

# Property

## News



**PA International Property Consultants** is a registered real estate firm committed to providing a comprehensive range of property solutions to meet the needs of investors, occupiers and developers.

The Research Division provides core real estate information to clients and internal departments in order to ensure accurate real estate decision-making. Our research team has completed market studies and research work for various ongoing development schemes within Klang Valley, providing comprehensive economic analysis, property market information, forecasts and consulting advice based on reliable sources.

We constantly strive to present the most up-to-date market knowledge in order to ensure clients are well-armed with sufficient data to make the right property decisions.



**PA INTERNATIONAL  
PROPERTY CONSULTANTS (KL) SDN BHD**

Phone: 03-7958 5933

Fax: 03-7957 5933

Website: <http://www.pa.com.my>

Email: [research@pa.com.my](mailto:research@pa.com.my)



## GENERAL ECONOMIC & PROPERTY MARKET

---

### 1. Bank Negara eases hedging rules (*The Star, 14 April 2017*)

- In an attempt to broaden and deepen the onshore foreign exchange (forex) and bond markets, Bank Negara's financial markets committee (FMC) introduced further initiatives such as allowing companies to hedge up to RM6 million of their forex exposure and non-bank entities to hedge 100% of their forward positions. The flexibility would allow exporters and importers to unwind 100% if their hedged positions.
- The central bank said the focus would be on improving liquidity and trading activity in both the forex and bond markets. It also aims to strengthen the underlying financial market's infrastructure.
- Investors will now have more flexibility in actively managing their forex exposure with onshore banks. Companies will be eligible to undertake the management of their forex exposure, aside from institutional investors, a timely move given that some exporters can be more vulnerable to large forex fluctuations on their foreign currency earnings as well as on their dollar-denominated borrowings.
- Registered non-bank entities will be allowed to have a net forward hedge position of up to 100% of their underlying assets and manage an additional 25% of their forex exposures.
- Additionally, entities will have the freedom to hedge up to RM6 million per client per bank on a net open position basis.
- At the same time the central bank has expanded the hedging framework to include other major currency pairs, including the pound sterling, euro and yen. Prior to this, only the US dollar and yuan currency pairs were available.

### 2. Property prices remain steady (*The Star, 19 April 2017*)

- According to the Valuation & Property Services Department's (JPPH) Property Market Report 2016, prices of residential property continued to grow, albeit moderately despite the current market glut.
- The Malaysian House Price Index (MHPI) continued its moderating trend and stood at 243.3 points, up by 5.5% on an annual basis, as at fourth quarter of 2016.
- On quarterly movements, the report had shown a contraction of 0.7% in the fourth quarter of 2016.
- The slow market absorption of the primary market led to the increase in residential overhang. There were 14,792 overhang units worth RM8.56 billion, up by 43.8% in volume and 70.7% in value, against 2015. About 42% (6,052) of these overhang units were in the price range of RM500,000 and above.
- By state, Johor saw an increasing overhang market share of 24.8% which mainly was made up of two- and three-storey terraced houses priced at RM500,000 and above (43.2%).
- Selangor, Johor and Penang held more than half of these unsold under construction units, which were predominantly made up of double-storey terrace and apartments / condominiums priced at RM500,000 and above.
- As for the unsold units not constructed, Kuala Lumpur (27.2%) and Penang (25.1%) held the most, which were mainly apartments / condominium units.
- According to JPPH, the Malaysian property market would endure another challenging year in 2017 as the enduring global political uncertainty and low domestic economic growth will continue to have an impact on the sector.
- Affordable houses continued to be in demand last year, with more than 65% of the residential transactions within RM300,000 and below.
- According to the Property Market Report 2016, the local property sector recorded a 11.5% decline in volume and a 3% drop in value last year compared to 2015.
- The residential sub-sector dominated the overall market, with a 63.4% contribution in volume and 45.1% in value.





- There were 203,064 transactions worth RM65.57 billion last year compared to 235,967 transactions worth RM73.47 billion in 2015. The performance of all states recorded declines in market activity except for Kelantan.
- New launches in the primary market dropped 9.8% to 52,713 units last year, with sales performance hitting a low of 31.4% compared with 42.1% in 2015.
- By property type, condominiums / apartments formed the bulk (37% share), followed by two to three-storey terraced houses (36.2%), which were mostly priced in the range of RM500,000 to RM1 million.
- All major states except Kuala Lumpur recorded lower commencements. Completions were up by 9.3% to 78,216 units whilst new planned supply units saw an 11.3% increase to 120,089 units.
- As at end 2016, there were 4.95 million existing residential units with nearly 830,000 in the incoming supply and 600,000 in the planned supply categories.
- There are mixed movements in the rental market in Kuala Lumpur – residential units that are within the vicinity of the LRT and MRT routes as well as higher learning institutions experienced rental gains, whilst those in older neighbourhoods saw downward rentals.
- Similarly upward trends were seen in Selangor, where schemes located along the MRT routes have the advantage of fetching higher rentals.
- In the office and retail sector, vacancy continued to increase, with Kuala Lumpur and Selangor recorded 2.74 million sq m of vacant office space, an increase of 16% compared with 2015.
- Vacant retail space also increased to 2.7 million sq m, which was an increase of 11.9% against 2015.

### 3. Inflation up 5.1% on higher cost of fuel (*The Star, 20 April 2017*)

- Higher fuel prices sent the rate of inflation for March soaring to its highest level in nearly nine years, with the consumer price index (CPI) rising 5.1%.
- It was the transport sub-sector that contributed much to the rise in inflation at 23% from a year ago, followed by food and non-alcoholic beverages (4.1%), recreation services and culture (3%), health (2.6%), restaurants and hotels (2.3%) and housing, water, electricity, gas and other fuels (2.1%).

