding real defects or the market conditions



Misrepresentation and fake listings

How About Clients? (Buyer-to-Agent Bullying):



Unrealistic demands



Verbal abuse



Unrealistic price negotiations



"Shop Around" Pressure

Investor vs Buyer/ Tenant

Investor Bullying (Against Buyers/Tenants):



Bulk buying units lead to flipping at higher price



Artificial scarcity to push market up



High rent set after flipping, burdening genuine tenants



Short-term rentals (Airbnb effect)

Buyer Tenant Bullying (Against Investors):



Last-minute withdrawal / backing out



Unrealistic lowball offers



Rent delays and non-payment



Property misuse or damage

Key Takeaway

The real estate market isn't a one-way street — power imbalances exist on both sides.

- Agents may bully buyers through unethical practices like inflating values, colluding with sellers, hiding defects, or misrepresenting listings.
- Clients (buyers) can also bully agents with unrealistic demands, verbal abuse, unfair price negotiations, or by playing multiple agents against each other.
- Recognizing these behaviors helps create a fairer, more transparent property market where professionalism and respect guide every transaction.

Key Takeaway

- Certain investor practices contribute to inflated prices, artificial scarcity, and rising rents, making it harder for genuine buyers and tenants to secure affordable housing.
- The growing trend of converting units into short-term rentals further reduces availability for long-term tenants and pushes rental rates higher in high-demand areas.
- On the other side, some buyers and tenants create risks for investors by pushing unfair bargains, backing out of deals at the last minute, delaying payments, or neglecting the property.
- These behaviors, when unchecked, strain relationships, destabilize the market, and highlight the need for more balanced, transparent, and respectful dealings among all stakeholders.

Buyer Beware Tips:

- ✓ Always verify agent credentials via BOVAEP or MIEA.
- ✓ Always check the developer's list in Malaysia by researching their track record, financial stability, and online presence
- ✓ Push for transparency on ownership, pricing, and listing validity.

Government

RUU Pembaharuan Semula Bandar (Urban Renewal Act) 2025:

Malaysia's proposed Urban Renewal Act (URA), tabled in Parliament in August 2025, aims to expedite the redevelopment of dilapidated urban areas by requiring significantly lower consent thresholds from landowners compared to previous laws.

Building Age	Consent Threshold
Under 30 years old	80%
Over 30 years old	75%
Abandoned buildings	51%

Is it Bullying the Rakyat?

While the URA intends to modernize urban spaces, many Malaysians view it as a form of institutional bullying:



Reduced consent mechanism

The reduced consent mechanism and concentrated ministerial power may override individual autonomy and community well-being. Without transparent oversight and adequate protections, the Act could favor developers at the expense of citizens' rights and stability.



Mixed promises - real doubts

Government assurances emphasize that participating owners will receive better offers. Yet, observers note that post-redevelopment costs like higher property taxes or maintenance could make living there unaffordable, especially for the original low-income residents.



Risks of forced displacement

Vulnerable groups like tenants, low-income residents, and minority homeowners will face the risk of forced displacement, inadequate rehousing, or unfair compensation, which could exacerbate housing insecurity and social inequality.

Part 3: Bullying as Strategy: Real Estate Stakeholder Tactics — Pros, Cons, and Consequences

Stakeholders	Pros	Cons	Consequences
Developer vs Buyer	<ul style="list-style-type: none"> • Aggressive sales boost project take-up and industry growth. • Early-bird deals can provide better entry prices. • Speeds up urban development and construction activity. 	<ul style="list-style-type: none"> • Buyers pressured into unaffordable long-term commitments. • Hidden charges, poor-quality finishes, and misleading show units. • Late handovers erode buyer trust. 	<ul style="list-style-type: none"> • Short-term gain for developers, long-term erosion of buyer confidence. • Creates distrust in the housing market and higher litigation cases. • Buyers saddled with debt or poorly delivered properties.
Landlord vs Tenant	<ul style="list-style-type: none"> • Higher rents help maintain property value and cover ownership costs. • Flexibility in lease terms can benefit short-term tenants. • Landlords ensure upkeep of property assets. 	<ul style="list-style-type: none"> • Overpricing creates affordability stress for tenants. • Deposits withheld or misused by unscrupulous landlords. • Eviction threats cause insecurity and instability. 	<ul style="list-style-type: none"> • Rental market becomes volatile and exclusionary. • Higher tenant turnover and weaker long-term rental demand. • Strained landlord-tenant relationships reduce trust in the sector.
Agent vs Buyer	<ul style="list-style-type: none"> • Professional agents provide market insights and property access. • Can negotiate better terms between parties. • Improves liquidity in the secondary market. 	<ul style="list-style-type: none"> • Mark-ups and overvaluation inflate prices. • Misrepresentation of property condition to secure commission. • Trust in agency profession reduced. 	<ul style="list-style-type: none"> • Buyers pay inflated prices beyond market value. • Growth of “brokers/ cowboy agents” undermines professional credibility. • Stricter regulations needed to curb unethical practices.

