

STRATA SUBDIVISION TERMINATION: A CONCEPTUAL FRAMEWORK TO INTEGRATE SUSTAINABLE URBAN REDEVELOPMENT GOALS IN SOLVING MALAYSIA'S DILAPIDATED HOUSING SCHEME

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Abstract:

Dilapidated high-rise strata residential buildings in Malaysia offer a significant potential for sustainable urban redevelopment. Beyond their unsightly and uncomfortable state, these structures also pose potential safety risks to the residents. However, the existing legal framework governing strata subdivision termination causes significant challenges that may hinder redevelopment efforts. Despite the presence of dilapidated strata schemes in Kuala Lumpur and Penang that are suitable for redevelopment, the lack of applications for termination in the Land Office suggests that the current legal framework may be a barrier to progress. To address these issues, this study investigates the current challenges of strata subdivision termination process in these two states through a qualitative approach. By conducting semi-structured interviews and thematic analysis, key challenges were identified, including a rigid consent threshold, conflicts of property rights, and ineffective decision-making processes. To address these challenges, a conceptual framework is proposed that suggests the current process can be significantly improve by reducing the consent threshold, improve the safeguard for dissenting owners, provide platform for dispute resolution and create a time-based engagement process to ensure that the redevelopment can be achieved within stipulated times. This study incorporates the SMART goals to ensure that the conceptual framework is clear, achievable, measurable, relevant, and time bound. By streamlining the termination process and aligning it with SDG 11, this framework aims to contribute to a more efficient and effective urban redevelopment landscape in Malaysia.

Keywords:

Strata Subdivision Termination, Strata Renewal, Strata Ownership, Urban Redevelopment, Sustainable Development Goals

Introduction

Strata ownership is a property ownership concept that divides a building into individual units, each held with a valid and irrevocable title (Teo, 2023). This concept, commonly applied to multi-unit developments like apartments, condominiums, or flats, have become a prevalent development trend, especially in urban areas. This is primarily due to limited land resources, which necessitates optimizing land use through high-rise buildings to accommodate growing populations. Strata subdivision termination on the other hand is the legal process that dissolves the division of a building into individual strata units (Teo, 2023). Under this process, the individual titles are revoked and the original land title is restored. This action enables the transfer of the land to new owners, facilitating redevelopment. The current legislation for strata subdivision termination is outlined in Section 57 of the Strata Title Act 1985 (Act 318).

Malaysia's burgeoning strata property market underscores the critical need for efficient strata subdivision termination and redevelopment processes. Over 150,000 new strata titles are registered annually, a 35.2% surge since 2015 (DGLM, 2021a). Therefore, by 2024 the strata titles that are already registered can amount to at least 2 million parcels. This rapid growth is compounded by the presence of older buildings, some with outdated subsidiary titles. These titles, a precursor to strata titles, were introduced under the National Land Code (NLC) but repealed in 1985 where these titles need to be registered to strata titles after Act 318 was enacted (Shukri et al., 2010). Currently, 83 buildings with 1,754 subsidiary titles remain in Peninsular Malaysia, as presented in Table 1. These aging structures, typically located in densely populated urban areas, represent prime redevelopment candidates due to their age and location. The building's current state of disrepair is primarily a result of inadequate management, maintenance, and outdated building specifications (Zaimah et al., 2016).

Table 1: Subsidiary Titles Before the Implementation of Act 318 in Peninsular Malaysia.

No.	State	Number of Scheme	Number of Parcels
1.	Penang	4	138
2.	Malacca	1	18
3.	Perak	5	138
4.	Terengganu	5	130
5.	Kuala Lumpur	68	1330
	Total	83	1754

Source: (DGLM, 2020)

Aging strata buildings in Malaysia face a pressing need for redevelopment due to escalating costs and safety risks. As these structures approach the end of their lifespan, maintenance expenses surge due to wear and tear, outdated designs, and the frequency of costly repairs (Mac-Barango et al., 2011; Zaimah et al., 2016). This financial burden on residents is compounded by the growing risk of structural failures, jeopardizing safety (Mehmood et al., 2022). Malaysia's challenges in maintaining its aging building stock, especially in the

affordable housing sector accelerate the deterioration of these structures, making redevelopment increasingly urgent (Zaimah Che-Ghani et al., 2016). A 2019 report by the Ministry of Housing and Local Government revealed that only 1% of Malaysia's strata buildings, comprising 65 strata schemes, achieved a 5-star rating for management quality (KPKT, 2019). The majority of strata buildings in Malaysia received the lowest rating of 1 star, with a total of 2686 strata schemes falling into this category. This data indicates that the overall quality of management and maintenance for strata buildings in Malaysia is still unsatisfactory, potentially leading to the deterioration of building facilities and structures.

Aligned with the government's commitment to sustainable development goals (SDGs) and creating resilient cities, several local authorities have initiated proactive redevelopment plans. Kuala Lumpur City Hall (DBKL) has identified 42 areas for renewal, as outlined in the Kuala Lumpur Structured Plan 2040 (DBKL, 2019). Similarly, the Penang government has earmarked five aging high-rise strata buildings - Rifle Range Flat, Mahsuri Flat, Taman Free School Flat, Mak Mandin Lama Flat, and Taman Siakap Flat - for redevelopment (PLANMalaysia, 2022). These strategically located sites, align with the broader urban redevelopment directives of PLANMalaysia (2023) and demonstrate a concerted governmental push towards revitalizing urban areas.