### 4. CIDB: Construction sector to grow 8% this year (*The Star, 20 April 2017*)

- The construction industry is expected to grow by 8% this year, reflecting a total value of RM170 billion underpinned by a number of mega infrastructure projects that will also make healthy contributions to the economy.
- This will be an increase from last year, when the industry recorded a growth of 7.4% with a total value of RM166.4 billion, according to data from the Construction Industry Development Board (CIDB).
- The projects that will fuel the construction demand include Refinery and Petrochemical Integrated Development (Rapid) in Pengerang, east coast rail line from Port Klang to Tumpat, high-speed rail from Kuala Lumpur to Singapore, Pan Borneo Highway in Sabah and Sarawak, Damansara-Shah Alam elevated highway, light rail transit from Bandar Utama to Johan Setia, West Coast Expressway from Banting to Taiping and mass rapid transit line 2. Other commercial real estate projects which will boost construction demand include Bandar Malaysia and Cyberjaya City Centre.





## SIGNIFICANT TRANSACTIONS AND PARTNERSHIPS

### 5. Developer ropes in Japanese expertise (*The Star, 1 April 2017*)

- IOI Properties Group Berhad (IOIPG) will jointly develop The Gems in IOI Resort City, Putrajaya, with Mitsubishi Jisho Residence Co Ltd (MJR), a wholly-owned subsidiary of Mitsubishi Estate Co Ltd, one of the pioneers in Japan's property industry with proven track record.
- The Gems, a high end residential project, will have eight residential blocks over a land size of approximately 3.9 hectares. With 676 units in total, the unit sizes will range between 1,250 sq ft and 1,750 sq ft.
- The features of the development include the 1.4-hectare environmental deck, a fibre optic light pool, 600m jogging paths as well as private lift lobbies and private garages for selected units. With concierge services, resort environment and adjacent facilities, the development will also benefit the market's retiree or small family segments.
- Work for The Gems is scheduled to commence within the year and will be completed after four years. The project will be undertaken by Pine Properties Sdn Bhd, a 99.8% owned subsidiary of both IOIPG and MJR.

### 6. SP Setia's mega acquisition (*The Star, 15 April 2017*)

- SP Setia proposed to buy the entire equity stake of I&P Group Sdn Bhd at an indicative price of between RM3.5 billion and RM3.75 billion. This price represents between 35% and 38% of SP Setia's current market capitalization of about RM10 billion.
- The new SP Setia will have a combined land bank of nearly 10,000 acres and a global branding with existing projects in Britain, Australia and Vietnam.
- Both SP Setia and I&P belong to government-linked fund Permodalan Nasional Bhd (PNB), which owns 55% and 100% of these companies, respectively.
- SP Setia which was already one of Malaysia's top developers in terms of sales prior to this announcement is now slated to become Malaysia's third largest land owner following this acquisition. It will trail Sime Darby Property and UEM Sunrise Bhd, whose land banks total 28,000 and 13,000 acres.
- SP Setia's 5,218 acres are predominantly in the Klang Valley, Johor and Penang. I&P has a total of 4,263 acres, including 2,516 acres in the Klang Valley and 1,676 acres in Johor.
- With the signing ceremony of the deal between SP Setia and I&P, the combined gross development value (GDP) of both companies is expected to hit a whopping RM122 billion. The signing ceremony also included a deal in which SP Setia will buy 342.5 acres in Bangi from Seriemas Development Sdn Bhd, a subsidiary of PNB Development Sdn Bhd for RM447.6 million (about RM30 per sq ft) plus a share of the future audited profit before tax from its development, up to a maximum of RM 3 per sq ft.

### 7. Harvest Court, MCCO to develop Paragon @ KL Northgate project (*The Star, 18 April 2017*)

- Anzo Holdings Bhd unit Harvest Court Construction Sdn Bhd has received a letter of intent to develop the Paragon @ KL Northgate mixed development.
- KL Northgate Sdn Bhd, developer of Paragon @KL Northgate said Harvest Court would partner MCC Overseas (M) Sdn Bhd (MCCO) on the 7.24 hectare project, which has an estimated gross development value of RM3.6 billion.
- Harvest Court will be appointed as main contractor to jointly undertake the project. MCCO is a subsidiary of MCC Group, which is a Hong Kong-listed multinational under the direct supervision of China's State Asset Supervision and Administration Commission.
- Construction is scheduled to start in the fourth quarter of 2017 and is expected to be completed in six years.





#### 8. **Hua Yang ups stake in Magna** (*The Star, 20 April 2017*)

- Mid-sized property developer Hua Yang Bhd is acquiring an additional 20.12% stake in Magna Prima Bhd.
- Hua Yang's increased investment in Magna Prima which now stands at 30.96% makes it the single largest shareholder in the company. It previously owned a 10.84% stake in the group, which was acquired on January 25, 2017.
- Hua Yang, with its unit Prisma Pelangi Sdn Bhd, is forking out RM123.7 million for the additional 20.12% stake in Magna Prima. Magna Prima's share price has risen by 57% over the past six months, outperforming its peer by a wide margin.
- Magna Prima is mainly involved in property development, civil engineering and building construction, the manufacturing and trading of ready-mixed concrete, as well as property management services.
- Magna Prima's most prized asset is the 2.62 acres that used to house the Lai Meng School along Jalan Ampang. According to Magna Prima's latest annual report, the aggregate value of the land is RM580 million based on a fair value and net book value.
- Hua Yang and its subsidiaries on the other hand, have a total land bank of about 600 acres, which include 35 acres within the Klang Valley.

