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FRIDAY, MAY 12, 2017 . ISSUE 2408/2017 . PP19055/06/2016(034530)

ONLINE + OFFLINE

28 DUTAMAS

*LIFE,
CULTIVATED.*

At 28 Dutamas, we've created a way of living that is nurtured within a community of like-minded people. It is a thoughtful approach to life that celebrates the values you uphold.

Explore it with us as we unveil the completed freehold residences, and be one of the privileged few to select your choice unit.



WEEKEND
Garden Tea Party



20th & 21st May 2017
(Sat & Sun)

10am - 6pm

We would like to invite you and your family to celebrate a new beginning of 28 Dutamas and its completion. See you there!

20th May (Sat)

Experience the newly completed freehold development, show units & exclusive one-on-one ID consultancy. Refreshments will be served. Don't miss this!



GPS Coordinates
3.175972, 101.660118

21st May (Sun)

2 pm
Property price trends and investment insights by

TheEdgeProperty.com

3 pm
Feng Shui presentation by Yap Boh Chu of renowned Yap Cheng Hai Academy

10 am - 6 pm
Garden tea party, 28 drums & lion dance, clown show, ice-cream, popcorn & sand art

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A project by



Developer: BTHOMESTEAD DEVELOPMENT SDN BHD. (216243-W) • 707, Block B, Pusat Dagangan Phileo Damansara II, 15, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan • Tel: 603-7956 6388 • Developer's License No: 13216-1/10-2017/02650(L) • Validity Period: 10/10/2016 - 09/10/2017 • Advertising Permit: 13216-1/10-2017/02650(P) • Approving Authority: Dewan Bandaraya Kuala Lumpur • Jabatan Rekabentuk Bandar Dan Bangunan Kuala Lumpur. Ruj: BPT1 OSC 2012 4175 • Freehold and charged to Public Bank Berhad (6463-H) • Expected Date of Completion: May 2017 • Total Units: Type A - 59 units, Type B - 59 units, Type C - 118 units, Type D - 1 unit, Type D1 - 1 unit, Penthouse Type A - 4 units, Penthouse Type B - 4 units, Penthouse Type C - 4 units • Price Range: RM 688,000 (min) - RM 1,618,000 (max).



An artist's impression of 28 Dutamas.

Enjoy quality, community-driven living at 28 Dutamas



(Top) The lift lobby and (above) pool area with playground.

Location and price are typically some of the top factors a buyer considers when choosing a property. However, there are also other elements at play in providing a pleasant experience to homebuyers, such as the level of commitment by the developer in delivering a good product and the long-term upkeep of the property. These aspects are crucial points to look at, whether you're buying a property to live in or as an investment.

"Buyers should not only look at the physical product because the types of services provided by the developer are very important, too," says G B Tan, general manager of BTHomestead Development Sdn Bhd, a boutique developer focused on building community living spaces since 1991.

"One of the biggest differences a buyer experiences is when they're dealing with a privately-owned, family-run developer compared with a large development conglomerate.

"A smaller-sized developer has a more hands-on approach in the project, hence we can directly address the needs of the buyer and ensure any potential problems are solved quickly, no matter if it's during the development stage or after delivery of vacant possession," offers Tan.

28 DUTAMAS

BTHomestead's commitment to the creation of quality living spaces is reflected in several of its condominium projects around Mont'Kiara, Kuala Lumpur as well as the group's latest project, 28 Dutamas. Located in an enviable location in the vicinity of the affluent Mont'Kiara and Dutamas neighbourhoods, this newly-completed condominium development delivers luxury living infused with community-centric features.

With a gross development value (GDV) of RM238 million, 28 Dutamas comprises two 23-storey towers on a 3.125-acre freehold site. Perched atop a hilly enclave, 28 Dutamas affords residents a panoramic view



The living area of one of the units.

of the Kuala Lumpur city landscape.

With just 250 units, this low-density residential development offers layouts ranging from 1,253 sq ft to 1,719 sq ft as well as 12 penthouse units and two family units. The penthouse units span between 1,855 sq ft and 2,590 sq ft and each comes with a roof terrace. The family units come in 2,604 sq ft and 2,608 sq ft built-up sizes and are equipped with a garden and an outdoor deck. Each unit is a corner lot, which results in the inflow of natural ventilation and daylight into the living spaces as the developer believes that creating an environment conducive for quality living within each unit is as important as in the common spaces.

In the heart of 28 Dutamas is the podium where

the two towers meet. This is where a variety of community-focused recreational facilities are located. Among them include a half Olympic-sized infinity pool, gym, landscaped garden, children's play pool, playground, squash court, private function rooms, and yoga and dance rooms. At 28 Dutamas, residents can live and play with peace of mind as the condominium is supported by a three-tiered security system.

THE UNIQUE FEATURES

A highlight of 28 Dutamas is the garage storage space of around 80 sq ft at the carpark level which is available as an accessory to each unit in Tower A. Currently, it is possibly the first high-rise condominium in the country to provide such a spacious storage facility in addition to its unit.

BTHomestead is also taking an extra step in enhancing the value and appeal of 28 Dutamas by building an international school within its vicinity. Named World International School, it marks the developer's first foray into the education sector as it will not only oversee the construction of the school but also co-manage its operations including setting up the school's curriculum with

relevant partners. The total investment on the school by the developer is estimated to be in the range of RM50 million.

"Our venture into building schools not only helps to bring people to newly-developed areas, it also complements our philosophy of creating sustainable communities. In a way, we are serving the education needs of the community around us," Tan shares.

The ease of accessibility to both 28 Dutamas and the school will be key points in driving people to the area. Situated just 9km from Kuala Lumpur city centre, 28 Dutamas is accessible via Jalan Duta, Jalan Kuching, Jalan Segambut and Jalan Sri Hartamas. The school is located off Jalan Dutamas Raya and is accessible via Jalan Duta, Jalan Bukit Kiara, Jalan Segambut and Jalan Sri Hartamas. Both developments are also well-connected to major highways, including Sprint Expressway, the New Klang Valley Expressway (NKVE) and Duta-Ulu Klang Expressway (DUKE).