However, concerns have been raised about the challenges of complying with current legislation and the lack of clear guidance for stakeholders. A report by the Department General Office of Land and Mines (DGLM) in 2020 revealed that no strata buildings with multiple owners had been successfully terminated until 2020 (DGLM, 2021b). All successful terminations reported are involving single proprietors, where a single individual owned all parcels. This often necessitates developers to painstakingly acquire parcels one by one, incurring significant costs and time delays (E. S. Ti, 2022). To solve these issues, Easthope (2013) proposes that reducing the consent threshold could streamline strata termination, while Christudason (2018) emphasizes the need for robust safeguards to protect property rights (Christudason, 2018; Easthope et al., 2013). Balancing these perspectives requires a well-defined decision-making process. This study aims to enhance Malaysia's strata subdivision termination legislation and contribute to urban redevelopment-aligned Sustainable Development Goals (SDGs) by achieving the following research objectives (RO):

RO1: To investigate the current challenges in implementing the existing strata subdivision termination process for urban redevelopment

RO2: To find the key elements for reforming the existing strata subdivision termination process for urban redevelopment that integrates with relevant SDGs

RO3: To develop a conceptual framework of the strata subdivision termination process for urban redevelopment in Malaysia.

This study is structured into six sections. The introduction establishes the research problem, outlining the challenges associated with strata subdivision termination in Malaysia, particularly in relation to urban redevelopment. A literature review follows, synthesizing existing research on strata subdivision termination, urban redevelopment, and relevant legal frameworks, thus helps in addressing the RO1. The research methodology section outlines the research design and data collection methods employed in the study. It details the process of conducting semi-structured interviews with eleven participants from Kuala Lumpur and Penang, who were selected based on their expertise and involvement in strata subdivision termination. The data

collected through these interviews was then analyzed using thematic analysis to identify key themes and patterns to address the RO2. The findings section which tackles RO3, presents the results of the data analysis, highlighting the key challenges identified in the existing strata subdivision termination process. The final section presents the conceptual framework developed to address the identified challenges and improve the strata subdivision termination process. The conclusion also highlights the potential impact of the proposed framework on sustainable urban development in Malaysia.

The Link Between SDG and Strata Subdivision Termination

Terminating strata buildings is a complex issue globally. Singapore and Australia have encountered similar challenges as Malaysia and both countries have responded with legislative reforms to address the difficulties. Singapore has amended its Strata Title Act multiple times to enhance termination provisions (Parliament of Singapore, 2007). Australia, particularly New South Wales, introduced the Strata Scheme Development Act in 2015 to facilitate urban redevelopment (Crommelin et al., 2020). In contrast, Malaysia's Act 318 requires unanimous owner consent for termination, a significantly higher threshold compared to other jurisdictions. Furthermore, Malaysia lacks the structured decision-making processes and dedicated authorities found in Singapore and Australia (Bakri et al., 2023). The challenges of terminating multi-owned strata buildings are evident in cases such as Desa Kudalari Condominium in Kuala Lumpur, PKNS Flat in Kampung Bharu, and Mahsuri Flat in Penang (DGLM, 2020). A report by DGLM in 2020 further highlights the difficulties by revealing that no termination applications were submitted since the enactment of Act 318 until that year. The same report also highlighted that Kuala Lumpur and Penang have identified a pressing need for strata building termination and redevelopment, with numerous dilapidated structures in their city centres. This underscores the urgent requirement for a robust legal framework to facilitate such projects.

Rapid urbanization and population growth in Malaysia, mirroring global trends, are intensifying pressures on urban infrastructure and resources. The nation's trajectory towards an 85% urbanization rate by 2040 underscores the urgent need for sustainable urban development (The World Bank, 2023). To address challenges such as urban decay, sprawl, and increased infrastructure costs, Malaysia has aligned with the global Sustainable Development Goals (SDGs) to foster sustainable and resilient cities (Goal 11: Sustainable Cities and Communities) (UN, 2017). Urban redevelopment emerges as a key strategy to revitalize urban spaces and address housing shortages, affordability, and infrastructure strain. This approach aligns with Malaysia's broader sustainable development goals (KPKT, 2018). As a potential solution, strata subdivision termination offers a mechanism for transforming aging buildings into higher-density developments. However, this process must carefully balance the rights of individual property owners with the collective benefits of urban regeneration (Troy et al., 2017).

Theoretical Framework to Integrate SDG with Strata Subdivision Termination

The proposed framework utilizes the well-established SMART criteria for goal setting, ensuring objectives are Specific, Measurable, Attainable, Relevant, and Time-bound, as illustrated in Table 2. This widely recognized approach is used across various disciplines, including management, evaluation, and planning, and is even recommended by the United States Department of Education for developing effective goals and objectives (Cothran et al., 2019). The SMART framework's strength lies in its ability to facilitate the creation of actionable and implementable goals. In time-constrained situations, it offers a practical method for assessing the viability of objectives without requiring extensive, long-term policy research.