#### 9. **Brainy Bunch inks MoU with Eco World to build schools** (*The Star, 20 April 2017*)

- Home grown Brainy Bunch International Islamic Montessori has signed a Memorandum of understanding (MoU) with Eco World Development Group Bhd for land purchase in Eco World's projects in the Klang Valley and Johor to build its Brainy Bunch schools.
- Brainy Bunch will build its Montessori kindergarten campus in Eco Tropics, Eco World's project in Iskandar Malaysia, Johor, whilst the site in Eco Grandeur in Puncak Alam will house its international schools campus. Both projects are scheduled for completion in 2019.
- The average cost to build an international school was in the range of RM40 million, while RM7 million would be used to develop a purpose-built preschool campus.
- Brainy Bunch, which aims to be listed by 2020, is the fastest growing Islamic Montessori School in Malaysia. Founded in 2010, the private education provider currently operates 74 pre-school campuses nationwide.





## DEVELOPMENT LAND

### 10. No more land sale in TRX (*The Star, 3 April 2017*)

- There'll be no further sale of land within the Tun Razak Exchange (TRX) compound in the next two to three years until the infrastructure for the 70-acre mixed use development in the heart of Kuala Lumpur is ready. TRX City has allocated about RM3 billion for infrastructure works on the development.
- The two reasons to hold off the sale of the remaining land in the development are – the first is to allow fast and easy access to facilitate infrastructure construction and the second is to unlock the value of the real estate at a higher premium later.
- TRX City Sdn Bhd is the master developer of the project that is now the ambit of the Ministry of Finance (MoF), which has taken over from 1Malaysia Development Bhd (1MDB) following a restructuring.
- To date, 60% of the 70-acre TRX land has either been sold or marked for development. The project has 28 acres, or 40% left for future sale and development.
- Australia property group Lendlease is TRX City's partner in the development of the 17-acre Lifestyle Quarter within the TRX. Comprising a retail mall, six residential towers, a luxury hotel and park, the TRX Lifestyle Quarter will be developed in stages through a joint venture, with Lendlease owning 60%, and TRX City, 40%, of the partnership.
- TRX will also be the development and construction manager of the TRX Lifestyle Quarter project that comes with an estimated gross development value of RM8 billion. Excavation for the basements of the development, encompassing The Exchange TRX retail mall, TRX Residences towers and a luxury hotel, has already completed. Piling works are set to commence for The Exchange TRX in the coming works.
- Lendlease is expected to launch The Exchange TRX in the second half of the year. It is scheduled for completion in 2020, and has secured 25% of net lettable area with tenants, including the Japanese departmental store Seibu.
- The TRX Residences, which will be completed in phases from 2021, will feature 40 to 57-storey towers offering a total of 2,400 apartment units.
- Other developers include Mulia Group of Indonesia which has already started work. It is developing the 92-storey office block, named Signature Tower. As at end-March 2017, a total of 45 floors (from basement) of the Signature Tower had been built.
- The entire 70-acre TRX comes with an average plot ratio of 6.8 times, although pockets of land in the development have received approval for as high as 15 times gross floor area.
- Companies that own parcels of land in TRX include Affin Bank Bhd, which bought a 1.25-acre plot in 2015 for RM255 million or RM4,699 per sq ft, which a plot ratio of 15.2 times; and Lembaga Tabung Haji, which acquired a 1.6-acre plot in the same year for RM188.5 million, or RM2,780 per sq ft with a plot ratio of 10.47 times. WCT Bhd has a deal with TRX City to settle part of the RM754.8 million worth of construction works in TRX with 1.7 acres of residential land valued at RM233 million.

### 11. Lumut Maritime to buy land for RM57 million (*The Star, 11 April 2017*)

- Lumut Maritime Terminal Sdn Bhd, a unit of Perak Corp Bhd, has proposed to acquire a RM57 million industrial and commercial land in Lumut, Perak.
- The company has signed a sale and purchase agreement with Perbadanan Kemajuan Negeri Perak, and the land will be held as land bank for the development and construction of another port or terminal in efforts to boost its core competencies in port operations.





## 12. Lion Industries sells steel plant to Yinson for RM47.7 million (*The Star, 13 April 2017*)

- Lion Industries Corp Bhd is selling one of its steel factories to Yinson Corp Sdn Bhd for RM47.7 million through a sale and leaseback arrangement.
- Lion Industries through its unit Lion Metal Industries Sdn Bhd had entered into a sale and purchase agreement with Yinson for the disposal of a 3.23-hectare parcel of land in Klang, Selangor, for RM45 million excluding tax.
- Meanwhile another unit of Lion Industries, Amsteel Mills Sdn Bhd, has entered into the sale and purchase agreement with Yinson for the lease of the property on the land for a period of five years, with an option to renew for another five years. Under the agreement, there is a purchase option for the company to buy back the property from Yinson.
- The proposed sale and leaseback enables the Lion Group to unlock the value of its fixed assets by transacting the property after taking into consideration the prevailing market value in order to partially settle the outstanding trade debts owing by Amsteel to Yinson. The Amsteel plant in Klang was valued by PPC International Sdn Bhd at RM45 million, which is a premium of RM22.51 million over the audited net book value of the property as at June 30, 2016.