Part 3: Bullying as Strategy: Real Estate Stakeholder Tactics — Pros, Cons, and Consequences

Stakeholders	Pros	Cons	Consequences
Investor vs Buyer/ Tenant	<ul style="list-style-type: none"> • Bulk purchases help developers achieve early sales targets. • Stimulates GDP and secondary market activity. • Attracts foreign investment capital into Malaysia. 	<ul style="list-style-type: none"> • Inflated property prices reduce overall affordability. • Creates ghost units in luxury projects (KLCC, Johor, Penang). • Genuine buyers and tenants crowded out by speculative players. 	<ul style="list-style-type: none"> • Housing affordability crisis deepens, especially for young buyers. • Wealth gap widens between investors and average households. • Market instability from speculative bubbles and sudden crashes.
Government vs Rakyat (Urban Renewal Act & Policy - Driven Bullying)	<ul style="list-style-type: none"> • Urban Renewal Act promotes redevelopment of aging flats/estates. • Improves infrastructure, safety, and modern housing standards. • Boosts construction sector and economic activity. 	<ul style="list-style-type: none"> • Lower consent thresholds can force minority owners to sell. • Risk of unfair compensation and forced displacement. • Centralized power raises concerns about favoritism and lack of transparency. 	<ul style="list-style-type: none"> • Communities face loss of identity and cultural displacement. • Vulnerable groups priced out after redevelopment (higher rent/taxes). • Erosion of property rights weakens public trust in government housing policy.

Part 4: Insights from Real Estate Professionals

Property Professional: **Sr Tun Ahmad Nasrullah Bin Zulkifli**
Associate Director of IM Global Property Consultants Sdn Bhd

The Core Issue

- Balance of power among stakeholders
- Problem arises when balance tips leads to “bullying” practices

Vision of a Sustainable Market

Developers & investors



Trusted environment

Landlords & tenants



Balanced relationships

Agents



Professionalism & respect

Government



Uplift communities without eroding rights

The Challenge



Need fairness & transparency



Safeguards for tenants



Clear disclosure for developers



Stricter regulation of speculation

Core: Balance of Power



Risks

Bullying → Developers / Landlords / Investors



Opportunities

Growth, Urbanization and Modernization



Safeguards

Fairness, Transparency and Regulation



People

Rakyat → Awareness and Financial Literacy



Goals

Sustainable and Equitable Market

“A sustainable property market is one where all stakeholders benefit fairly: developers and investors thrive in a trusted environment, landlords and tenants maintain balanced relationships, agents uphold professionalism, and government policies uplift communities without eroding rights.”

- Sr Tun Ahmad Nasrullah Bin Zulkifli

The findings of this bulletin reveal a recurring pattern in Malaysia's property market: imbalances of power continue to shape housing experiences, often leaving buyers, tenants, and smaller investors at a disadvantage. While real estate should provide security, wealth creation, and community development, unchecked behaviors, whether intentional or systemic, risk transforming the market into an arena where stronger parties dominate weaker ones.

Part 1 highlighted how developers and landlords often hold the upper hand. Developers may use tactics such as inflated pricing, misleading show units, hidden clauses, and construction delays that strain buyers financially and emotionally. Landlords, meanwhile, can impose excessive rents or deposits and neglect repairs, leaving tenants with insecurity and eroding trust in the rental market.

Part 2 broadened the scope, showing that agents, investors, and even tenants also contribute to market distortions. While agents facilitate transactions, unethical practices such as inflating values or concealing defects damage industry credibility. Investors who bulk-buy or speculate through short-term rentals drive up prices and reduce affordable supply, while tenants retaliating with rent defaults or property misuse undermine confidence.

The result is a commodified housing environment where affordability declines and stakeholder relationships grow increasingly adversarial.

Attention has also turned to government intervention, particularly the Urban Renewal Act (URA) 2025. Though designed to modernize cities, its reduced consent thresholds and concentration of authority risk institutionalizing displacement and inequality. Without adequate safeguards, redevelopment could prioritize profit over people, further deepening mistrust.

Taken together, these findings show that while developers, landlords, agents, investors, and policymakers play vital roles, their actions can easily tilt the balance of power. Short-term gains like higher sales, rental income, commissions, speculative profit, or accelerated urban renewal which often come at the expense of long-term stability, affordability, and fairness.

According to **Sr Tun Ahmad Nasrullah Bin Zulkifli, Associate Director of IM Global Property Consultants Sdn Bhd**, the Malaysian property market fundamentally reflects the balance of power among its stakeholders. Problems arise, he explained, when this balance tips too far, resulting in practices that verge on “bullying.”

Developers may resort to aggressive marketing or obscure terms that trap buyers in costly commitments, while landlords and agents can exploit tenants or clients through unfair practices. Investors and policy frameworks, too, sometimes exacerbate affordability challenges by prioritizing profit over accessibility.

Yet, Sr Tun stressed that these dynamics are not inherently negative. Development and investment can fuel urban growth, and policies such as the URA can modernize infrastructure. The challenge lies in ensuring that such efforts are grounded in fairness and transparency. Safeguards for tenants, clearer disclosure requirements for developers, stricter regulation of speculative practices, and mechanisms to prevent forced displacement in renewal projects are essential.

Equally important, he emphasized, is empowering the rakyat through awareness and financial literacy, so buyers and tenants can make informed decisions and resist exploitative practices. A sustainable property market, in his view, is one where all stakeholders benefit equitably: developers and investors operate in a trusted environment, landlords and

tenants maintain balanced relationships, agents earn respect through professionalism, and government policies uplift communities without eroding their rights.

Across all parts, a clear message emerges: unchecked power breeds exploitation, mistrust, and instability. Restoring balance requires not only stronger regulation and ethical practices but also a shift from power-driven strategies to principle-driven approaches. By building transparency, fairness, and protections into every level of the market, Malaysia can create a housing sector that supports economic growth while safeguarding social well-being.

Stay Connected for More Updates

This marks only the beginning. Our upcoming editions will feature further highlights together with the complete monthly bulletin, offering in-depth coverage on key topics to strengthen your understanding of the Malaysian property market.



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