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Property *News*

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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.

GENERAL ECONOMIC & PROPERTY MARKET

1. Retail sector to get a boost *(The Star, 9 June 2018)*

- Retail Group Malaysia (RGM) revised their growth forecast for the year to 5.3% from 4.7% previously.
- The change in ruling party after the general election on May 9 is expected to boost consumers' confidence level and increase their willingness to spend. At the same time, the largest festival in Malaysia, Hari Raya, will be celebrated in June.
- Malaysian Association for Shopping and High-Rise Complex Management's Richard Chan commented that the current "tax holiday" until the imposition of the sales and services tax (SST) in September is a much-needed boost for local retailers.
- Savills Malaysia says the removal of the 6% GST will spur spending and boost local retail property market, with the likelihood of retail turnover picking up in areas where the GST is lifted from merchandise. Groceries, food and beverage, and mass prestige fashion brands will see positive impact from the lifting of the GST.
- The reintroduction of the SST in September is expected to result in lower prices of goods in general. However a potential spike in the prices of some items can be anticipated – including the cost or charges for serviced rendered.
- On the whole the SST is expected to create more disposable income, which, in turn, is expected to boost consumer spending and business activities. Such a rate will create adequate disposable income to spur private consumption and in turn business activities.
- In light of the GST being zero-rated, RGM has adjusted its second quarter retail growth rate from 3.7% to 6.3%, taking into consideration the tax holiday during the last month of the second quarter as well as the Hari Raya celebrations in the middle of June.
- The retail growth has been revised from 5.2% to 6.8% taking into consideration the remaining two months of tax break before the SST is to be re-introduced from September.
- For the last quarter of this year, RGM revised downwards its growth projection from 5% to 3.5%. This lower adjustment is needed to reflect the consumers' spending during the three-month period with zero-rated GST. Major purchases are expected to have been made from June to August of this year.
- The department store-cum-supermarket operators are expecting a better performance with a growth of 4.6% for the second quarter of this year. The departmental store operators are expecting to sustain their businesses with a growth rate of 4.7% for the second three-month period of this year.
- Supermarket and hypermarket operators will not see improvements in their business (during the period). They expect to remain in the red zone with 4.4% negative growth rate for the second quarter of 2018.
- According to the Valuation and Property Services Department's Property Market Report 2017, the retail sub-segment's performance was stable at 81.3% in 2017 compared with 81.4% in 2016, recording an annual take-up of more than 6.78 million sq ft.
- Kuala Lumpur, Selangor, Johor and Penang saw a significant take-up rate as their newly completed shopping complexes secured commendable occupancy.
- Johor was leading with nearly 2.82 million sq ft followed by Selangor (1.17 million sq ft), Kuala Lumpur (1.01 sq ft) and Penang (778,833 sq ft).
- In November last year, the government banned the construction of offices, shopping malls and high-rise luxury residential projects with units costing above RM1 million. The move comes following Bank Negara's recent study on the mismatch of housing demand and supply. However all projects that had already been approved and ongoing projects would not be affected by the decision.

2. Unsold residential, SoHo units at RM22 billion *(The Star, 28 June 2018)*

- The number of unsold completed residential units – including serviced apartments and small office, home office (SoHos) – totaled 34,532 worth RM22.26 billion for the first quarter of this year, the National Property Information Centre said in its latest report on Property Overhang Q1 2018. These are cumulative figures from previous years.
- This represents an increase of 55.72% in the number of unsold units compared to a year ago, when unsold units totaled 22,175, inclusive of serviced apartments and SoHos, which are built on land zoned as commercial but have a residential element to them.
- In ringgit value, this represents a rise of 67.82%, from RM13.27 billion a year ago to RM22.26 billion as at March 31, 2018. Excluding serviced apartments/SoHos, about a third of all residential units in their respective price segments remained unsold.
- Most of the units launched were priced between RM500,000 and RM1 million, of which a third remained unsold.
- Those priced between RM300,000 and RM400,000 also saw 33% of the launched units being left on the shelf.
- For the first quarter of this year, the number of SoHos and serviced apartments numbered about 48,000, with about 25,000 units located in Johor alone.
- Although serviced apartments and SoHos are not found in Kedah and the east coast states, Kelantan, Kedah and Terengganu have the largest number of unsold residential units at 48.08%, 48.20% and 44.20%, respectively.
- Ironically, the states with the largest number of serviced apartments and SoHos – Johor, Kuala Lumpur and Selangor – have unsold stock of 29.12%, 13.53% and 17.86%, respectively. Penang has unsold stock of 33.12%.
- Increasingly, Melaka is building more serviced apartments, with 1,520 units launched in the first quarter of this year, of which only 130 units were unsold.