## 13. Thriven explains Bukit Tunku land sale (*The Star, 15 April 2017*)

- Thriven Global Bhd announced earlier this week that it was selling its 2.5 acre residential land in Bukit Tunku at a loss.
- Its 51%-owned Mulpha Argyle Property Sdn Bhd was selling 2.5 acres to real estate firm Mount Well Sdn Bhd for RM27.5 million (RM249.84 per sq ft), which would result in a loss of some RM11.4 million for the company. The developer's cost of investment in the land was RM30.75 million (RM279.32 per sq ft) in 2007 and as at 31 Dec 2016, the land had a net book value of RM38.38 million (RM348.69 per sq ft).
- Thriven group managing director Ghazie Yeoh Abdullah said the disposal would help the company recoup cashflow and channel its resources towards profitable projects.

## 14. SP Setia buys prime land in Singapore (*The Star, 19 April 2017*)

- SP Setia Bhd was awarded the tender to develop a prime 1.87-hectare piece of land by Singapore's Urban Redevelopment Authority (URA).
- SP Setia's winning bid of S\$265 million (RM847.6 million) represents a gross floor area (GFA) of S\$939 per sq ft for a site area of 1.87 hectare and a plot ratio of 1.4 times. The development which will be launched in 2018 carries a gross development value of S\$457 million with a GFA of 26,210 sq m.
- SP Setia's land in Singapore which is located near the upscale Bukit Timah area, will house a five-storey condominium comprising 327 luxury units. The land was offered for sale on a 99-year lease.

## 15. KUB buying Sabah plantation land for RM100.45 million (*The Star, 20 April 2017*)

- KUB Malaysia Bhd is buying an oil palm plantation land in Kinabatangan, Sabah, from Kwantas Corp Bhd for RM100.45 million cash to expand its oil palm business.
- This could generate immediate revenue for KUB, as the land has a significant number of prime mature palms with good yields.





## RESIDENTIAL PROPERTY IN KLANG VALLEY

### 16. Ekovest plans mixed development project in Setapak *(The Star, 8 April 2017)*

<b>Project name</b>	EkoQuay
<b>Developer</b>	Ekovest Properties Sdn Bhd (a unit of Ekovest Bhd)
<b>Location</b>	Section 85 Jalan Pahang, Setapak
<b>Type of property</b>	Mixed development – serviced apartments, retail / commercial blocks
<b>Completion date</b>	2021
<b>Selling price</b>	Planning stage
<b>Remarks</b>	<ul style="list-style-type: none"> <li>▪ Ekovest Properties Sdn Bhd has sealed an agreement to buy two parcels of adjoining land (2.75 acres in total) from Ekovest’s substantial shareholder, Lim Seong Hai Holdings Sdn Bhd for RM26.77 million.</li> <li>▪ The mixed development project is expected to have a gross development cost of RM293.8 million and profit of RM103.3 million.</li> <li>▪ The Development Order for the project was approved in February 2016 however an amended order has been submitted in October with an increased plot ratio and the integration of new land.</li> <li>▪ Works on the project is expected to start next year and complete within four years.</li> </ul>

### 17. A Strategic Home for 5,000 families *(New Straits Times, 14 April 2017)*

<b>Project name</b>	Bandar Malaysia
<b>Developer</b>	Iskandar Waterfront Holdings (IWH)
<b>Location</b>	Sungai Besi (ex-Royal Malaysian Air Force’s Sungai Besi air base)
<b>Type of property</b>	Mixed development
<b>Completion date</b>	Expected to complete in 25 years
<b>Remarks</b>	<ul style="list-style-type: none"> <li>▪ Spanning 196.7 hectares, Bandar Malaysia is divided into four phases and will house the Kuala Lumpur terminal for the high speed railway to Singapore.</li> <li>▪ Bandar Malaysia will promote livability as a distinctive urban character for Greater KL, housing green infrastructure, sustainable housing and a range of commercial and lifestyle facilities.</li> <li>▪ It is envisioned to be an inclusive, public transit-oriented city that is designed as a walkable community through a series of safe, secure and pleasant pedestrian and cycling networks, set against a backdrop of open spaces and greenery.</li> <li>▪ Urban and affordable housing will also be a prime feature.</li> <li>▪ Bandar Malaysia will also include an underground city modeled after a similar one in Montreal, Canada, with its own financial and commercial centres, tourism and shopping facilities, an indoor theme park, a cultural village and themed theatres.</li> <li>▪ Bandar Malaysia was expected to attain RM160 billion in gross development value (GDV) when all phases were completed.</li> </ul>







**18. Boost for urbanites seeking housing** (*The Star, 18 April 2017*)

<b>Project name</b>	City Apartments @ Sungai Udang, Segambut
<b>Developer</b>	Kuala Lumpur City Hall (DBKL)
<b>Location</b>	Segambut
<b>Type of property</b>	Condominiums / 1,251 units
<b>Completion date</b>	2019
<b>Selling price</b>	For rent only at RM800 per month
<b>Remarks</b>	<ul style="list-style-type: none"> <li>▪ This project is designed to help those earning RM10,000 and below, and the 1,251 units of 3 bedrooms will be rented out at RM800 per month to qualified tenants for a maximum of 5 years only.</li> <li>▪ The allocated RM300 out of the RM800 rental payment will be a forced savings that will be returned to the tenant once his rental term is up. The money from the forced savings can be used as a deposit to buy their own house elsewhere.</li> <li>▪ A total of 10,000 such units will be built under the project; including 4,800 studio apartments measuring 400 – 650 sq ft would be built based on a similar concept on a piece of government-owned land in Batu, Kuala Lumpur, starting July.</li> </ul>