However, a potential limitation of the SMART approach is its susceptibility to respondent bias and its inability to fully anticipate unforeseen issues (Bahrami et al., 2022). To mitigate these limitations, this study incorporates secondary data from existing research and studies, which will be analyzed in conjunction with primary data. SMART goals are implemented in this study to help to ensure that the conceptual framework designed is clear, achievable and can be measured.

Table 2: Key Points of SMART Rules

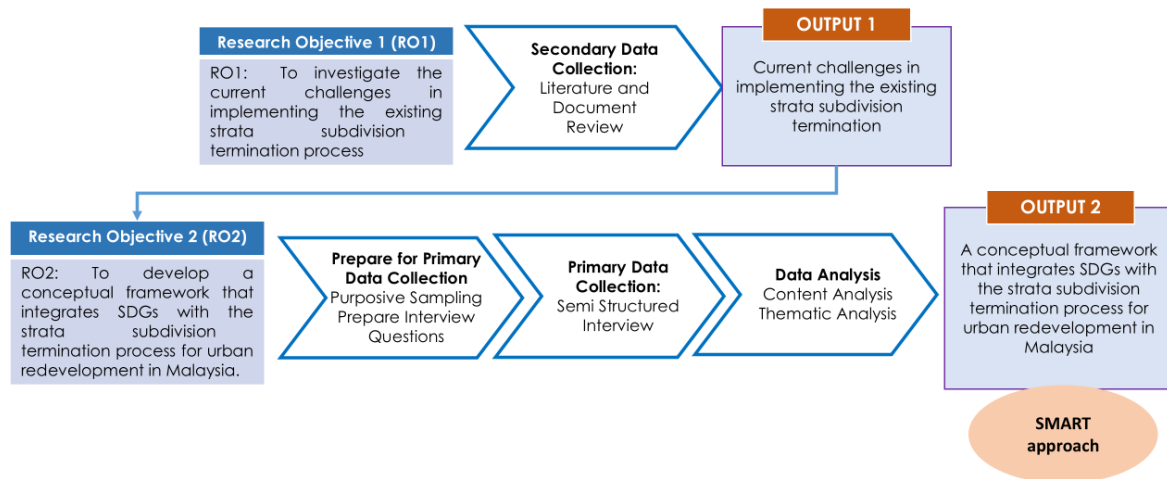
SMART Rules	Key Points
<i>Specific</i>	The goal must focus on specific are of improvement
<i>Measurable</i>	The goal must allow for measurable progress
<i>Attainable</i>	The goal must be realistic and based on current legislation and existing situation
<i>Relevant</i>	The goal must align with current SDGs
<i>Time-bound</i>	The goal must have a dateline

Source: Adapted from (Cothran et al., 2019)

This study aims to enhance the strata subdivision termination process in Malaysia and contribute to relevant Sustainable Development Goals (SDGs) linked to urban redevelopment. The proposed framework will equip stakeholders with the necessary tools and knowledge to actively participate in and improve the strata subdivision termination process for urban redevelopment projects. By providing clear guidelines, transparent procedures, and effective communication channels, the framework will empower stakeholders to make informed decisions, collaborate effectively, and contribute to successful project outcomes.

Research Approach

This is a qualitative study in which the proposed model for improvement framework prioritizes understanding the complexities of strata termination through the lived experiences of stakeholders. This aligns with an epistemological stance that emphasizes gaining in-depth knowledge through qualitative methods like interviews (Maxwell, 2012). Since this research aims to create a conceptual framework for reforming strata subdivision termination process in Malaysia, which is problem-solving and involves future practice as the contribution, a pragmatic approach is ideal as it emphasizes the needs and perspectives of various stakeholders involved in the process (Creswell, 2009). In this context, the researcher believes that reality is the practical consequence of an idea (pragmatic approach) rather than one true reality (positivism) or prioritizes understanding without necessarily aiming for practical solutions (interpretivism). This will allow the proposed framework to address the concerns of all parties and promote consensus by addressing the challenges of the current termination process in a way that considers the realities faced by stakeholders. The primary focus of this research is to explore the complexities of the lived experiences and identify challenges within the termination process. An inductive approach provides a more robust framework for this initial exploration.

**Figure 1: Research Process**

Source: Author's Elaboration

Referring to the research process in Figure 1, this research employs purposive sampling to strategically select respondents with direct experience and knowledge relevant to the research objectives and aims (Piaw, 2020). Purposive sampling involves strategically selecting participants who are knowledgeable and insightful about the topic of interest (Jane Sutton et al., 2015). The researchers identify what information is needed and then seek out individuals with relevant knowledge and experience to provide it (Flick, 2022). To achieve this goal and ensure its real-world applicability, the study gathers insights from 11 key stakeholders directly involved in the process. This includes representatives from government agencies focusing on policy research and implementation, the management committee of the strata schemes involved with termination, as well as those engaged in urban planning initiatives.

This study commences with a comprehensive literature review utilizing online platforms such as Scopus, Emerald, and Google Scholar to identify relevant articles. Document review and thematic analysis are employed to discern recurring themes within this body of literature. Subsequently, these themes informed the development of guiding questions for semi-structured interviews, which focused on three important takeaways which are consent threshold, property rights, and the decision-making process. Participants for these interviews were drawn from government agencies, private sectors, professional bodies, and strata owners, as presented in Table 3. The collected interview data undergoes thematic analysis to identify patterns and categories. Ultimately, these findings are integrated with the study's objectives to construct a coherent understanding of the research problem. One significant challenge with this approach is the difficulty of scheduling interviews with busy respondents.