DEVELOPER'S NEXT MOVE

3. Ting Pek Khiing to build RM30bil Langkawi New City Project *(The Star, 1 June 2018)*

- Developer Tan Sri Ting Pek Khiing will be embarking on a multi-billion ringgit development project in Langkawi.
- The Langkawi New City project, expected to cost around RM30 billion, will be located on about 81 hectares of reclaimed land off the west side of the island.
- The project which would be launched tomorrow, would involve the construction of about 30,000 high-end condominium units, commercial centres, berthing facilities for ocean liners and yachts and other facilities.

4. Tatt Giap plans RM140 mil project *(The Star, 4 June 2018)*

- Tatt Giap Group Bhd plans to develop a RM140 million light industrial project in Valdor Industrial Estate in Sungai Bakap soon.
- Tatt Giap intends to develop 38 three-storey semi-detached properties and two three-storey detached corporate warehouse cum office buildings on the 12-acre site in Sungai Bakap.
- The requirements for eligible buyers are as follows:-
- The project is expected to be completed within 36 months from the date of its commencement.
- Tatt Giap is involved in the manufacturing and trading of steel products including stainless steel pipes and tubes as well as processing of stainless steel and other ferrous and no-ferrous metal products.
  - ✓ Households earning of less than RM5,000 a month
  - ✓ Aged above 21, either married or single parents

- ✓ First home buyers
- ✓ Not allowed to sell the house for five years

5. Glomac to launch RM1.06b properties *(New Straits Times, 7 June 2018)*

- Property developer Glomac Bhd plans to launch more diverse range of products in financial year 2019 (FY19), with a total estimated gross development value of RM1.06 billion.
- Focus remained in the mid-market and affordable housing segments, where the group expects its landed residential products in townships such as Saujana Perdana and Saujana Jaya in Kulai, Johor, to sustain steady sales.
- Projects expected to be launched in FY19 include:
  - ✓ Plaza@Kelana Jaya: an integrated freehold residential development with a total GDV of RM363 million which is open for registration. It comprises 696 serviced apartment units accompanied by 16 three-storey shop offices.
  - ✓ Centro V: the planned development comprises of small office home office units and serviced apartments with a total GDV of RM266 million, located within the proximity to Bandar Utama. It is expected to be launched in the second half of FY19.
  - ✓ Aged above 21, either married or single parents

6. EWI and Willmott Dixon launch EcoWorld London *(The Star, 9 June 2018)*

- Eco World International Bhd (EWI) and Willmott Dixon Holdings Ltd have officially launched EcoWorld London, which will be developing more than 10,000 new housing units on 12 sites in Greater London and the South East of England, with an estimated gross development of over £2.6 billion (RM13.85 billion).
- This will increase EWI's total development pipeline in the United Kingdom and to add on projects from Barnet to Barking and Westminster to Woking to complement its existing portfolio in Central London.
- EcoWorld London will see EWI expand from its high-end projects with the Ballymore Group, including Embassy Gardens, Wardian and London City Island, into the mid-market, with homes for Open Market Sale as well as Build to Rent.
- The launch follows the recent completion of a significant joint-venture, whereby EWI acquired a 70% stake in Be Living, the residential development arm of Willmott Dixon.
- EWI has six ongoing projects in the UK and two in Australia with a total GDV of RM16 billion.
- Founded in 1852, Willmott Dixon is a privately-owned contracting and interior fit-out group, which was ranked 42nd largest private company in the UK by the Sunday Times Top Track list last year. The company generates over £1 billion a year in turnover.

7. MAHB: KLIA Aeropolis project to proceed as planned *(New Straits Times, 9 June 2018)*

- The Kuala Lumpur International Airport (KLIA) Aeropolis is among the mega projects inked by the former administration that has been given the green light to go on as planned.
- Project owner Malaysia Airports Holdings Bhd (MAHB) said the development would proceed as commitments had been made with many parties.