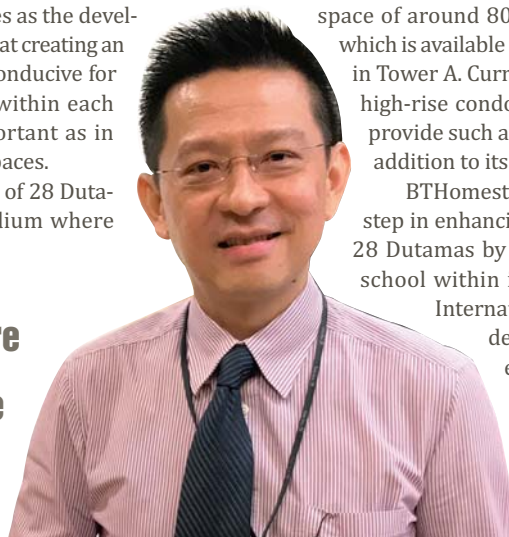
With its diversity of facilities and amenities available, the developer is confident that 28 Dutamas will offer great value to investors. Tan reveals that the capital appreciation for 28 Dutamas is estimated to be around 10% to 20% in the next five years provided there are no major adverse changes to economic conditions, while the rental yield for the units is expected to be 4% to 5% per annum.

"To tell if a property makes for a good investment, one must first determine if the property is well-looked after or well managed. When a property is maintained in a good condition, it creates a demand which naturally pushes the price up, hence making it a worthy investment," says Tan. He also adds that BTHomestead works closely with the management and residents of their developments to ensure proper upkeep.

The newly-completed 28 Dutamas will be unveiled in an exclusive event on May 20th and 21st. Final release of choice units are available for those who seek quality, community-driven living at 28 Dutamas.

For sales and enquiries, kindly contact 019-217-8833/012-3682931/013-3085006 or visit www.28dutamas.com for more information.

A smaller-sized developer has a more hands-on approach in the project, hence we can directly address the needs of the buyer — Tan



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WHAT AILS OUR OFFICE SECTOR?

Industry experts at TheEdgeProperty.com Roundtable on 'Malaysia a key international office destination?' on May 5 provided some food for thought. **See Pages 6 to 11.**

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First terraced homes at Eco Horizon and Eco Sun set for launch in 2H2017

TEP5 NEWS
Singapore-based Beverly Group to unveil Equine Residence phase two in 2H2017

TEP12 FEATURE
Malaysian city life and what it means

FREE TALK!

MAY 21, 2017

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The Edge Malaysia

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RM4.5 bil The Light City unveiled

IJM Perennial Development Sdn Bhd, a joint venture between IJM Corp Bhd and Perennial Real Estates Holdings Ltd, has unveiled The Light City, a large-scale integrated mixed-use waterfront development in Gelugor, Penang.

Positioned as Penang's premier integrated waterfront precinct, The Light City will have a total gross development value of over RM4.5 billion, said IJM Perennial Development.

The Light City will have a total gross floor area of about 4.1 mil-



lion sq ft, comprising a retail mall, Penang's largest convention centre to be called Penang Waterfront Convention Centre, two hotels, a 28-storey office tower, and two premium residential projects named The Mezzo and The Essence.

The luxury hotels will be housed in a 37-storey tower, comprising

a total of 745 rooms. The Mezzo will have two 34-storey residential towers with 456 homes, while The Essence will house 315 units of homes over two 37-storey residential towers.

The 2.76-acre freehold The Light City is part of the second phase of The Light Waterfront Penang.

China's Dalian Wanda in talks to develop Bandar Malaysia

Dalian Wanda Group is now the front runner to lead the development of Bandar Malaysia.

Singapore's The Straits Times reported that government officials and financial executives familiar with the situation said negotiations with the group are now at an advanced stage, and the deal is awaiting approval from the Chinese government's financial regulators.

The Bandar Malaysia project within the old airport site in Sungai Besi came into the spotlight when TRX City Sdn Bhd announced that the planned sale of a 60% stake in Bandar Malaysia Sdn Bhd to IWH

CREC Sdn Bhd was "null and void with immediate effect" on May 3.

Development at Taman Rimba Kiara, TTDI not approved yet

The housing development planned at Taman Rimba Kiara, Taman Tun Dr Ismail (TTDI) is still pending approval, said Kuala Lumpur mayor Datuk Seri Mohd Amin Nordin Abd Aziz. He added that he would have a meeting with residents on this matter.

Federal Territories Minister Datuk Seri Tengku Adnan Tengku Mansor had earlier said the proposed serviced apartment development, which involved parts of Taman Rimba Kiara in the neighbourhood, would be carried out as planned.

The proposed development involves the building of eight blocks of 42- and 52-storey high-end serviced apartments (about 1,800 units), and a 29-storey affordable housing block (350 units), thus increasing the population density in the area from 74 persons per acre to 979. Meanwhile, the TTDI Residents Association plans to take legal action if the project is approved.

11 Rumah Selangorku projects set for completion this year

A total of 11 Rumah Selangorku projects, amounting to 2,820 units of affordable homes, will be completed by the end of this year, according to the Selangor Housing

and Property Board (LPHS).

Since 2014, a total of 140 Rumah Selangorku projects have been launched, of which one has been completed, 23 are ongoing, while 116 have yet to commence, as of April 2017, an LPHS spokesperson told TheEdgeProperty.com on the sidelines of the Skim Pengenal Penurusan Kehidupan Strata (SKORA) on May 2.

SKORA is a strata living community awareness programme that involves students currently staying in non-landed homes. The objective of the scheme is to provide early exposure to the future generation of non-landed property residents on the fundamentals of strata living.

Sime Darby Property rolls out festive season campaign

Sime Darby Property has kicked off a new promotional campaign for the upcoming festive season. The campaign will run until July 3. Customers who purchase selected recently launched properties in its townships located in the Klang Valley and Negeri Sembilan are entitled to receive a RM10,000 rebate on the initial 10% down payment and a family dinner for 10 at TPC Kuala Lumpur.

Participating townships include City of Elmina, Ara Damansara, KL East, Taman Melawati, Bandar Bukit Raja, Bandar Ainsdale and Nilai Impian.

During the campaign period, first-time homebuyers will also enjoy upfront PRIME discounts. PRIME is a loyalty and reward programme offered to Sime Darby Property homebuyers.



LAUNCHES + EVENTS



If you have any real estate-related events, email us at propertyeditor@bizedge.com. Events listed here will also appear on TheEdgeProperty.com.

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Sime Darby Property to launch Elmina Valley 4

Date: May 13 (Sat)

Time: 10am to 5pm

Venue: Elmina Pavilion, Persiaran Eserina, Elmina East, Section U16, Shah Alam, Selangor
Contact: (03) 7831 2253, (1800) 88 1118

Sime Darby Property will be launching phase four of Elmina Valley in the City of Elmina. The new launch will consist of 149 double-storey link houses priced from RM793,888.

"Live, Own & Win @ Bandar Enstek" campaign

Date: May 13 (Sat)

Time: 10am to 5pm

Venue: Pulse @ Enstek, No. 1, Lebuhraya Enstek, Bandar Enstek, Negeri Sembilan
Contact: (06) 7989 777

TH Properties Sdn Bhd will be launching a lucky draw campaign dubbed "Live, Own & Win @ Bandar Enstek", which offers new homebuyers a chance to win prizes worth a total of RM244,000. In conjunction with the launch, there will be property talks by property investment coach Rohaniah Noor and Azizi Ali on the Klang Valley property market and new growth areas.