Table 3: Respondents for Semi-Structured Interview

No.	Respondents
R1	Director of the Strata and Stratum Division, Department of Director General of Land and Mines
R2	Head of Strata Division, Director of Land and Mines Office, Kuala Lumpur
R3	Head of Strata Division, Director of Land and Mines Office, Penang

R4	Head of Technical Drafting Unit, Legal and Regulatory Planning Division, Department of Town and Country Planning (PLANMalaysia)
R5	Head of Department of City Planning, KL City Hall (DBKL)
R6	Head of Physical Planning and Land Development Division, Penang Development Corporation (PDC)
R7	Head of Business Division, Penang Housing Board
R8	Committee of Management Corporation (MC) Mahsuri Flat, Penang
R9	Committee of Management Corporation (MC) Desa Kudalari Condominium, Kuala Lumpur
R10	Head of Land Management Section, Operational and Corporate Communication Division, Kampong Bharu Development Corporation
R11	Honorary Secretary of the Association of Real Estate and Housing Developers (REHDA) Wilayah Persekutuan Kuala Lumpur

To identify key patterns and themes within the data, a thematic analysis was conducted. Using Atlas.ti software, interview data was meticulously transcribed and coded through an open coding process, incorporating narrative, emotional, and thematic coding techniques (Frieze, 2012). A total of 152 initial codes were systematically refined into 7 sub-themes and subsequently consolidated into three overarching themes based on frequency and relevance. To strengthen the study's credibility, triangulation methods were employed (Shkedi, 2019). The findings presented are grounded in the insights of 11 respondents of the semi-structured interview.

Findings and Discussions

This section delves into the core findings and subsequent analysis derived from the objectives of this research which are to investigate the current challenges in implementing the existing strata subdivision termination process, and to develop a conceptual framework that integrates SDGs with the research. Consequently, this section is divided into three parts. First, Output 1 presents a synthesis of findings from previous research. Second, Output 2 presents insights gathered through semi-structured interviews. Finally, Output 3 integrates the findings from Outputs 1 and 2 to develop a conceptual framework. The SMART goals framework is then applied to evaluate the clarity, achievability, measurability, relevance, and time-bound nature of the conceptual framework.

Output 1: Challenges in Implementing Existing Strata Subdivision Termination Process for Urban Redevelopment

Table 4: Source, Sub-Elements and Key Elements of Output 1

Source	Sub-elements	Key Elements of Output 1
(Altmann, 2014; Arkcoll et al., 2013; Christudason et al., 2010; Christudason, 2018; Easthope & Randolph, 2009; Ho & Gao, 2013; T. L. M. Puustinen & Viitanen, 2015).	1. Unanimous resolution is difficult to achieve	1. Rigid Consent Threshold
(Ashyiq, 2022; Bakri, 2019; JKPTG Persekutuan, 2020; E. S. Ti, 2022;	2. Minorities can overrule the majorities	

Christudason, 2010b; Crommelin et al., 2020; Mall, 2014; E. S. W. Ti, 2023; Guttman, 1998)		
(Christudason, 2018; Easthope, 2009; Nor Asiah Mohamad, 2014; Sherry, 2010; Ti, 2020)	3. Differences in interests and lack of knowledge among the strata owners	
(Bakri, Samsudin, & Ab. Muin, 2023; Christudason, 2018; Crommelin et al., 2020; Gray & Gray, 1999; Guttman, 1998; Troy et al., 2015)	4. Lack of platform for dispute resolution 5. Conflict Between Right to Property and Redevelopment Efforts	2. Conflict of Right to Property
(DGLM Federal, 2020b; Law Institute, 2015; Mall, 2014; T. Hadi, 2014)	6. No clear guidelines 7. Weak engagement process	3. Ineffective Decision-making Process

Table 4 shows that previous research highlights significant challenges in the strata subdivision termination process. Scholars such as Crommelin (2020), Christudason (2018), and Easthope (2009) mentioned that the requirement for unanimous consent is often cited as a major obstacle due to diverse owner interests, financial concerns, and emotional attachments to properties (Christudason, 2018; Crommelin et al., 2020; Easthope et al., 2009). This rigid requirement can lead to prolonged delays, neglected buildings, and hindered urban redevelopment efforts. Balancing individual property rights with the collective good of urban redevelopment is also a central challenge (Easthope et al., 2013). While protecting individual interests is essential, excessive emphasis on unanimous consent can impede necessary redevelopment projects. Conversely, overly simplified procedures risk infringing upon minority owner rights. The lack of clear guidelines and transparent processes further complicates the termination process (Bakri et al., 2023). Owners often express concerns about manipulation, lack of consultation, and uncertainty about their rights and responsibilities. These factors can lead to disputes, legal battles, and overall dissatisfaction among stakeholders (Altmann, 2014; Arkcoll et al., 2013; Ho & Gao, 2013). The literature emphasizes the need for a balanced approach that respects individual property rights while facilitating urban redevelopment. A clear and transparent termination process with appropriate safeguards for minority owners is crucial to address these challenges.