8. Lendlease committed to Lifestyle Quarter project *(New Straits Times, 25 June 2018)*

- Lendlease remains fully committed in transforming the Tun Razak Exchange (TRX) Lifestyle Quarter into one of its largest urban regeneration developments globally.
- The Australian developer and infrastructure firm has partnered with TRX City Sdn Bhd, a wholly-owned subsidiary of the Finance Ministry, to develop the TRX Lifestyle Quarter.
- The Lifestyle Quarter includes seamless connections to the new mass rapid transit network and adjoining public plazas. Leasing, design and construction all continue to make very positive progress.

- The 6.88 hectares Lifestyle Quarter is a central part of the overall TRX new financial district master plan and includes a lifestyle retail mall, restaurants, hospitality and leisure offerings, residential condominiums and a city park.
- The government decided to proceed with the TRX project and injected RM2.8 billion into the project, bringing total funding by the government to RM6.5 billion. The injection would create confidence among foreign investors who had invested in the project.
- TRX City has sold parcels of land to investors such as Mulia Property Development, HSBC, Affin Bank, Tabung Haji, WCT Holdings Bhd, Lendlease and IJM Corp.

9. Ring of money around TRX *(The Star, 29 June 2018)*

- TRX City Sdn Bhd (TRXC), the master developer of Tun Razak Exchange (TRX) development, has ring fenced RM2.4 billion worth of funds to ensure that the project will be completed as planned.
- TRX's total land value is worth about RM7.6 billion, while the development cost is estimated to be around RM6 billion.
- The entire project is slated for completion by 2024. Last week, the Malaysian Government announced that it was pumping in RM2.8 billion in stages to keep the project going. To-date the Government has injected RM3.69 billion into TRX.
- To-date, seven plots of land on TRX totaling RM2.88 billion have been sold to Lendlease, Lembaga Tabung Haji, Mulia Group, Affin Bank Bhd, WCT Holdings Bhd, IJM Corp and HSBC.
- TRX will be developed in three phases; phase 1 comprises Mulia's Exchange 106 and IJM's Menara Prudential, both of which are slated for occupancy early next year. To date, 80% of the first phase is completed. The second phase, which will consist of a public plaza, streetscapes and a 10-acre central park, will be completed in 2020, in line with the opening of a mall and new headquarters for HSBC and Affin Bank. The final phase, which is the south-side parcel, will be completed by 2024.
- The buildings at TRX will be of high quality, either Grade A or super Grade A.
- Most of the buildings in phase 1, with the exception of Exchange 106, will be owner occupied and based on reports a super Grade A office can command an asking rental rate of RM17 per sq ft versus RM7 to RM8 per sq ft for a Grade A building.

10. TA Global delays property launches *(The Star, 28 June 2018)*

- TA Global Bhd is delaying the launch of three residential and mixed-development property projects worth RM5.5 billion which were initially set to be launched this year to next year, mainly due to the soft property market.
- The projects pushed to next year are Dutamas residential project worth RM450 million, the TA3&4 project (worth RM2.6 billion) in Kuala Lumpur city centre and Annexe mixed-development project (worth RM2.5 billion) in Bandar Sri Damansara.
- The delay in the projects for this year is mainly due to the oversupply of properties in the market. The company plans to pace the launch of these projects to each quarter next year due to financing as well as the higher amount of manpower and resources required.
- The Dutamas residential project is planned for the first quarter of 2019 (Q1'19), followed by TA3&4 in Q3'19 and the Damansara Annexe development in Q4'19. Furthermore the launch of the first phase of the Kluang residential project worth RM450 million will be in the second quarter of next year.
- TA Global is expecting profits to be continuously maintained for FY18 – The Little Bay Cove development in Australia is worth RM482.3 million (AUS162 million), which is 99.4% sold, while the Ativo Suite units are 60% sold, with the remainder to be sold by year-end.
- Moving forward, the company's focus is on more domestic projects, while ensuring the projects are the best in class to build a brand for the company.
- The company has a total land bank of 720 acres in Malaysia, from which 162 acres are planned for development with a gross development value of RM14.2 billion.