EcoWorld Entrepreneur Engagement

Date: May 13 (Sat)

Time: 1pm to 4pm

Venue: Eco Grandeur Sales Gallery, Lot 6232, Jalan Persiaran Mokhtar Dahari, Eco Grandeur, Bandar Puncak Alam, Selangor
Contact: (03) 3270 2525
Eco World Development Group Bhd is organising a special panel discussion with three outstanding personalities who have successfully combined motherhood with entrepreneurship, namely founder and CEO of Hotel de Art Jenny Liow; executive director of the Board of SKB

Shutters Corp Michelle Sin; and celebrity emcee, speaker and coach Wong Chui Ling. RSVP needed as places are limited.

Launch of The Line 101

Date: May 13 and 14 (Sat and Sun)

Time: 10am to 6pm

Venue: Le Meridien Hotel Kuala Lumpur, Level 8, Gallery 2, 3, Jalan Stesen Sentral 5, KL Sentral, Kuala Lumpur
Contact: (012) 373 5580, (012) 396 0307

Located on the main Sukhumvit Road in Bangkok, The Line 101 is a condominium development by Sansiri and BTS Group. In conjunction with the launch this weekend, there will be a seminar on "Investment on Sukhumvit Road - Bangkok's Most Desirable Residential Area" at 11am and 3pm on Saturday, and 3pm on Sunday.



Amy Beh cooking demo at Setia EcoHill

Date: May 14 (Sun)

Time: 1pm to 6pm

Venue: Setia EcoHill Welcome Centre, No 2, Jalan Ecohill 1, Setia Ecohill, Semenyih, Selangor
Contact: (03) 8724 2255
Setia EcoHill is having a month-long Mothers' Day celebration. There will be a cooking demonstration by celebrity chef Amy Beh at Setia EcoHill Welcome Centre this Sunday. Make sure to RSVP as seats are limited.

Joey Yap Feng Shui talk

Date: May 13 (Sat)

Time: 3pm

Venue: Bon Estates Gallery, 57, Jln Penaga, Bangsar, KL
Contact: <http://fengshui.wa.theestatebangsar.co>
Bon Estates invites all to a talk on "Harness your Qi with the art of Feng Shui" by Joey Yap and team. Admission is free, but interested individuals are advised to RSVP and register at <http://fengshui.wa.theestatebangsar.co>.



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First terraced homes at Eco Horizon and Eco Sun set for launch in 2H2017

SOURCE: ECO WORLD DEVELOPMENT GROUP

BY NATALIE KHOO

PENANG: Eco World Development Group Bhd is targeting to launch the first phase of landed terraced homes at its Eco Horizon and Eco Sun complementary township developments in Batu Kawan, Penang sometime in 2H2017, Eco World Penang general manager Khoo Teck Chong told TheEdgeProperty.com.

The 300-acre Eco Horizon and 74.5-acre Eco Sun have a combined gross development value (GDV) of more than RM7 billion to be developed over the next 10 years.

Eco Horizon will be divided into four residential precincts and one commercial precinct.

"For Eco Horizon, we are allocating over 230 acres of land for the residential component itself, while the remaining 70 acres will be for a commercial precinct. We are looking to launch the commercial precinct four to five years from now," said Khoo.

"We will launch the terraced houses first, then maybe we will move on to other types such as the semi-dees. We always believe in bringing in the residential component first before the commercial," said Khoo.

The two-storey terraced homes to be launched in both Eco Horizon and Eco Sun will have built-ups from 2,000 sq ft, with an estimated selling price starting from RM800,000.

Meanwhile, Khoo added that



Khoo: Batu Kawan offers clean swathes of land where we can showcase what we can do for these homebuyers.

the houses in both Eco Horizon and Eco Sun will have a colonial design concept.

"The houses will be something similar to our landed houses at Eco Botanic. The Eco Botanic landed homes are like a sneak peek of what we will be offering at our mainland township," said Khoo. Eco Botanic in Johor is the developer's maiden township launched in 2013 with a total GDV of RM3.79 million. Over 15% of the 270-acre freehold development has been reserved for greenery including indigenous trees and plants. The first residential project of Eco Botanic — dubbed The Verandah — comprises 624 cluster homes and semi-dees, which were fully sold and delivered to buyers last September.

"Eco Horizon and Eco Sun will



LEGEND

- | | |
|-------------------------|---|
| 1 Penang Design Village | 8 Hewlett-Packard (HP) |
| 2 KDU University | 9 Venture Electronic Services |
| 3 IKEA | 10 Hull University |
| 4 Boon Siew Honda | 11 PKT Logistics |
| 5 SanDisk Storage | 12 Business Process Outsourcing (BPO) Hub JV by Temasek & PDC |
| 6 Bose System Malaysia | 13 Stadium Negeri Pulau Pinang |
| 7 Seagate | |

be in a gated-and-guarded development. We will definitely not scrimp on security because that is of utmost importance. We will also be building a larger-than-normal clubhouse for the residents to enjoy," explained Khoo. Eco Horizon and Eco Sun will have two separate entrances. While the clubhouse is located at Eco Horizon, residents at both Eco Horizon and Eco Sun are free to use the facilities.

Located at the centre of Eco Horizon will be the township's 13.6-acre main park, with a pond that will take the form of a pair of flamingos.

"We understand that the residents may not utilise the clubhouse on a daily basis, yet when they want to use it, they want

complete amenities such as a big gym and a big swimming pool. By building a bigger-sized clubhouse to be shared among more than 2,000 units of homes, this will definitely reduce maintenance fees, yet they can enjoy all the facilities," he said.

According to Khoo, there are many Penangites who are looking for landed homes but cannot afford to buy them on Penang island.

"I would say many of them are genuine homebuyers and upgraders who may have previously bought a non-landed property to stay but have always dreamt of owning a landed property. Unlike the island where there are only small pockets of land for development, Batu Kawan offers

clean swathes of land where we can showcase what we can do for these homebuyers," said Khoo.

"The upcoming developments in Batu Kawan will be exciting as catalysts such as the second Penang Bridge to ease connectivity from the mainland and island will encourage more people to live on the mainland. Besides, the industrial area in Bayan Lepas is already fully occupied and companies are constantly looking for places to expand. The industrial development at Batu Kawan will involve high-technology components and with more upcoming industrial developments in Batu Kawan, it will definitely draw more people to work and live here," Khoo added.