Output 2: Key Elements for Reforming the Existing Strata Subdivision Termination Process for Urban Redevelopment That Integrates with Relevant SDGs

Rigid Consent Threshold

The consent threshold is a crucial concept in strata subdivision termination discussions, determining the required level of agreement among owners during Management Corporation (MC) meetings (Easthope et al., 2016). It refers to the level of agreement needed among strata owners during the MC meeting when discussing the potential termination of the property (Lin et al., 2022). As stated by R1 and R2, processing a termination application requires proof of unanimous agreement among parcel owners, as confirmed in a management meeting, and the return of all title documents. This aligns with the stipulations of Section 57(1) of Act 318.

While unanimity may seem ideal, previous research highlights its potential drawbacks due to diverse interests and varying levels of understanding among residents (Altmann, 2014; Christudason, 2010; Easthope et al., 2009; Ho et al., 2013). In scenarios where a single owner objects, even if the vast majority of owners support the project, the entire initiative can be stalled (Law Institute, 2015; Mall, 2014). This can have negative consequences, hindering the creation of much-needed housing options or the revitalization of decaying neighborhoods (Lai et al., 2018). This hindrance on the strict consent threshold does not exempting Malaysia. “The unanimous resolution is impossible to achieve, and this effecting the urban redevelopment effort that we have been trying to do. It would be easier if the threshold be reduced to ease the process...” said R5.

Apart from that, the statements from R10 and R9 provide evidence of this phenomenon in Malaysia. Based on their experience with the PKNS Flat termination in Kampung Bharu, Kuala Lumpur, R10 emphasized the significant time and financial resources invested between 2016 and 2021 to engage with the strata owners. Respondent R10 said “...to achieve the unanimous resolution from all of the parcel owners, we need to find them first. However, this is not an easy task, and we spent years tracking them down...”. For this particular redevelopment project, despite achieving 75% agreement, challenges persisted due to 12% opposition to the termination and development proposal, while 13% of parcel owners failed to return title documents owing to damage, loss, or deceased ownership with unassigned heirs. R6 mentioned “...getting the unanimous consent from all the parcel owners is very difficult. We managed to get the agreement from the rest of the owners, but one of them is hiding from the bank because of some old debt, of course, he does not want to be found. But eventually we know that he is not against the termination...”. Similarly, R9 recounted the challenges faced during the Desa Kudalari Condominium termination process. A small group of owners demanded compensation three times for the developer's offer, stalling the termination. This impasse has prevented owners from selling their units and forced them to endure living in a deteriorating building, with rooftop repairs estimated to cost RM2 million.

Conflict of Right to Property

Given the interplay between Act 318 and the National Land Code (NLC), it is essential to acknowledge the NLC's emphasis on secure property ownership. This is underscored by Section 340's principle of indefeasibility of title (Teo, 2023). The Federal Constitution further strengthens this by mandating just compensation for property acquisition and upholding the inviolability of registered titles. As R1 noted, the current strata termination process reflects this protection through its requirement for unanimous owner consent. This safeguards property rights by preventing forced terminations without complete agreement (Shukri et al., 2010; Troy et al., 2017). R2 mentioned, “...we did not have the authority to terminate any ownership that is legally registered, even if the owner is agreeing to the termination but does not return their title unless there is a court order for it...or the ownership is acquired by the state authority...”. This highlights the stringent nature of the unanimity requirement in safeguarding property rights. While a unanimous resolution recorded in meeting minutes is essential, the definitive step towards legal termination is the return of all strata titles to the Land Office. This underscores the absolute necessity of complete ownership consensus for the process to advance as mentioned in section 57 of Act 318.

However, the complexities of strata ownership, characterized by shared property rights, exacerbate the tension between individual and collective interests. Decision-making stalemates over building management and land use can result in property deterioration, ultimately harming

all stakeholders (Sim et al., 2002). R7 highlighted the dilemma of majority owners favoring termination and redevelopment due to deemed fair compensation yet being hindered by dissenting minority owners. Conversely, R4 emphasized the urban challenges arising from land scarcity in city centers. This has led to urban sprawl, increased transportation costs, and declining city centers, underscoring the critical need to balance individual property rights with broader urban development goals. For this reason, R3 mentioned that, taking the similar approach of land acquisition under the Land Acquisition Act 1960, the termination or cessation of ownership must be justified by relevant reasons and must come together with robust safeguards to ensure that the property rights of owners are not violated.

Ineffective Decision-making Process

A significant obstacle to strata subdivision termination lies in the current voting system. Based on the "share unit" concept, this metric determines both voting rights and financial contributions (Christudason, 2010; Bakri et al., 2023). While Act 318 outlines the consent threshold, it remains silent on the voting requirement. Consequently, stakeholders often default to familiar voting methods from the Strata Management Act 2015 (Act 757), inadvertently excluding owners with outstanding maintenance charges, even though they are valid owners. Respondents R6, R7, R8, R9, and R10 confirmed using the share unit system for termination voting, thereby disenfranchising debt-holding owners despite their legal property rights. R1 identified two primary consequences of this issue: a disregard for the property rights of rightful owners and non-compliance with Act 318 due to the inability to submit all of the title documents to the Land Office. R1 mentioned that "...there is a loophole in the current legislation which does not specifically mention about the voting method, however, there is no doubt that the property right in the Federal Constitution should be upheld. Therefore, everyone should have the right to vote...". Prioritizing management perspectives at the expense of the owner right to property can create obstacles to the termination process, particularly when unanimous consent is required, as it may disadvantage and disenfranchise owners (Bakri et al., 2023).