11. Build affordable homes in Taman Wahyu *(The Star, 27 June 2018)*

- The property developer of a mixed development project in Taman Wahyu, Kepong has been urged to build affordable homes and upgrade infrastructure in the area.
- The developer who plans to build luxury condominiums is said to have purchased the 35.2 hectare land below market value at RM68 per sq ft from the Government, on Nov 20, 2015, when the market value then was around RM250 per sq ft.
- The project had taken a part of the Jinjang flood retention pond there but the land reclamation work would not affect the pond's capacity.
- <u>About the project</u>: To-date no building plans yet though the building layout was approved. Further studies should be done on traffic management in the area as well as ensure the pond was working. The developer will use 5% of the land as a recreational and public space.

SIGNIFICANT TRANSACTIONS AND PARTNERSHIPS

12. Chin Hin unit to dispose of properties for RM21.15 mil *(The Star, 7 June 2018)*

- Chin Hin Group Bhd's wholly-owned subsidiary, PP Chin Hin Sdn Bhd, is disposing of its properties to Chin Hin Building Materials Supply (JB) Sdn Bhd for RM21.15 million to focus its resources on its core business.
- The said properties comprise units of shop offices in Rawang, Selangor and Alor Setar, Kedah.

13. Tiong Nam Logistics unit buys land in JB *(The Star, 7 June 2018)*

- Tiong Nam Logistics Holdings Bhd's subsidiary Medini Heritage Sdn Bhd has acquired 40.6 hectates of vacant land from Prestij Sdn Bhd in Johor Bahru for RM40.21 million.
- Medini Heritage's principal activities consist of property development.
- The land is located in the Iskandar Malaysia Eastern Gateway and close to the Pasir Gudang Industrial Hub and Tanjung Langsat Industrial Park.
- Medini Heritage said the land purchase is to enlarge Tiong Nam group's existing land bank in a strategic location to enhance future revenue and profit.

14. Sime Property seeks new approval *(New Straits Times, 9 June 2018)*

- Sime Darby Property Bhd (Sime Property) is seeking fresh approval from the government to develop the multi-billion ringgit Malaysia Vision Valley (MVV).
- Sime Property's initial agreement with Retirement Fund Inc and Brunsfield Development Sdn Bhd on the development covering 52,609 hectare in Negeri Sembilan and Selangor has lapsed late last year. The land is equivalent to about 75 percent of the size of Singapore.
- Facts about MVV:
  - ✓ An integrated development covering the western part of Negeri Sembilan and south of Selangor.
  - ✓ The development will cover towns such as Nilai, Seremban and Port Dickson, all in Negeri Sembilan.
  - ✓ The 30-year project is expected to attract about RM290 billion investments, create 1.38 million jobs and generate between 6.2 and 7.3 percent annual economic growth.
  - ✓ It will comprise five strategic clusters, namely Edu-Tech Valley, Tourism and Wellness, New Livable township, Central Business District and Nature City.

15. Axis REIT plans to buy Johor industrial land *(The Star, 8 June 2018)*

- Axis Real Estate Investment Trust (Axis REIT) is proposing to acquire two pieces of industrial freehold land totaling 5.7 acres in Kulai, Johor for RM38.7 million.
- Each of the properties comprised a single storey detached factory with a mezzanine office and other ancillary buildings.

16. Hap Seng to sell two plots of land for RM90 million *(The Star, 21 June 2018)*

- Hap Seng Consolidated Bhd's wholly-owned subsidiary, Hap Seng Properties Development Sdn Bhd, is disposing of two parcels of leasehold land totaling 59.24 acres in Tawau, Sabah for a combined worth of RM90.13 million to Goldcoin Ventures Sdn Bhd. The proposed disposals are part of its strategy to sell-off non-strategic locations without immediate development potential.

17. Sunway indirect unit to sell stake in Singapore JV *(The Star, 27 June 2018)*

- Sunway Bhd's indirect unit, Sunway Developments Pte Ltd (SDPL), has proposed to dispose of its entire 30% equity stake in joint-venture (JV) company Hoi Hup Sunway Novena Pte Ltd (HHSN) for S$39.88 million cash (RM118.2 million).
- Sunway's 30% stake will be sold to the other JV partner Hoi Hup Realty Pte Ltd and this exercise is expected to be completed on June 30.
- HHSN was set up in December 2012 to undertake the Royal Square at Novena Development which comprises a hotel, medical units and retail units, in Singapore. The project was completed on July 12, 2017.