**19. Cozy home by the waterfront** (*The Star, 19 April 2017*)

<b>Project name</b>	Twentyfive.7
<b>Developer</b>	Gamuda Land
<b>Location</b>	Kota Kemuning
<b>Type of property</b>	Phase 1 – 181 superlink homes & 98 semi-detached homes
<b>Completion date</b>	Open for registration now
<b>Features</b>	<ul style="list-style-type: none"> <li>▪ An avant-garde township by the waterfront that promotes connectivity and community interaction.</li> <li>▪ Quayside – a vibrant commercial hub by the waterfront of the central lake, houses a promenade with retail and dining outlets, boutiques, a marketplace, a Designer District for young designers and startups as well as an Event Plaza for different types of performances.</li> <li>▪ A boardwalk, a cantilevered Skydeck over the lake as well as a running and jogging track.</li> <li>▪ Neighbourhood parks and customized playgrounds, linear park in the back lanes of the homes and the walkability from the front door of the homes to the waterfront all serve to allow residents to connect with one another, with nature and with themselves.</li> <li>▪ Designer Homes featuring multi-facades and beautifully landscaped streetscapes and are specially curated to suit the needs of different consumers – from singles, couples to various types of families.</li> <li>▪ The Light House allows 70% natural lighting and ventilation into its triple-volume living and dining spaces.</li> </ul>





<b>Features (Cont'd)</b>	<ul style="list-style-type: none"> <li>▪ Flexi House is a dual-key home allowing flexible planning for residents with many generations under one roof or those looking for rental income.</li> <li>▪ Cubiq House which is inspired by SoHo style loft living.</li> <li>▪ Gable House – featuring a clean layout with a sleek façade.</li> <li>▪ Ridge House – with high ceilings and functional spaces in a stylish layout.</li> </ul>
--------------------------	--

**20. I-Bhd to launch high-rise residential projects (The Star, 26 April 2017)**

<b>Project name</b>	Hill10 Residence @ i-City apartment suites
<b>Developer</b>	I-Berhad
<b>Location</b>	I-City, Shah Alam
<b>Type of property</b>	200 Residence suites (Level 22 mezzanine to Level 43) atop DoubleTree by Hilton (Level GF to Level 22)
<b>Tenure</b>	Freehold
<b>Launch date</b>	10 June 2017
<b>Completion date</b>	Expected in 2020
<b>Selling price</b>	Starts from RM500,000
<b>Features</b>	<ul style="list-style-type: none"> <li>▪ Units are fully fitted and furnished with interior design concepts similar to the Hilton Worldwide standards.</li> <li>▪ Each floor has 11 suites serviced by 4 lifts.</li> </ul>
<b>Facilities and amenities</b>	<ul style="list-style-type: none"> <li>▪ The units will boast Internet of Things (IoT) technology.</li> </ul>

- The development will have a gross development value (GDV) of RM124 million and will be developed on a 42-storey tower block, with the Hill10 Residence making up the top half of the building whilst the bottom half will be the DoubleTree by Hilton i-City Hotel. With a GDV of RM250 million the hotel comprises 300 rooms.

**21. Final phase of eco township launched (The Star, 27 April 2017)**

<b>Project name</b>	Gloris Collection, Setia Ecohill (the 3 <sup>rd</sup> & final phase of Horizon Residences)
<b>Developer</b>	SP Setia Bhd Group
<b>Location</b>	Semenyih
<b>Type of property</b>	2-storey super link homes (77 units)
<b>Tenure</b>	Freehold
<b>Built-up area</b>	23.6'x76' and 23.6'x86'
<b>Launch date</b>	April 2017
<b>Selling price</b>	From RM848,000
<b>Features</b>	<ul style="list-style-type: none"> <li>▪ High ceiling concept.</li> <li>▪ At least 10% of the development (32.37 ha of land) is reserved as green zones for parks, landscapes and pocket gardens. Generous streetscapes as well as turfed and manicured banks of engineered waterways and ponds further enhance the green concept.</li> <li>▪ Green street concept with utility cables being laid underground.</li> <li>▪ Gated &amp; guarded enclave homes with home alarm system, intercom linked to the security guard house as well as internal 24-hr security patrol and CCTV surveillance.</li> </ul>





<b>Facilities and amenities</b>	<ul style="list-style-type: none"> <li>▪ Club 360 – a 33,445 sq m community club house.</li> <li>▪ Apart from Tenby International, future primary and secondary government schools are also in the pipeline.</li> <li>▪ The first Lifestyle Mall in Semenyih.</li> </ul>
---------------------------------	--

- Setia EcoHill is offering easy home ownership package including attractive early bird package as well as free SPA, loan agreement legal fees and Memorandum of Transfer.
- In conjunction of the launch of Gloris, new buyers will enjoy a two-year free club membership.
- Ground breaking works for EcoHill Walk - the Lifestyle Mall, scheduled to be completed by 2020, starts next month.