International conference on WCSC 2017 to address current and future urban challenges

BY LUM KA KAY

PETALING JAYA: The ninth International Conference on World Class Sustainable Cities 2017 (WCSC 2017) will have the theme "Transforming Cities: Design, Nature and Human Lives", to reflect the current and address future urban challenges faced in meeting the demands of an increasingly populous world.

To be held on Aug 10, 2017 at The Royale Chulan Hotel, Kuala Lumpur, the conference is jointly organised by the Real Estate and Housing Developers' Association Wilayah Persekutuan KL (Rehda KL), the Malaysian Institute of Planners (MIP) and the Malaysian Institute of Architects (PAM). It is also endorsed and supported by Kuala Lumpur City Hall (DBKL).

"Cities across the globe are swelling, compounding social and environmental sustainability changes. Therefore, cities have to transform, reinvent themselves and rethink

policies that lead to solutions towards millennial challenges," said the organising committee deputy chairperson Ra Adrina Muztaza at a press briefing yesterday.

"The unprecedented growth in urban population will mean that the right strategies and actions need to be in place in order to have cities and towns that cater to the needs of the people towards providing a better and sustainable quality of life for all citizens," she added.

Since its inception in 2009, the WCSC has been a platform for networking among professionals, city managers and citizen groups to exchange ideas, experiences and challenges.

WCSC is also aimed at providing a constructive platform to increase the knowledge of city administration, city stakeholders, industry players, government agencies and the general public on integrated urban solutions and the challenges in transforming our cities into sus-



LUM KA KAY | TheEdgeProperty.com

From left: DBKL Urban Planning Department (Physical Planning Section) senior deputy director Nik Mastura Diyana, MIP organising committee member Khairiah Talha, MIP president Ihsan Zainal Mohktar, Ra, PAM president Ezumi Harzani Ismail, PAM organising committee member Mustapha Kamal and Rehda Youth organising committee member Chan Kin Meng at the press briefing on WCSC 2017.

tainable human settlements that meet the needs of the present and of the future, Ra added.

WCSC 2017 will have international speakers from Japan, Indonesia, the US, China and Malaysia, all of whom are globally renowned for their innovative ideas and solutions towards urban-planning issues and challenges.

Among them would be Fukuoka

Asian Urban Research Centre senior researcher Takayuki Kubo (Japan), mayor of Bandung, Mochamad Ridwan Kamil (Indonesia), The Nature Conservancy global managing director for cities Pascal Mittermaier (US), and Chongqing University Faculty of Architecture and Urban Planning Professor Huang Tianqi (China).

The organising committee expects over 550 delegates including

built-environment industry professionals, city managers, government agencies, residents groups, non-governmental organisations and city stakeholders.

A photo contest was also launched at the press briefing, which aims to capture people, places and opportunities that Malaysians living in cities already have or wish to have.

Singapore-based Beverly Group to unveil Equine Residence phase two in 2H2017

BY TAN AI LENG

SELANGOR: Singapore-based Beverly Group Sdn Bhd will be unveiling phase two of its Equine Residence development in Seri Kembangan, in the second half of this year following the positive response to the recent launch of phase one.

Equine Residence carries a gross development value (GDV) of RM380 million. Beverly Group sales and marketing executive director Wendy Tang said phase one, which had been launched on April 8, has seen 63% of the 471 units taken up within two weeks. Beverly Group is a subsidiary of Singapore-registered Qingdao Investments Pte Ltd.

"We are quite pleased with the results. Most of the buyers are from this vicinity and we have a good mix of homebuyers as well as investors who are looking for rental yields and capital appreciation," she told TheEdgeProperty.com.

Situated in the heart of Equine Park in Seri Kembangan, the 5.01-acre Equine Residence comprises two 29-story serviced apartment towers and one 30-storey tower offering Small-offices Home-offices (SoHos) situated on top of seven car



LOW YEN YEING | TheEdgeProperty.com

park levels – including two basement car park levels – and the ground floor, which offers retail units. The whole development has a total of 861 residential units.

Tang noted that the serviced apartment units come in nine layout types while the SoHo units come in four layout designs. Built-up sizes range from 452 sq ft to 1,266 sq ft.

The selling price for Equine Residence phase one averaged at RM590 psf, with a minimum selling price starting from RM270,000.

"We plan to release the remaining units in phase two in a couple of

months as there are already buyers on the waiting list," she said.

The leasehold development also features 28 retail units on the mezzanine and ground floors. The overall development is slated to be completed by 2021.

According to Tang, there will be a covered pedestrian link bridge connecting Equine Residence to Aeon Equine Park Shopping Centre.

Equine Residence will adopt a classic yet contemporary English Garden concept, with picnic lawns, fountains, pavilions, maze garden, swings, covered walkways and detailed facade,

which Tang viewed as the biggest selling point of this project.

"When we purchased this piece of land back in 2015, we were charmed by the open spaces in Equine Park, the neat roads and nice houses. Coupled with amenities like the Alice Smith School, this quiet estate gives an English country garden feel," she explained.

Tang noted that Equine Park is surrounded by mature neighbourhoods such as Puchong, Seri Kembangan and Bukit Jalil; as the population grows in these areas, she expected a spillover effect on Equine Park.

In addition, the new interchange to the Maju Expressway and easy accessibility via the Damansara-Puchong Expressway have shortened travel time from Equine Park to Kuala Lumpur city centre, Putrajaya and Cyberjaya.

The Mass Rapid Transit Line 2, which will have a station in Equine Park, will also enhance

The improved connectivity through highways and public transportation will attract buyers to Equine Park. — Tang

the connectivity.

Notably, Equine Residence is Beverly Group's first development outside KL, developed in collaboration with Mapletree Investments Pte Ltd from Singapore and Lai Sun Group from Hong Kong.

Beverly Group is the developer of Marc Service Residence in KL city centre. Its current projects include Quartz WM in Wangsa Maju and 28 Boulevard (28 BLVD) in Pandan Perdana.

Meanwhile, Tang noted that the company will be unveiling plot two of Quartz WM known as Fera Residence in July or August this year.

"Plot one – Lexa residence, which was launched in October 2016 – has been fully sold (438 serviced apartment units). Fera's design will be similar to Lexa," she said.