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RESIDENTIAL PROPERTY IN KLANG VALLEY

19. Making Luxury resort living a reality *(The Star, 9 June 2018)*

Project name	Eco Sanctuary
Developer	Eco World Development Group Bhd
Location	South of Kota Kemuning
Type of property	Monterey: 353 units of bungalow Terraza: 358 units of 2-storey super link Grandezza: 260 units of bungalow and semi-detached
Gross development value (GDV)	RM8 billion (whole development)
Development area	125ha (whole development)
Selling prices	Monterey: From RM1.8 million onwards Terraza: RM1.3 million onwards Grandezza: RM1.9 mil onwards
Completion date	Monterey & Terraza: Vacant possession

	Grandezza: 2020
Take-up rate	Monterey & Terraza: 100% Grandezza: 60%
Features	▪ Shopping and entertainment in Eco Sanctuary include the 25 hectares Eco Sanctuary City, which comprises 154 lifestyle shop offices, a mall, convention centre, a hotel, wellness centre, office towers and serviced apartments, all integrated seamlessly in a strategic location. ▪ Parks include the 34 hectares Central Park and Canal Park. ▪ Facilities for residents include an outdoor fitness station, two Action Stations for those aged between six and seventeen, gazebos, a 30 km cycling lane and a residents-only 1,858 sq m clubhouse with facilities such as home entertainment, BBQ area, two swimming pools and a gym. ▪ Security include a three-tier security system – QR code identification system, 3m-high parameter fencing, CCTV cameras and individual home alarm systems and security patrolling.

- Additional info: Eco Sanctuary is an eco-themed haven with seven parcels of gated and guarded developments, comprising 4,000 residential units.
- It has been launched in stages since 2015 and is targeted to be fully completed in 10 to 12 years' time.
- To facilitate purchasers the developer has also come up with a "help to own scheme" whereby developer help with 20% scheme, which the purchasers can pay back in 60 installments. The scheme ends in September.

20. Affordable housing under one roof *(The Star, 13 June 2018)*

- The Housing and Local Government Ministry has decided to put four agencies in its preliminary stage to organize the affordable housing segment under one roof.
- The affordable housing segment is presently under Syarikat Perumahan Negara Bhd, 1Malaysia Civil Servants Housing Programme or PPA1M, RUMAWIP or Rumah Mampu Milik Wilayah Persekutuan, and 1Malaysia People's Housing Scheme or PR1MA.
- The Ministry would like to coordinate and streamline the country's national affordable housing segment for the bottom-40 (B40) group whose monthly salary is about RM3,000, so there will be some form of control and a uniformity with regard to pricing, design, size, amenities and other issues.

21. Policy may propose larger PPR flats *(New Straits Times, 17 June 2018)*

- The National Community Policy that the Housing and Local Government Ministry will launch in August may propose bigger living quarters for the poor.
- The proposed size of the flats at the People's Housing Project (PPR) and B40 group be at least 900 sq ft in size, instead of 600 sq ft.
- The B40 group belongs to the bottom 40% of households with a monthly income of RM3,900 and below.
- The proposals will be made under the 12th Malaysia Plan (2021 – 2025).

22. Developer rolls out condo project *(The Star, 21 June 2018)*

Project name	Platinum OUG Residence
Developer	Platinum Victory Development Sdn Bhd
Location	Bukit OUG
Type of property	Condominium (41-storey)
Development area	2.21 hectares
Total Units	660
Built-up area	1,250 sq ft (440 units dual-key concept and a studio unit) 850 sq ft (220 units affordable housing scheme)
Remarks	Within walking distance to Muhibbah LRT station

PROPERTY IN SOUTHERN PENINSULAR

23. Good demand for landed residential property in south Johor *(The Star, 5 June 2018)*

- The demand for landed residential property in south Johor, especially in the Iskandar Malaysia region, is still encouraging despite the slowdown in property market.
- Most buyers in the economic growth corridor still preferred landed or high-rise properties.
- Iskandar Malaysia will continue to drive demand for properties in south Johor.
- Demand for double storey link houses priced below RM500,000 was good, especially among young professionals, small families and young entrepreneurs.
- SP Setia Bhd had several ongoing township projects in Iskandar Malaysia, with the notable ones being Taman Bukit Indah, Setia Eco Gardens, Setia Indah and Setia Tropika.