**22. Developer launches condo project in Damansara Damai (The Star, 27 April 2017)**

<b>Project name</b>	Residensi Suasana @ Damai
<b>Developer</b>	MK Land Holdings Bhd
<b>Location</b>	PJU 10, Damansara Damai
<b>Type of property</b>	21-storey condominium with 780 units
<b>Tenure</b>	Leasehold
<b>Launch date</b>	April 2017
<b>Completion date</b>	Expected in 2020
<b>Selling price</b>	N/A
<b>Remarks</b>	<ul style="list-style-type: none"> <li>▪ The piling and foundation work for Tower A is completed.</li> <li>▪ The development is built next to one of the four urban gardens located in town.</li> <li>▪ The development is near the Damansara Damai MRT station.</li> </ul>

**COMMERCIAL PROPERTY IN KLANG VALLEY**

**23. MCIS selling PJ headquarters (The Star, 13 April 2017)**

- Wisma MCIS and its annexe block, which is a fairly well-known landmark near PJ Hilton in PJ New Town, previously known as PJ State, is in the market for sale and leaseback deal.
- The sale is subject to a partial leaseback by MCIS Insurance Bhd for a period of three years.
- Land owner MCIS Insurance is inviting expressions of interest for the 1.75 acres fronting Jalan Barat, which is located adjacent to the redevelopment site known as Petaling Jaya Commercial Centre. The expression of interest closes on June 30, 2017. The MCIS land is on a leasehold basis and expires in 2067.
- MCIS HQ is an income-producing office and retail investment property with medium-term redevelopment potential.
- Wisma MCIS has a net lettable area of about 180,000 sq ft, which can be increased to 450,000 sq ft if redeveloped. The commercial land has a plot ratio of 1:6, which means the parcel can be developed up to about six times its land size.





#### **24. Triterra banks on MET towers (New Straits Times, 20 April 2017)**

- Triterra Metropolis Sdn Bhd is developing The MET Corporate Towers, which comprises a 42-storey north tower and a 30-storey south tower, at 31.4 hectare KL Metropolis in Jalan Duta.
- The office buildings will be developed in Met 8, one of the eight precincts of KL Metropolis – a RM20 billion mixed development by Naza TTDI Sdn Bhd – which is home to the Malaysia International Trade and Exhibition Centre, the country's largest exhibition space.
- The MET, with an estimated gross development value of RM650 million, was expected to be completed by 2021.
- The north tower will have about 450,000 sq ft of net saleable area while the south tower will have 150,000 sq ft of net saleable area.
- Triterra is targeting to sell both towers to a single buyer at an indicative selling price of not more than RM900 per sq ft.

### **PROPERTY IN EAST COAST**

---

#### **25. Mayang Mall project begins (New Straits Times, 4 April 2017)**

- The Mayang Mall, on a 10.8 hectare site at Kampung Ladang Tanjung in Jalan Sultan Zainal Abidin, will be built adjacent to another iconic project under development – the Kuala Terengganu City Centre.
- Pelaburan Hartanah Bhd (PHB), a subsidiary of Yayasan Amanah Hartanah Bumiputera, will develop the mall.
- PHB entered into an agreement with the state government and Terengganu Heritage Trust Fund Board to acquire the vacant land for an integrated commercial development. The development would be over two phases, with the first involving a 15-storey, 200-unit serviced apartment block atop a six-storey shopping mall, encompassing a total of 715,000 sq ft. The second phases will entail a 16-storey hotel.
- Sogo (KL) Department Store Sdn Bhd has been given a 15-year lease from 2020 as the mall's principal tenant, and will manage the rental of outlets, operations, products and services.
- Mayang Mall will have 300 retail outlets, a Cineplex, supermarket, health and recreational centre and restaurants, amongst others.

### **INFRASTRUCTURE AND FACILITIES**

---

#### **26. MRT Corp awards 31 packages worth RM30 billion for SSP line (The Star, 1 April 2017)**

- Mass Rapid Transit Corp Sdn Bhd (MRT Corp) has Awarded 31 packages to date for the Klang Valley MRT Sungai Buloh-Serdang-Putrajaya (SSP) line. The remaining 38 packages, valued at RM2 billion, were expected to be awarded by this year and in 2018.
- Construction works have begun for both the northern and southern elevated alignment and depot. The overall progress is at 5.3% and on track with the line's construction schedule.
- Among the works taking place currently for the elevated sections were utilities relocation, site clearing, bored piling works, pile cap works and pier column construction works.
- As for the underground works, the works included utility relocation, excavation for station boxes and shafts, and tunnel boring machine (TBM) refurbishment as well as manufacturing.





**27. RM20 million Metropolis Park planned for the city** (*The Star, 4 April 2017*)

- NAza TTDI entered into an agreement with the Kuala Lumpur City Hall (DBKL) under the Government's Economic Transformation Programme to build the 2-hectare Metropolis Park worth RM2 million in KL Metropolis.
- The park will have a terrace garden, amphitheatre, jogging/bicycle track, playgrounds and more. The facility, to be completed by the first quarter of 2018, would be managed by Naza TTDI for the next 15 years as part of its corporate social responsibility programme.
- Metropolis Park will be next to the Malaysia International Trade and Exhibition Centre, the first component of KL Metropolis, which is divided into eight precincts, MET1 to MET9, skipping the inauspicious MET4.
- MET3 is a 6-hectare mixed development that would cost RM8.5 billion and feature the Naza Group's signature 100-storey tower, five-star hotel, Grade A office towers, luxury residences and a lifestyle mall.

**28. Six RDC contracts awarded: MyHSR** (*The Sun Daily, 4 April 2017*)

- MyHSR Corp Sdn Bhd has awarded the reference design consultant (RDC) contracts for the Kuala Lumpur-Singapore High Speed Rail (HSR) project, after an international open tender process which began in August 2016.
- The six contracts have been awarded to Systra S.A., Jacobs Engineering Services Sdn Bhd, Ranhill Consulting Sdn Bhd, HSS Integrated Sdn Bhd (HSSI) and AECOM Perunding Sdn Bhd.
- The overall work scopes include international stations at Bandar Malaysia and Iskandar Puteri; five domestic stations at Putrajaya, Seremban, Malacca, Muar and Batu Pahat; and the alignment civil works from Bandar Malaysia station to the International Border between Malaysia and Singapore.
- In a filing with Bursa Malaysia, HSS Engineering Bhd (HEB) said the contract awarded to HSSI (a subsidiary of HSS) is for 12 months with a value of RM17.89 million (excluding Goods and Services Tax) and is expected to commence within the second quarter of 2017.