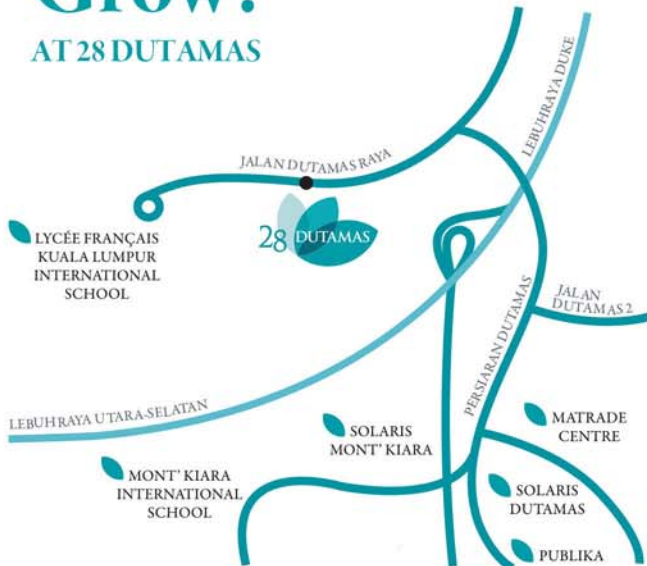
Fera will offer 386 serviced apartment units with built-up sizes ranging from 662 sq ft to 1,589 sq ft. Quartz WM is a 16.5-acre freehold mixed development that carries a GDV of RM1.5 billion.

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THEEDGEPROPERTY.COM ROUNDTABLE 2017 ON "Malaysia a key international office destination?"

PICTURES BY LOW YEN YEING | TheEdgeProperty.com



(From left) Wong, S P Setia Bhd head of group leasing Ng Wei Ling, Yam, Regina, Eric, Au and Buckley before the start of the roundtable held at Setia International Centre, KL.

The office market situation in Malaysia

BY
NATALIE KHOO,
SHAWN NG
+ LUM KA KAY



The current oversupply of office buildings especially in the Klang Valley has been plaguing the industry in recent years, but are we seeing any light at the end of the tunnel? How attractive are we as an office destination to global businesses?

At TheEdgeProperty.com Roundtable 2017 entitled "Malaysia a key international office destination?" powered by S P Setia Bhd and held on May 5, property experts who took part in the event addressed these questions and the challenges faced by the country's office property sub-sector.

The panellists were VPC Alliance (Malaysia) Sdn Bhd managing director James Wong; Knight Frank Malaysia executive director of capital markets James Buckley; JLL Southeast Asia head of capital markets research Regina Lim; InvestKL Corp and Triterra Metropolis Sdn Bhd joint chairman, and the immediate past president of the Real Estate and Housing Developers' Association Malaysia (Rehda) Datuk Seri Michael Yam; and Malaysian In-

stitute of Estate Agents president Eric Lim. The session was moderated by TheEdgeProperty.com managing director and editor-in-chief Au Foong Yee.

In recent years, the office property market especially in the Klang Valley has not been faring as well as in the past. The numbers do not look good considering the high supply and low absorption rate.

"According to the National Property Information Centre's property market report for last year, Kuala Lumpur office building completions were around 320,643 sq m, but the take-up rate is only 24,646 sq m and this is an all-time low," said Wong.

"In 2017, the new supply for KL city and fringe is 4.72 million sq ft, and then next year, there will be another six million sq ft, and so many mega projects — Tun Razak Exchange, the Bandar Malaysia... This is all very alarming."

However, could this be the result of the kind of products that are available in the market? Yam, for instance, believes so.

He admitted that developers have been

building a lot of mediocre products, and not really focusing on market demands and where the demand is coming from.

"There seems to be a mismatch here in terms of supply and demand. Maybe that's why MNCs (multinational corporations) are not coming here, because they can't find the sort of quality that they're looking for," said Yam.

Buckley said developers are raising their game by encompassing special features into their buildings. However, he agreed that the major portion of the existing stock is actually below international standards.

Meanwhile, Singapore-based Regina said Malaysia has much to offer if a comparison is to be made among Southeast Asian countries including Thailand, the Philippines, Vietnam and Indonesia.

"Aside from Singapore, Malaysia is the most developed in terms of GDP (gross domestic product) per capita, office block, employment, services, and so on. Transparency in the market and the ease of doing business are strong in Malaysia. But things can be better.

"If you want to get to the next level, it has to be better. The corruption has to go down. And why is the ringgit low? What is causing this to happen and are these factors going away? Those are the real tough questions we have to ask ourselves," she said.

Wong noted that the country has good infrastructure, ports and connectivity, as well as a friendly business environment. "Our foreign investment guidelines are more liberal compared to Singapore or Thailand. We have very well-defined property ownership rights, unlike in Indonesia where property ownership is only the rights to use rather than a solid title," said Wong.

Eric agreed with Wong, noting that some countries such as China take three months for a company to obtain their office licences, unlike in Malaysia.

"Perhaps the thing we would have to improve on [to attract investors] is for our infrastructure to be upgraded," said Eric.

Meanwhile, Yam pointed out that for the past 5½ years, InvestKL has attracted 65 MNCs to set up office in Malaysia.

InvestKL is a government entity under the

purview of the Ministry of International Trade and Industry, the Ministry of Federal Territories, and the Performance Management and Delivery Unit under the Prime Minister's Department.

Yam added that InvestKL also performs the hand-holding process for these companies who come into Malaysia, to help them through the process of setting up their offices here.

Office grading – to each his own

During the discussion, it also came to light that there was no specific set of standards to grade an office building.

Wong said the local councils have some basic guidelines, but each property consultancy has drawn up its own set of grading criteria, hence they vary with each company.

"But generally, [as to] what is Grade A, B or C, more or less, it is there. So we look at building design, accessibility and building intelligence features, and from there we sort out their grades," he added.

However, Au posed the question on whether there is a need for a more standardised criteria "so that we are comparing apple to apple at the end of the day."

To that, Yam replied he will raise this issue with Rehda and the Malaysian Institute of Architects to suggest the possibility of having a Malaysian standard to grade office buildings.

Changing face of offices

Another topic raised was the impact of technology and how it has changed the way offices operate today. In the past, co-working spaces were almost unheard of. Nowadays, there are co-working space providers such as WeWork that allow members to use their facilities at any of their offices in town.

"When you feel a need to go and print something from the office, then you go to the nearest office," said Regina, adding that a co-working office also means you could be sitting next to someone who is working in another company instead of a colleague.

To veteran property developer Yam, the traditional office space will still be in demand, owing to benefits such as the ability to interact with other colleagues.