A defined timeline for strata termination for urban redevelopment is essential for efficient project management (Pinnegar et al., 2015). This is particularly crucial for urban redevelopment, which often involves complex dependencies. Act 318's lack of a specific timeframe can lead to protracted processes, increasing stress and discouraging participation (Bakri et al., 2023). As R11 highlighted, prolonged negotiations and engagement with owners significantly inflate redevelopment costs. The PKNS Flat redevelopment in Kampung Bharu exemplifies this, with the developer incurring additional expenses for temporary housing, relocation, and project delays. R5 stated that "... our department proposed a 6 to 12 months timeframe for the developer to engage with residents and obtain necessary approvals. After this period, the redevelopment project would be terminated if unanimous agreement is not reached...". To ensure the effectiveness of the entire process, R7 emphasized the importance of a 5-year timeframe for the developer to complete the redevelopment. This timeframe includes the 2-year period allocated for the termination of the strata scheme. It is important to note that this is not a legislative requirement in Act 318 but a practical measure by the agency to ensure timely engagement and prevent prolonged delays.

Effective stakeholder engagement is paramount to the successful termination of strata subdivisions (Troy et al., 2015). This is particularly true when the termination is initiated by external developers for redevelopment purposes. Open and collaborative communication

throughout the process demands active participation from all parties involved, including property owners and developers (Altmann, 2015; Douglas et al., 2018). Unfortunately, Malaysia's current legal framework, as outlined in Act 318, falls short of providing clear guidelines for developers' involvement in the termination process. This deficiency hampers transparent communication and decision-making. In this context, R6 mentioned that "...our ability to achieve consent from the majority of the parcel owners is attributed to good engagement strategy...we tried to blend in with the locals, talk and eat with them to gain their trust...". This emphasizes the critical role of effective stakeholder engagement in the overall success of strata termination. However, the approach for R5 differs as the agency is entirely excluded from the engagement process, leaving it solely to the developer. R5 mentioned, "...we are not involved in the engagement process. We let this be carried out solely by the developers. We do not want to get involved...". This strategy aims to position the redevelopment project as a private initiative and to mitigate any potential involvement of the department in any legal issues in the future.

Table 5: Respondents, Sub-Elements and Key Elements of Output 2

Respondents	Sub-Elements	Key Elements of Output 2
R10, R9	<ul style="list-style-type: none"> Getting unanimous resolutions is timely and costly Dissenting owners are demanding much higher compensation 	Reduce the Consent Threshold
R5	Reduce the consent threshold to ease the termination	
R1, R2	<ul style="list-style-type: none"> The current strata termination process reflects the protection of ownership through its requirement for unanimous consent The ownership is infeasible 	Improve the Safeguards of Dissenting Owners
R3	The termination of ownership must be justified by relevant reasons with robust safeguards to ensure that the property rights of owners are not violated.	
R7	Conflict of majority owners favoring termination and redevelopment due to deemed fair compensation and the arising needs due to dilapidated buildings, yet being hindered by dissenting minority owners	Provide Platforms for Dispute Resolution
R4	Land scarcity in urban areas causes increased transportation costs, and declining city centers, underscoring the critical need to balance individual property rights with broader urban development goals.	Create a Clear Relation Between Termination and Redevelopment Purposes
R6, R7, R8, R9, R10	The share unit approach for termination voting is unfair to owners everyone should have the right to vote	Improve the decision-making process
R6	A transparent communication and decision-making process can ease the process	

R11	Prolonged negotiations and engagement with owners significantly inflate redevelopment costs	
R5	6 to 12 months timeframe for the developer to engage with residents and obtain necessary approvals	Create a time-based engagement process and ensure the development be achieved within 5 years
R7	2 years for strata subdivision termination process, 3 years for redevelopment to be completed	
All respondents unanimously	Sustainable Development Goal 11 (Sustainable Cities and Communities) is the primary SDG aligned with the strata subdivision termination process.	SDG 11 (Sustainable Cities and Communities) as the primary SDG aligned with this study

Output 3: Developing the Conceptual Framework

Informed by a comprehensive literature review and in-depth semi-structured interviews a conceptual framework is developed as illustrated in Figure 2. This framework aims to improve the current approach to strata subdivision termination for urban redevelopment, incorporating respondent feedback and the feasibility of integrating Sustainable Development Goals (SDGs) to enhance the process.