**29. Klang's third bridge ready** (*The Star, 15 April 2017*)

- The much awaited third bridge in Klang is expected to be opened to motorists within the next two weeks, after completion was delayed twice.
- The bridge which costs RM220 million, connects the northern and southern parts of Klang through Jalan Goh Hock Huat and Jalan Sungai Bertih to Persiaran Raja Muda Musa.

**30. Ekovest gets RM79 million Blue River Project job** (*The Star, 18 April 2017*)

- Ekovest Bhd has secured the RM79 million job to undertake the "Blue River Project" in the vicinity of the River of Life Precinct 7-Masjek Jamek Kuala Lumpur zone.
- Ekovest Bhd's wholly-owned subsidiary, EkoRiver Construction Sdn Bhd (ERC SB) was appointed as the design and build contractor to undertake the RM79 million (excluding the goods and services tax) project and the amount is also inclusive of a five-year operations and maintenance period for the project. The 18-week project was to be completed before August 30, 2017.

**31. Refurbishment contract value reduced to RM1.34 billion** (*The Star, 22 April 2017*)

- Malaysian Resources Corporation Bhd (MRCB) said its contract value to refurbish the Bukit Jalil National Sports Complex will be reduced from RM1.63 billion to RM1.34 billion, following a land survey that was carried out on the different parcels that were to be swapped in lieu of payment for the refurbishment of the sports complex.
- Following the land survey, it was found that instead of 92.5 acres, there were actually 76.14 acres, or a reduction of land size of 16.36 acres.





- In 2015, MRCB's 85% subsidiary Rukun Juang Sdn Bhd secured a deal from the government whereby three parcels in Kuala Lumpur, totalling 92.5 acres would be transferred to Rukun Juang as payment for the upgrading of the sports complex.
- The RM1.34 billion new contract value will now comprise a RM1.04 billion provisional cost for Project 1 and a cash payment of RM176.91 million that will be paid by Rukun Juang to the government, and RM131.34 million cost for Project 2.

## LEISURE & HOSPITALITY

### 32. Paramount ventures into hotel development (*The Star, 6 April 2017*)

- Paramount Corp, through its joint-venture (JV) company with Singapore-listed Lasseters International Holdings Ltd, yesterday entered into two agreements with French multinational hotel group AccorHotels, which owns the Mercure brand.
- Lasseters International, which owns the remaining stake in the JV, is primarily involved in the hospitality and health and wellness businesses.
- The JV company, Super Ace Resources Sdn Bhd (SARSB), which is 45% owned by Paramount Corp, will invest RM75 million into the development of a 4-star Mercure Hotel at its university metropolis township in Shah Alam. The hotel is the final part of its integrated development at Utropolis Glenmarie, and is expected to open its doors by 2019.
- Paramount Corp's unit Paramount Property would build the hotel then sell it to the JV company after which AccorHotels would manage and operate the hotel.
- The 230-room hotel development will complete the ecosystem in the 21-acre township development, which is anchored by the new flagship KDU University College (KDUUC) campus.

### 33. New Living concept store in PJ Mall (*The Star, 11 April 2017*)

- SSF Group has opened its latest store spanning 1,951 sq m on the second floor of The Starling in Damansara Uptown, Petaling Jaya.
- The new SSF store at The Starling is among the group's latest three additions. With a minimum of 790 sq m floor size, the other two stores are located at Pearl Shopping Gallery in Kuala Lumpur and Udini Square in Penang.
- SSF – one of the country's leading one-stop home furnishing chain store – has 28 stores nationwide to-date, with a total shop area of more than 60,387 sq m.
- Two new stores will be opened this year at The Elements Mall in Malacca and Viva Shopping Centre in Kuala Lumpur.

### 34. Meda to sell Summit Hotel (*The Star, 21 April 2017*)

- Meda Inc Bhd is disposing of Summit Hotel Bukit Mertajam to Teraju Menang Sdn Bhd for RM20 million.
- The disposal is part of Meda's ongoing re-organization exercise to re-deploy its resources to more efficient areas and to allow Meda to realize cash and reinvest the capital into its core business activity.





### **35. Developer and hotel pair up for tower projects in Shah Alam (The Star, 29 April 2017)**

- DOUBLETREE Tower, developed by i-City and comprising the DoubleTree by Hilton i-City Hotel and the Hill10 Residence @i-City, will be launched in June.
- Hilton10 Residence has 200 exclusive residences which will give owners the privilege of experiencing hotel living permanently.
- Located above the DoubleTree by Hilton in i-City, the hotel will occupy the ground floor up to Level 22 while Hill10 Residence @i-City will occupy the upper floors from Level 22 Mezzanine to Level 43 and also the ground floor.
- Hill10 Residence will be fully fitted and furnished with interior design concepts similar to the Hilton Worldwide standards. The 200 suites – Standard, Deluxe and Executive – will consist of one bedroom, one study room and one bath, or two bedrooms and two baths.
- Privacy is ensured as each floor has only 11 suites serviced by four lifts.
- There's a cantilever rooftop infinity pool at Level 43 and a grand entrance lobby on the ground floor. Other facilities include a recreational zone, landscaped gardens and gym, besides an IoT (Internet of Things) ready home.
- Prices for the exclusive suites start from RM500,000. Hill10 Residence is open for registration.
- The tower block comprising Hill10 Residence and DoubleTree by Hilton is expected to be completed in 2020.