SOURCE: PROPERTY STOCK REPORT-NAPIC

Supply and occupancy of purpose built-office

STATE	EXISTING STOCK (SQ M)		COMPLETIONS (SQ M)		OCCUPANCY (SQ M)		OCCUPANCY RATE (%)		INCOMING SUPPLY (SQ M)	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
W.P Kuala Lumpur	8,282,678	8,657,577	339,315	320,643	6,722,600	6,747,246	81.2	77.9	771,617	713,303
W.P Putrajaya	2,052,944	2,114,207	26,145	61,263	1,930,946	1,967,461	94.1	93.1	293,512	481,679
W.P Labuan	66,252	66,716	0	0	53,257	55,016	80.4	82.5	19,222	19,222
Selangor	3,306,328	3,394,403	78,267	84,819	2,501,880	2,561,797	75.7	75.5	315,009	418,424
Johor	1,080,843	1,083,867	47,954	0	863,485	874,942	79.9	80.7	82,127	161,123
Penang	1,105,422	1,104,634	0	0	884,340	906,814	80.0	82.1	29,157	29,157
Perak	613,463	618,799	4,955	5,225	582,369	586,526	94.9	94.8	8,375	3,150
Negeri Sembilan	295,483	306,657	0	10,761	276,110	276,858	93.4	90.3	20,248	9,487
Melaka	398,487	398,487	0	0	324,255	324,255	81.4	81.4	5,004	5,004
Kedah	340,408	362,894	1,165	0	306,455	325,492	90.0	89.7	3,885	31,019
Pahang	397,067	397,067	0	0	350,124	350,375	88.2	88.2	19,175	19,175
Terengganu	342,721	342,721	4,417	0	309,204	326,682	90.2	95.3	3,032	3,032
Kelantan	381,462	381,462	1,395	0	371,186	371,573	97.3	97.4	8,452	13,060
Perlis	131,038	131,038	847	0	131,038	131,038	100.0	100	11,933	11,933
Sabah	671,674	685,975	0	0	609,502	611,686	90.7	89.2	47,624	47,624
Sarawak	665,542	701,829	16,258	0	627,219	654,793	94.2	93.3	29,378	38,958
Malaysia	20,131,812	20,748,333	520,718	482,711	16,843,970	17,072,554	83.7	82.3	1,667,750	2,005,350

Current state of the Malaysian office space market

TheEdgeProperty.com: Napic (National Property Information Centre) has just released its latest property report on Malaysia's office property sub-sector. Malaysia's stock of purpose-built office (PBO) space as at end-2016 was almost 20.8 million sq m housed in 2,462 buildings. Of these buildings, 11 came on-stream just last year alone, offering a total of 500,000 sq m of space. This aside, there are a total of 68 buildings offering a combined 2 million sq m in incoming supply and another 27 buildings in the planned supply chain. KL (Kuala Lumpur) dominates, be it existing, incoming or planned supply. What are the numbers telling us? Are we in an oversupply situation?

James Wong: When you compare [KL with] cities like Singapore's Central Business District and the Philippines' Makati, we are actually faring very badly in terms of our effective rental and take-up rate. First of all, the supply in KL is too overwhelming. This is from Napic. Last year, the total office supply was 8.65 million sq m [in KL], and with a Klang Valley population of about 5.5 million, this is very, very alarming.

In 2017 [based on VPC's estimate], the new supply for KL city and its fringes is 4.72 million sq ft, and then next year, there will be another six million sq ft, and so many mega projects are upcoming — Tun Razak Exchange, Bandar Malaysia... This is very alarming. From Napic's report, KL office building completions [in 2016] totalled 320,643 sq m, but the take-up rate was only 24,646 sq m, and this is an all-time low. This was 8% of the completed supply last year. During the boom time, the absorption rate for the office space in KL was about two million sq ft or 2.5 million sq ft.

This is very, very alarming. Why are foreigners/MNCs (multinational corporations) not coming in despite our attractive rents,

our world-class buildings with green technology features and MSC (multimedia super corridor) status?

James Buckley: No denying the huge amount of new supply coming on-stream into the KL market. What we see is that a major proportion of existing stock is actually below international standards. So what developers are doing is to raise their game by encompassing all these special features into their buildings. Our net absorption is incredibly low — that's where we need to improve.

Datuk Seri Michael Yam: I'm the supreme optimist. The fact is, there is an oversupply. The truth is, are you building the right thing? Napic just gives you the numbers, but which are Grade A, Grade A+ and others? We've been building a lot of mediocre stuff, and not really focusing on where the demand is. It's a joke to have a rent of RM7 psf when Hong Kong charges RM102 psf. Our neighbour Singapore's [rate is] easily three times of ours and their service charge is like what you pay in rent here.

There seems to be a mismatch here in terms of supply and demand. Maybe that's why MNCs are not coming here, because they can't find the sort of quality that they're looking for. But going forward, I think the situation will improve. Now there are REITs (real estate investment trusts) and they demand really good rental income. Prior to that, for offices, people tend to build as cheaply as they can and then sell them off quickly.

Buckley: If you look at the very good quality office buildings — KL Sentral is a good example — the occupancy rate there is much higher than others. And why is that? The newly completed offices have about 90% to 91% occupancy rate, while the older offices have occupancy rates of about 80% to 85%. So go-

ing back to what Datuk Seri Michael Yam was saying — build something that is required.

TEP.com: In the case of KL Sentral, accessibility and connectivity are better.

Buckley: We also have international Grade A buildings in KLCC, such as the Integra Tower where the occupancy rate is very, very high. [There are] very few of those really internationally graded buildings in the market.

TEP.com: How would you define an "internationally graded building"?

Regina Lim: I think the buildings here are great, [especially] the newer ones. The question I want to ask is, who are building them? And what is their intention? Is it because there is no development charge? Is it because you want to build a building and leave a legacy behind? In Jakarta, prices almost doubled in 2010 or 2011 because many land owners built with high plot ratio without paying development charge. And instead of building what the city needs — which are residential apartments — they want to build brand-new shiny office buildings because they can hold on to it forever. If you build an apartment building, you lose control over the land. So when we know why they're doing it, we will know how to manage it better.

Wong: Many developers and land owners behind office buildings build them to sell. But it is very difficult to get tenants. If you look around in KL, there are many office buildings nearing completion, or which are completed, that are on the market for en bloc sales. Almost every month, new office-building owners come to us wanting to sell [their office buildings]. Primarily, these people bought the buildings for investment and when the market turns bad, they get cold feet, so they're selling. So I agree that many people who build office buildings actually don't have a clue as to what they want to

do with the building when it's completed. This has resulted in this big glut.

I like Singapore where planning and plot ratio are very well-defined. Over here, all the different local authorities do their own thing and there is no cross reference. Like KL and Selangor, each gives new office building approvals.

In Singapore, most land that is available for redevelopment is controlled by the URA (Urban Redevelopment Authority) that looks at supply and demand. While here, it's free for all. As a result, rentals here are suppressed and take-up rate is low. Something needs to be done to control the supply of office buildings in KL.

Eric Lim: I'm not as pessimistic, but I agree that there is probably a mismatch between supply and demand. Many [existing] tenants of older buildings are relocating to the newer ones because of better specifications [in the latter].

Over the last two quarters, the occupancy rate has dipped by about 2% to 3%, not because of a lack of demand but [because of increased supply]. I think an overall occupancy rate of 78% is not too bad.