24. KPMNJ to build office lots, 400-room hotel in Johor Baru *(New Straits Times, 25 June 2018)*

- Koperasi Permodalan Melayu Negeri Johor Bhd (KPMNJ), one of the top 100 cooperatives in the country, will launch a mix-use development on a 1.011ha plot in Taman Tampoi Indah.
- The KPMNJ Tower had a gross development value of between RM320 million and RM350 million, and would be developed over three years.
- Work is expected to start by year-end.
- The project will accommodate office lots and a 400-room hotel in a 33-storey commercial building, 230 affordable housing units in an 18-storey building, as well as a convention centre.

INFRASTRUCTURE AND FACILITIES

25. Melaka Gateway may be shelved *(The Star, 1 June 2018)*

- The Melaka Gateway development project may be facing the possibility of being axed because the new state government is not keen on going ahead with the RM40 billion joint development with a company from China.
- It is a venture between KAJ Development Sdn Bhd and energy company PowerChina International.
- A source revealed that the current state government felt the project did not benefit the local folk directly. Furthermore the progress at the site is behind schedule – and not as reported in the news.
- The Melaka Gateway:-
  - ✓ Launched in 2014, the project was to become the largest private marina in South-East Asia by 2025 with 12 precincts of residential, commercial, cultural, entertainment and lifestyle elements.

- ✓ Spanning 1,504.9ha, it is a private initiative encompassing mixed development on four artificial islands and is classified as a national project under the National Key Economic Areas.
- ✓ Besides the international cruise passenger terminal on Pulau Melaka 1, a commercial city was proposed on Pulau Melaka East 2, a liquid bulk terminal on Pulau Melaka East 3, and a multipurpose terminal, including container, and a maritime industrial park on Pulau Melaka East 4.

26. No more toll at 2 highways *(New Straits Times, 1 June 2018)*

- The Malaysian Highway Authority (LLM) has announced that as of today, there will be no further toll collection at the Kuala Lumpur-Seremban Expressway and Salak Expressway.
- With the termination of the concession period, the toll charges on all routes exiting and entering the Sungai Besi toll plaza would be reduced by between 1 percent and 50 percent (between RM0.40 and RM1.70).
- Users who pass through Sungai Besi toll plazas will only need to pay the tolls within the North-South Expressway (PLUS) alignment that they are travelling through.
- This termination will benefit nearly 130,000 vehicles passing through the toll plaza daily.

27. RM1b worth of KL projects axed *(New Straits Times, 5 June 2018 / The Star, 5 June 2018)*

- City Hall confirms it has cancelled 10 projects, worth RM1 billion, to reduce expenditure.
- Those projects had yet to begin or be opened for tender.
- Among the projects axed are the constructions of roads, parking areas and sports clubs as well as the RM180 million project to repaint People's Housing Project (PPR) flats and public housing for civil servants (PPA).

28. Order to suspend HSR negotiations *(The Star, 1 June 2018)*

- Malaysian Resources Corp Bhd (MRCB) and Gamuda Bhd, the consortium that was tasked to handle the civil works of the scrapped Kuala Lumpur-Singapore High Speed Rail (HSR) job, have been instructed by MyHSR Corp Sdn Bhd, the firm responsible for the development and implementation of the HSR, to suspend all negotiations relating to the project.
- The MRCB-Gamuda consortium was selected for the northern portion of the HSR, while another consortium comprising Syarikat Pembenaan Yeoh Tiong Lay Sdn Bhd and TH Properties Sdn Bhd, was appointed to handle the southern portion of the project.

29. UEM wins RM60.7m Pan Borneo Highway job *(New Straits Times, 4 June 2018)*

- UEM Edgenta Bhd, via wholly-owned Opus International (M) Bhd, has bagged a RM60.7 million contract from Borneo Highway PDP Sdn Bhd.
- Under the four-year contract, UEM Edgenta will be the lead consultant to provide technical support services for pavement design optimisation for the Pan Borneo Highway Sabah project.

30. Bukit Jalil National Stadium named "2018 Stadium of the Year" *(The Star, 5 June 2018)*

- The rejuvenation of the Bukit Jalil National Sports Complex has resulted in it clinching two coveted international awards.
- The sports complex, renamed KL Sports City, won the Exterior Lighting Design Award at the Asia Pacific Property Awards 2018-2019 held in Bangkok, while the Bukit Jalil National Stadium, located within the KL Sports City, was named 2018 Stadium of the Year at the World Stadium Congress Awards in Amsterdam, beating three other finalists from France, namely U-Arena Stadium, Stade de France and New Bordeaux Stadium.
- MRCB and Populous worked together as contractor and architect on the shared vision for the rejuvenation of the Bukit Jalil National Stadium, and wider KL Sports City.