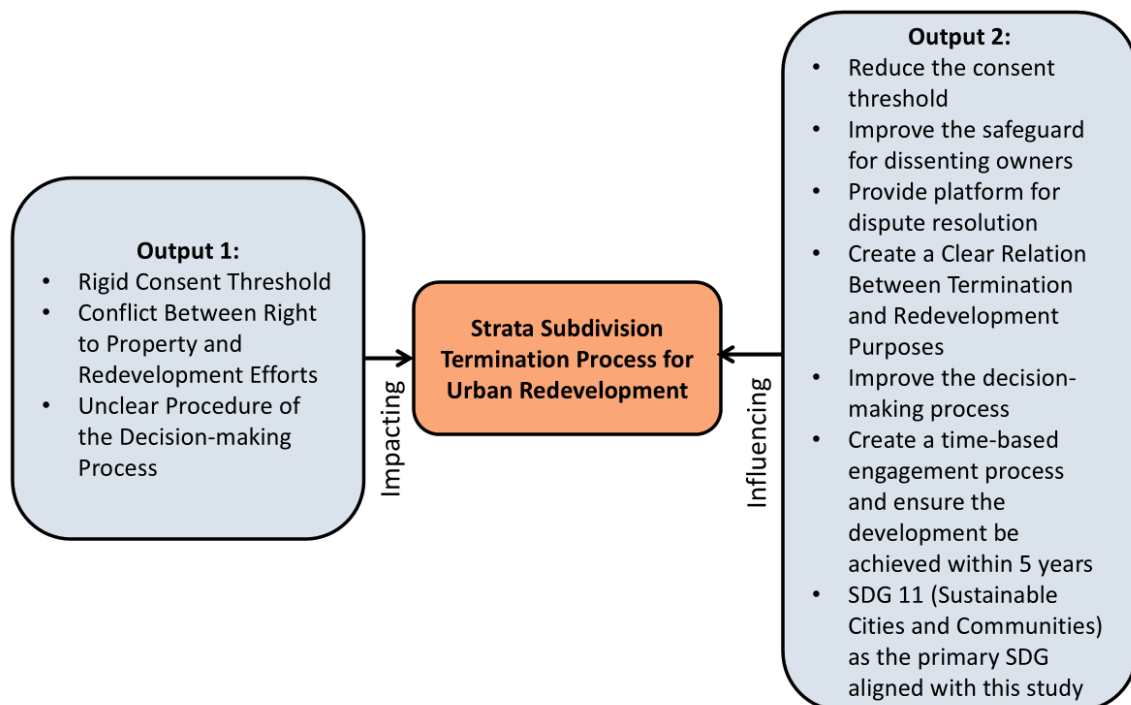


Figure 2: Conceptual Framework of The Strata Subdivision Termination Process for Urban Redevelopment in Malaysia

The terms "impacting" and "influencing" in Figure 1 are used strategically. Referring to Meriam-Webster dictionary, while both terms involve some form of effect or change, "impacting" typically implies a direct and noticeable effect, while "influencing" suggests a

more subtle and persuasive effect aimed at shaping behavior or opinions (Webster, 2022). The legal framework and redevelopment needs are considered direct impacting factors because they have a clear and significant effect on the practicality of termination. Stakeholder input is the influencing factors because they offer valuable insights that can potentially shape how the other factors interact and ultimately affect the success of termination and redevelopment efforts.

Respondents unanimously identified Sustainable Development Goal 11 (Sustainable Cities and Communities) as the primary SDG aligned with the strata subdivision termination process. This conceptual framework centers on the strata subdivision termination process, with a particular focus on the consent threshold, decision-making procedures, and property rights implications. The study critically examines the efficacy of the current consent threshold, the potential impact on property rights, and the challenges hindering seamless integration between the termination process and urban redevelopment initiatives. It is essential to acknowledge that the strata subdivision termination process is embedded within a complex ecosystem influenced by broader urban redevelopment objectives and the overarching legal and policy framework governing strata property rights. The consensus among participants is that this approach will significantly improve strata termination procedures, thereby facilitating urban redevelopment and advancing the realization of associated SDGs.

The core of the issue lies in the complexities surrounding the strata subdivision termination process, especially within the context of deteriorating strata schemes. R4, R5, R6, and R7 noted that numerous dilapidated buildings are situated in prime locations, offering significant potential for redevelopment. These sites could accommodate the growing demand for housing, commercial spaces, and public amenities. However, this process is often impeded by bureaucratic obstacles, a lack of clarity, and insufficient involvement from stakeholders. The primary objective is to streamline this process while safeguarding the rights of property owners and aligning it with broader urban development goals. Building upon the consistent emphasis from multiple respondents (R4, R6, R7, and R8) on the indispensable role of parcel owner engagement in securing approval for redevelopment proposals, this framework aims to optimize the termination process by eliminating bureaucratic hurdles and aligning it with broader urban development objectives. A strategic and timely engagement strategy is crucial to facilitate the process. As highlighted by R4, comprehensive owner involvement is essential to ensure transparency regarding the purpose and potential implications of the termination and subsequent redevelopment. Addressing uncertainties through proactive communication can significantly mitigate risks to the overall process.

To effectively achieve SDGs 11, streamlined implementation necessitates collaborative efforts between the private sector and government agencies (R4, R7, and R11). Such a unified approach significantly enhances resident trust, demonstrating a collective commitment to the redevelopment process. While R5 advocates for a private-led engagement approach, they acknowledge the need for government support in guiding residents' decision-making processes. This includes providing information on developer performance, the relevance of redevelopment proposals, and other pertinent factors.