Wong: I beg to differ — KL's current occupancy rate of about 79% is actually more for buildings completed [some time ago]. If you just look at the buildings completed in the last two years, their occupancy rate is all below 50%.

CONTINUES NEXT PAGE



James Wong VPC Alliance Sdn Bhd managing director

Wong has been in the property industry for more than 40 years, including five years as a valuation officer in Singapore. A fellow member of the Royal Institution of Surveyors Malaysia, he co-founded VPC Alliance (Malaysia) Sdn Bhd with Tan Beng Sooi (now chairman of VPC Alliance) back in 1990 and is the resident director managing the KL office. Wong was the president of the Association of Valuers, Property Managers, Estate Agents and Property Consultants in the Private Sector Malaysia, from 2006 to 2010.

THEEDGEPROPERTY.COM ROUNDTABLE 2017 ON "Malaysia a key international office destination?"

FROM PREVIOUS PAGE

Eric: That would depend on location.

Buckley: I would say KL Sentral and Mid Valley areas...

Wong: Those are exceptions. In KL Sentral, if you build more office buildings, because of its connectivity, they will still be filled. But if you look at those on KL's fringes like Petaling Jaya [and] Subang, what's their occupancy like?

Buckley: If you're making a generalisation, yes, developments that are integrated and with good connectivity will always be well-received. There will always be winners and losers.

Eric: For example, the recently completed Damansara Heights, where Menara GuoLand is, is almost 95% tenanted. So this shows its location and design meet market demands.

Yam: This is why we need to scrutinise where the supply is. Taking Mont'Kiara as example — as I understand the Mont'Kiara market better as I've built quite a number of strata offices there — all the office buildings there are over 90% occupied. So again, it's location. When you talk about quality, many are mediocre as they were built in the late 1990s or early 2000.

As for developers, they will just have to take the risk of flying blind. The government is not at all worried because the situation is unlike an abandoned housing project where its citizens will be affected.

We need not get too concerned about the office market because I think it will correct itself as it is happening now. Those who build them are going to fund them with 100% equity — that's a risk they take. There may be some other advantages that we do not know of; maybe it's tax planning. If you go to Sibuan and Miri [in Sarawak], there are blocks of vacant buildings.

On Regina's point on what's the motivation of building offices: If you go through the risk matrix of a developer, the lowest risk in terms of asset class to develop is probably residential because they will sell. If your houses can't sell, you can lower your price until someone buys. After building six to seven residential [projects], you would've built enough equity, so you may want to build offices next. So the motivation here is presumably risk diversification — a portfolio of products. And when you make enough money, you [might] want to build a hotel. It's a PR (public relations) move, a diversification of portfolio... If the land is in a city centre, it will be a waste if we don't build anything else other than residential.

The land amortisation cost for office buildings is given by plot ratio unlike residential, which is given based on population or units per acre. We've been trying to tell the authorities to follow the Singapore model where residential development can be based on plot ratio.

Regina: Does the [current] rent cover the construction cost [of office building]?

Yam: I think the yields are between 4% and 6%.

Wong: The yield of 4% to 6% is based on 100% occupancy, but you look at all the new buildings — not all of them are built at Mont'Kiara, Damansara Heights or KL Sentral; these are areas that are still in demand. But [in] many other areas, people just build and leave them [the buildings] there.

Building office buildings for investment is not an attractive option in this country because it is very hard for you to achieve up



Datuk Seri Michael Yam InvestKL chairman

Yam had a 35-year run in the real estate, construction and corporate sectors before he retired in 2008. He is now the joint chairman of Triterra Metropolis Sdn Bhd, a boutique property development company. He is also the immediate past president and patron of the Real Estate and Housing Developers' Association Malaysia (Rehda), besides being appointed onto the boards of several listed and non-listed companies as an independent director. Yam is a Fellow of the Royal Institution of Chartered Surveyors and also a Fellow of the Chartered Institute of Building.

to 80% occupancy for new office buildings and the effective rental is too low. There are not many office buildings that are attractive enough for REITs to buy. Warehousing and logistics buildings' yields are more attractive.

How does Malaysia fare as an international office destination?

TEP.com: Who are our competitors? What is our competitive edge? How we are perceived as an international player in terms of office space supply.

Regina: I don't think people go around asking: "I want to set up an office and where should I go?" If they are looking for manufacturing facilities, they may say so. For instance, instead of manufacturing something in the US, they outsource it to Asia, and then they will shop around in China, Vietnam or Indonesia. For offices, it's generally a controlling function — you're controlling manufacturing, retail functions, [and it] really depends on where these activities are. If your customers are in Southeast Asia, you may want to put a human resource function here, or distribution or marketing. Say if your manufacturing is in Malaysia, you can do it in KL; otherwise, you may put it in Singapore. So in Singapore, for instance, Facebook took up 250,000 sq ft of space. Right now, they're only using about 100,000 sq ft. The suspicion is that they're

not giving up the 150,000 sq ft and may end up taking up more space. Why would they do that? Singapore has a smaller population than Malaysia.

There are more Facebook users in Southeast Asia than any other continent in the world. There are many Facebook users in Indonesia and Thailand, and they're shopping and trading goods on Facebook. Facebook is using their office to market and distribute, and to do all the things they need to do for Southeast Asia. So you ask yourself, what is the demand for an office building in KL? It's not whether it's an international office destination or not; it's really about how much of economic activity has to be in KL — how much manufacturing, retail, consumption is going to happen in KL. If you think you're going to have a lot more of your firm's activities in KL, whether it's because "it is expensive in Singapore so I'm outsourcing it to KL", or the wages are cheaper. Actually, wage is a bigger component of your cost than office. So if your wage is reasonable, the education level is good, then you might have more purpose-built offices here. The office demand is the tip of the iceberg. Ultimately, what does KL offer? Does it have strong domestic consumption? Does it have superior education levels? What is it?

Yam: As you know, KL is quite small; it's 245 sq km, much smaller than Singapore. The government is coming up with a transformation programme where one of the key economic actions would be to create a Greater KL. The real estate value in Greater KL is high compared with the rest of Malaysia. And you cannot have pure manufacturing activities. It has to look at services, talent and innovation — and how are you going to promote that?

Hence the birth of InvestKL, it works with MIDA (Malaysian Investment Development Authority) to lure MNCs. So here is the game plan: Malaysia is too small, so we play the Asean card. We have now come to terms with more advanced countries to set up regional headquarters or principal hubs in Asian countries. What are the advantages of KL? In our engagement with these people, they thought Malaysia is only for manufacturing, while the regional headquarters must be in Singapore. We did a poor job in marketing ourselves. Malaysia is ranked the third-most preferred global offshore location and the fifth most attractive global investment destination — you can take these rankings with a pinch of salt — 16th global ranking in infrastructure and 23rd position in ease of doing business.