- In redesigning the sports complex, which included four stadiums, focus was given on providing functional excellence of international standing by incorporating modern and innovative architecture with elements of sustainability.
- The project has received several significant accolades previously, such as the Construction Industry Development Board (CIDB) 5 star Shassic Award and the Gold Award at the 13th Moshpa Excellence Awards for OSHE Management in Engineering and Construction.

31. DBKL shelves admin hub *(The Star, 6 June 2018)*

- The redevelopment of a new Kuala Lumpur city Hall (DBKL) administrative building in Jalan Raja Laut costing RM300 million is one of the major projects cancelled by Mayor Tan Sri Mohd Amin Nordin Abd Aziz in a move to cut costs.
- The initial plan was to sell DBKL Tower 3 Bandar Wawasan in Jalan Raja Abdullah and build a new building called Menara DBKL 3 in Jalan Raja Laut, to house all departments under one roof to boost efficiency and productivity.
- Other projects scrapped include the following:
  - ✓ Three council home projects with a combined value of RM359 million. They are Project Satu Mas valued at RM285 million, Wirajaya Wangsa Maju (RM34.5 million) and UOA Bukit Kerinchi (RM30 million);
  - ✓ The RM125 million redevelopment of Pasar Pudu;
  - ✓ A land acquisition deal (including building) at Lot 12, Seksyen 59, Jalan Tangsi (Wisma Ekran) for RM24 million and an It is (integrated Transformation System)/LED lighting system project in the neighbourhoods costing RM119 million;
  - ✓ A road upgrading project in Jalan Segambut costing RM77 million, which was to connect KTM bridge heading towards Mont' Kiara.
- Some of the projects were at the tender stage and no offers had been finalised at the time of cancellation.

32. Berjaya plans airport on Pulau Tioman *(New Straits Times, 7 June 2018)*

- Berjaya Group plans to build an airport on Pulau Tioman, Pahang which is estimated to cost up to RM1.2 billion.
- The construction of the airport would be financed by the group's internal funds as well as borrowings.
- The proposed airport would be managed by the government if it was approved.
- A new airport will most likely boost tourist arrivals to Tioman, which was once voted as one of the world's 10 most beautiful islands.

33. At least RM15 billion to be shaved from ECRL *(The Star, 13 June 2018)*

- At least RM15 billion will be shaved from the East Coast Rail Link (ECRL) project from its projected cost of RM55 billion for the railway track stretching from Port Klang to Pengkalan Kubor in Kelantan.
- To-date RM19.7 billion "mobilisation fee" or upfront payment of 15% based on the entire project and its additional features, has been drawn down and paid to the contractor, China Communications Construction Company (CCCC).
- It is learnt that Eminent Persons (CEP) after considering all aspects of the project, is likely to recommend to the government for phase one of the project to be completed at a reduced scale.
- Phase one is from Gombak to Kota Bahru via Kuantan. It is likely to remain as a single track with a double track formation, meaning additional space in case there is a need for a double track in future.
- Phase two, which involves the connection from Gombak to Port Klang and Kota Baru to the border of Malaysia-Thailand, would not continue.
- It is learnt that consultants were confident the project could be completed with an additional RM20 billion with some re-engineering and cutting down on the unnecessary features.

34. HSR alternative for only RM20 billion *(The Star, 18 June 2018)*

- An alternative proposal to have a railway link to Singapore by upgrading the present infrastructure will only cost the government RM20 billion – much lower than the high speed rail (HSR) project which will cost between RM60 billion and RM70 billion.
- The proposal will also save the government some RM500 million as it will not need to be re-negotiated with Singapore since the plans that have been put in place by the authorities in the republic will not be disrupted.
- The Council of Eminent Persons (CEP) has been briefed on the alternative plan that utilizes the existing double-track infrastructure of Keretapi Tanah Melayu (KTM).
- The only major difference is the travelling time of 130 minutes to Singapore compared with 90 minutes by the HSR.
- The HSR, between Malaysia and Singapore, is run on a completely new alignment and travels at speed of 320km per hour.
- The alternative plan is to upgrade the existing railway tracks by using most of the railway alignments. The travelling speed with standard gauge trains is about 200km/hour.