## **OVERSEAS**

---

### **36. EPF buys stake in OSK's Aussie project (The Star, 6 April, 2017)**

#### **EPF, OSK Ink Melbourne Square deal (New Straits Times, 6 April 2017)**

- The Employees Provident Fund (EPF) is paying A\$154 million for a 49% stake in Yarra Park City Pty Ltd (YPC) which holds the rights to a five-acre mixed use development worth over RM9 billion in Melbourne. The Melbourne Square project marked the fund's second development venture overseas after the Battersea project in London.
- The remaining 51% interest in YPC is held by PJ Development Holdings Bhd (PJD), a subsidiary of OSK Holdings Bhd (OSK), via its wholly-owned subsidiary in Australia, namely P.J. (A) Pty Ltd (PJA) and Equity & Property Investment Corp Pty Ltd (EPIC) which is 27.4% owned by PJA.
- The Melbourne Square development which is OSK's maiden foray into Melbourne, will transform a former car park bounded by the Westgate Freeway and Kavanagh, Balston and Power Streets in Southbank into a dynamic mixed-use community and retail centre, with an expected gross development value (GDV) of A\$2.8 billion (RM9.4 billion). It will be developed in five stages over 8 to 10 years.
- Slated for residential use, the towers have a capacity over 1,000 apartments, with a GDV of over A\$900 million.





**37. EWI to buy 80% stake in Salcon Australia** (*The Star, 11 April, 2017*)

- Eco World International Bhd (EWI) is acquiring an 80% stake in Salcon Australia for its parcel of prime land of 2,128 sq m in South Yarra, Australia.
- To be named Yarra One, the project will comprise a 27-storey tower with 268 residential units complemented by a retail and office podium with the potential to deliver about A\$218 million (RM728.3 million) in gross development value (GDV).
- Eco World Synergy Development Pte Ltd, a wholly owned subsidiary of EWI, will also be appointed as the development manager for the project, which will, in turn, generate a new fee-based income stream for the EWI group.
- South Yarra is one of the most popular upmarket residential suburbs of Victoria, and is strategically positioned within close proximity to Chapel Street and Toorak Road.

**38. Fajarbaru project in Melbourne almost sold out** (*The Star, 26 April, 2017*)

- Fajarbaru Builder Group Bhd and its Australian partner Beulah International said its project, Paragon, touted to be the newest project to be launched in the heart of Melbourne, has seen 90% of its apartments snapped up during the start of the pre-launch campaign over the weekend.
- The project which is situated in Queen Street, features 220 luxury apartments and a first-of-its-kind elevated indoor urban forest, nestled high above the bustling city below.
- Paragon's architecture maximizes views, allowing the majority of residences prized corner vistas while limiting density to between four and six residences per floor, and two penthouses occupying the topmost, 48<sup>th</sup> level.
- Paragon will be the second project Fender Katsalidis Architects (FKA) and Beulah International have collaborated on, with the hugely successful Hallmark Ivanhoe project selling over 80% of apartments in the first two weeks.

## OTHERS

---

**39. Property investments by government funds** (*The Star, 8 April, 2017*)

- Retirement Fund Inc (KWAP) and the Employees Provident Fund (EPF) would fork out a total of RM1.6 billion to take up stakes in two major projects. KWAP bought into Eastern & Oriental Bhd's (E&O) ambitious Seri Tanjung Pinang project that involves the massive reclamation of land and is a development which stretches over 20 years, carrying a gross development value (GDV) of some RM1.7 billion.
- The EPF, on the other hand, will invest RM683 million in a project in Melbourne, Australia by the OSK group.
- The EPF is the pioneer in this move, especially among GLCs, In 2003 it invested in Bandar Eco-Setia Sdn Bhd, the developer of the award winning Setia Eco Park township development in Shah Alam. The EPF took up 34% in Bandar Eco Setia alongside insurance giant Great Eastern Life Assurance with a 16% stake, leaving S P Setia with the remaining 50%.
- In 2012 the EPF backed one of Malaysia's biggest overseas property development projects – to develop Britain's Battersea Power Station. The EPF is part of the consortium comprising S P Setia and Sime Darby Bhd in a development on about 40 acres which will have a GDV of £8 billion.
- To-date the EPF has direct investments in at least seven projects in Malaysia and overseas with a handful of trusted developers.







**40. SP Setia offers differential sum loan scheme (*The Star, 20 April, 2017*)**

- SP Setia Bhd has launched its differential sum loan scheme Setia Express Advance Loan (SEAL), to particularly cater to buyers who wish to upgrade their homes, or require time to encash profit from other investments.
- SEAL offers interest rates as low as 5.5% per annum, and up to 30% of the intended property purchase price.
- SEAL's three year tenure would enable buyers to have more time and options to arrange for alternative financing, such as accessing their Employees Provident Fund savings or unlocking other assets to fund the differential sum. During the first three years under SEAL, buyers will only be required to pay the interest rate.
- SEAL is only available for completed SP Setia projects, and there will be no penalty charge imposed on buyers who wish to settle their loan amounts earlier.
- In order to eligible for SEAL, the purchaser must have signed the sale and purchase agreement, paid the 10% down payment and accepted the letter of offer for their end financing loan from their respective financial institutions.

-END-