Respondents unanimously concur that the current requirement for unanimous consent to initiate strata subdivision termination is unattainable. Achieving consent from all parcel owners is consistently described as impractical, time-consuming, and costly (R1, R4, R5, R6, R7, R8, R9, R10, and R11). While Kuala Lumpur suggests land or parcel acquisition as a potential solution to facilitate consensus, Penang expresses reservations about forced acquisition,

acknowledging its potential necessity under persistent circumstances. Given these challenges, reducing the consent threshold emerges as a viable strategy to expedite urban redevelopment efforts in alignment with SDG objectives. However, lowering the consent threshold necessitates proper safeguards to protect the property rights of minority owners. Fair compensation, including potentially one-to-one replacement units or equivalent value is essential, as proposed by the respondents (R1, R4, and R6). While R5 supports a willing-buyer-willing-seller approach and advocates for minimal government intervention in determining compensation, it is essential to ensure a fair balance of rights for all stakeholders involved in the termination process. As highlighted by Christudason (2010), overly simplified procedures risk empowering the majority at the expense of minority owners, potentially leading to forced displacement and inadequate compensation (Christudason, 2010). Therefore, achieving an optimal balance within the strata termination process is paramount.

The engagement process is often fraught with time pressures, competing demands, and interruptions. Owner's resistance stemming from financial, emotional, and political factors can further complicate the process (R5, R6, and R10). To mitigate these challenges, a well-defined and time-bound decision-making framework is essential. To ensure economic and social sustainability, R7 advocated for a redevelopment timeline of no more than 5 years. This timeframe encompasses the entire process, from the termination of the strata scheme to the finalization of redevelopment work. Clear guidelines and specific timelines will empower stakeholders, preventing undue delays. Fostering open and collaborative communication throughout the process is crucial to ensure all voices are heard and informed decisions can be made regarding property implications. To strengthen the voting and decision-making process, a shift from share unit-based voting to a proprietor-based, show-of-hands voting system for strata subdivision termination must be implemented (R1, R2, and R3). This method is simpler to administer and aligns with the return of strata titles to the Land Office during the termination process. Share units primarily pertain to building management rather than ownership (R5) To ensure fairness and transparency, amending the voting method for strata subdivision termination is essential.

Table 6: SMART Goals for Output 3

SMART Goals	Key Points	Findings
<i>Specific</i>	The goal must focus on specific area of improvement	This study aims to enhance the strata subdivision termination process in Malaysia and contribute to SDG 11 (Sustainable Cities and Communities)
<i>Measurable</i>	The goal must allow for measurable progress	The conceptual framework eases the termination process, especially reducing the consent threshold which could increase the amount of application for termination of strata subdivision for urban redevelopment especially in Kuala Lumpur and Penang
<i>Attainable</i>	The goal must be realistic and based on current legislation and existing situation	The conceptual framework addresses the complexities surrounding the strata subdivision termination process, especially within the context of deteriorating strata schemes

<i>Relevant</i>	The goal must align with overall objectives	The conceptual framework significantly improves the strata termination procedures, thereby facilitating urban redevelopment and advancing the realization of SDG 11
<i>Time-bound</i>	The goal must have a dateline	The conceptual framework includes time-bound decision-making process which could help to ensure that the redevelopment be completed within 5 years

This research demonstrates that the developed conceptual framework aligns with the SMART goals approach as listed in Table 6. The framework specifically aims to enhance the strata subdivision termination process in Malaysia and contribute to SDG 11 (Sustainable Cities and Communities), as unanimously agreed upon by the respondents. The framework's measurability is evident in its inclusion of a reduced consent threshold, which is expected to increase the number of applications for strata subdivision termination for urban redevelopment, particularly in areas like Kuala Lumpur and Penang. This increase can be measured to assess the framework's effectiveness. The framework is achievable as it addresses the complexities surrounding the strata subdivision termination process, particularly within the context of deteriorating strata schemes, making it a realistic and attainable solution. The conceptual framework is relevant as it significantly improves the strata termination procedures, facilitating urban redevelopment and advancing the realization of SDG 11, thereby contributing to the overall goal of sustainable urban development. Finally, the framework is time-bound as it incorporates a time-bound decision-making process, aiming to ensure that redevelopment projects are completed within 5 years.

Conclusion and Recommendation

This study has developed a conceptual framework to address the multifaceted challenges associated with strata subdivision termination in the context of Malaysia's aging residential landscape. By aligning with SDG 11, the framework prioritizes the creation of sustainable and inclusive communities while safeguarding the rights of property owners. The proposed framework emphasizes the critical roles of stakeholder participation, transparent decision-making, and the application of quality improvement principles in optimizing the termination process. Successful implementation of this framework has the potential to significantly enhance Malaysia's urban environment. Future research should focus on empirically testing the framework's effectiveness in various contexts to inform policy development and implementation.

The government should prioritize the development of comprehensive policies and guidelines for strata subdivision termination, incorporating the principles of sustainable urban redevelopment. This includes establishing clear procedures to encourage efficient and responsible termination processes. Ultimately, the successful termination of strata subdivisions and subsequent redevelopment of dilapidated strata schemes require a holistic approach that balances the interests of various stakeholders, including residents, developers, and government agencies. By adopting a sustainable and community-centric perspective, Malaysia can transform its aging building stock into vibrant and resilient urban communities.

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