LEISURE & HOSPITALITY

35. OYO Hotels sees room for growth in Malaysia *(New Straits Times, 12 June 2018)*

- India's OYO Hotel is expanding into the South-east Asian market, with Malaysia being a key market in its plan.
- OYO Hotels has committed an initial US$20 million (RM79.72 million) for expansion in Malaysia, with plans to double-down on investment in the country next year.
- OYO Hotels currently operates 50 branded hotels in all major cities in Malaysia, including Kuala Lumpur, Penang, Langkawi, Johor and Melaka, with the largest concentration of properties being in Kuala Lumpur, and covering key localities such as Bukit Bintang, Cheras, Ampang, Masjid India, Pudu, Petaling Jaya and Shah Alam.
- Having experienced strong growth in the first quarter of the year, the company forecasts positive growth for the rest of the year and into next year.
- The company has served more than 150,000 customers via 100,000 check-ins in Malaysia, with daily room nights increasing five-fold in the last quarter.
- With a variety of quality and affordable stay options for international tourists and domestic travellers, room prices start as low as RM49 a night.

36. New hotel well-positioned to impress *(The Star, 25 June 2018)*

- Having been under construction for five years now, Four Seasons Hotel Kuala Lumpur may be ready to open its doors as early as late July.
- The Four Seasons Place complex is a 65-storey tower comprising a retail podium up until the fourth floor, the hotel up to the 18th floor, serviced apartments as well as private residences.
- Premium department store Robinsons occupies four of the five levels at Shoppes at Four Seasons Place as its anchor tenant, supplemented by a variety of local and international dining options as well as other services.
- The tower has a total of 209 hotel rooms, 27 serviced apartments and 242 private residences, all with great views of the Petronas Twin Towers or overlooking KLCC park.
- The hotel's spa and wellness facilities feature an outdoor infinity pool and a gym with state-of-the-art equipment overlooking the city skyline, as well as eight spa treatment rooms that will feature local treatments using local products on top of staple spa services.

- When it comes to dining and drinking, guests can choose between six options that are directly managed by Four Seasons, in other than other dining places available in Shoppes at Four Seasons Place.

OTHERS

37. Land probe may affect affordable home supply *(The Star, 7 June 2018)*

- The sale of 64 Kuala Lumpur City Hall (DBKL) land lots being probed by the Malaysian Anti-Corruption Commission (MACC) could affect the supply of affordable homes – should investigations drag on.
- It has been alleged that nearly half of the land lots were disposed of for Federal Territories Affordable Housing (RUMAWIP) development while the rest were earmarked for high end residential and commercial developments.
- Knight Frank Malaysia managing director Sarkunan Subramaniam said that while the investigations are necessary to right any alleged wrongdoings, a dragged-on investigative process could hamper the supply of affordable homes in the market.
- Under its Perbadanan PR1MA Malaysia programme, the previous administration has said that it would build one million affordable housing units by 2018 for those with household income of RM2,500 to RM15,000 a month.
- As of March 2018, some 140,000 PR1MA homes were under various stages of construction while 15,000 units have been completed nationwide.
- The new Pakatan Harapan government has pledged to build one million homes within 2 terms.
- The MACC has begun investigations into 424.29 acres of land worth RM4.28 billion sold by DBKL to Yayasan Wilayah Persekutuan between 2013 and this year. It has been alleged that no open tenders were called and that the land lots were sold below the market price. The transactions were said to have been done without going through a proper valuation report.

38. Projects on RAC land to be reviewed *(The Star, 26 April 2018)*

- Approved proposed development projects on prime land belonging to Railway Assets Corporation (RAC) worth hundreds of millions of ringgit will be reviewed through direct negotiations.
- The review would initially involve three plots of land in Kuala Lumpur – 2.83 hectares in Pudu, 1.21 hectares in Batu Tiga and 5.66 hectares in Bangsar – which have been earmarked for development by the previous government.
- The previous government had agreed in principle to the proposals but no terms of agreement were signed with the private developers.
- All future development projects involving RAC's land would no longer be done through direct negotiation but by open tender.
- RAC has a land bank of 12,833 hectares, of which 3,720 hectares can be developed while 9,113 hectares consist of reserve land. RAC's assets are worth RM34.5 billion based on a valuation done in 2005.

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