I mean, for a small country of 31 million, we're punching above our weight. We are also the fourth-best shopping destination, 11th for transportation. This actually surprises me. The latest ranking shows Malaysia is the No 1 place to invest in; No 2 is Singapore. From the Asean perspective, of course Malaysia has a strategic location in Asean — we're business friendly, politically stable and we have available talent as well as competitive business cost and high livability. We have international universities, international boarding schools, hospitals. We have the whole ecosystem, so what's the cost of doing business? And now, [the question of] rental comes up. What are the negatives? Safety and security issues, poor maintenance culture, poor built quality and traffic congestion, which will be resolved by the Mass Rapid Transit system. We have the plus and minus.

And because of the downturn in the oil



I mean, for a small country of 31 million, we're punching above our weight."

— Yam

and gas industry, we suddenly realised we have a great opportunity. The head offices based in New York and Singapore or London will look to cut cost, but there's only so much manpower that you can cut. Then, they will be looking at relocation and the whole ecosystem of doing business in KL seems very attractive now. So I would brag that InvestKL has for the past 5½ years seen 65 MNCs — and these are billion-dollar companies — relocate their offices here. We're doing it very quietly because we don't want our competition to know. But it is happening.

Wong: What you've highlighted is very good. But how many of these MNCs need offices

spaces? If we have so much competitive edge and our rental is so attractive, why is our absorption rate for Grade A offices so low?

Yam: You must remember that InvestKL is not just a pure real estate play. In general, we want them [MNCs] to set up regional headquarters here in KL. We are talking about human capital management, accounting consolidation. There will be flows of money in our banking system. How many Malaysians are employed in the higher management level? Those are some of the KPIs (key performance indexes). And today, they have already occupied 600,000 sq ft of office space. James [Wong], you must remember that when office buildings are completed, it will take two to three years before they are filled up. I know of a huge MNC who has occupied an office in PJ and they're already looking for new office space once their tenancy expires. These are some of the things that are happening on the ground. And the incentive schemes — they're arranging some of their top management to come here. They're not going to, at the first shot, go for 100,000 sq ft; they will say start at 20,000 sq ft, then they will gradually move up.

TEP.com: These are the bright spots...

Wong: A large foreign bank in Hong Kong is relocating their office to KL with a few thousand employees. But these are pockets here and there. What we want to see is sustainability and to see MNCs come in big numbers. What else can InvestKL do to make this happen?

Yam: We can't be the only party doing this as we are only focused on KL.

TEP.com: In 2016 alone, InvestKL managed to attract 13 MNCs, bringing in RM3 billion in approved and committed investments. What is the outlook for this year?

Yam: The KPI set by the government is 10 MNCs per year. And this year, the figure is 12. We will do it.

TEP.com: Looking at the MNCs that came in last year, five were from Europe, five from Asia Pacific and the Gulf region, and three from the US. Do you see new investments coming from similar countries?

Yam: I think Europe will be sustainable, almost business as usual. The concern is on the US, which we will have to wait and see, so our new target now is to get MNCs from China and Japan. I think we will get a few more from Japan and we hope it will mitigate the impact from the US. Meanwhile, China is a new frontier. We are courting Alibaba



James Buckley Knight Frank Malaysia executive director for capital markets

Buckley joined Knight Frank Malaysia in July 2015, bringing along 20 years of experience in the real estate and fund management industry – with the last 15 years based in Asia. Previously, he was the executive director and head of funds management at Tan-EU Capital, a boutique private-equity real estate fund manager in Hong Kong. Buckley started his career with Grosvenor, when he was transferred to the Hong Kong office in 2000 to oversee the company's first development in Asia, Grosvenor Place, which is now a multiple award-winning development.

Group as they are setting up their regional distribution hub in Malaysia.

Back to James' [Wong] question, one of the challenges is that MNCs like 20,000 sq ft floor plates, but we don't have it because nobody is daring enough to build that sort of floor plate speculatively. So in order to change the game, we have to move from a speculative market towards a more customised market. And we have to do our homework better in terms of design, marketing and concept, rather than saying there is oversupply and people should stop building.

Buckley: Does InvestKL benchmark against Hong Kong and Singapore? How are we doing in terms of attracting MNCs in the past couple of years? How does it compare with the others?

Yam: Invest Hong Kong is like a tourism board — I don't think they have the powers like InvestKL where it can go to the government and ask for very specific incentives. We also provide all hand-holding services for MNCs, so I think we are doing a pretty good job and always benchmark against the Singapore Economic Development Board.

Office owners are keen to have MNC tenants because it is good business and branding for them. Many MNCs would think that the rental here is very cheap; they are here because of the good ecosystem and services that we provide for them.

Eric: Many MNCs currently in Malaysia have expanded to bigger spaces, such as Alliance, MetLife, AIA and Huawei.

Yam: One of them is a company called ServiceSource, which expanded from one floor to two floors in One Mont'Kiara in less than two years.

The way InvestKL works is that we don't advertise but collaborate with the Chambers of Commerce and the major property consultants who move expatriates around the world. In the economic downturn, there will be big companies asking the consultants how to optimise their cost, and one suggestion is that they relocate their office to Malaysia.

Buckley: Yes, we have seen that in Knight Frank. Some Singapore companies shifted some of their staff and business operations to KL to save cost.

Wong: There is a lack of promotion. Many MNCs are deterred from relocating to Malaysia because of the limitation on foreign equity ownership. They do not know about the principal hub incentive guidelines, which include the relaxation of foreign equity ownership in principal hubs. Hence, InvestKL and Mida have to sell Malaysia more. We are good in coming up with all these incentives, but poor in marketing or telling people about them. A lot of MNCs are still not aware of this.

Yam: InvestKL only has RM17 million [budget] per annum, so that is a limitation. But you can see our CEO Datuk Zainal Amanshah is always doing interviews with foreign media, and we always send our people to conferences and business trips to market our nation. We are not taking a shotgun approach but a rifle approach, so if you don't see it here, [it] doesn't mean we are not doing it.

Wong: Of the 65 MNCs that InvestKL have managed to attract, how many of them got the 100% relaxation on foreign equity ownership?

Yam: All of them got the 100%!

TEP.com: We have discussed about office space supply and demand, Malaysia's strengths and weaknesses, the MNCs and InvestKL. What about the perception of local tenants?

Eric: I think the majority of office space is taken by locals. The only issue is that when the local plans to relocate, they worry about cost. So office owners have to be more creative in their offerings to locals, such as rent-free periods to attract tenants.

TEP.com: [Is] this relevant to the older or new buildings?

Eric: Old and new ones. Sometimes the local companies are fine with the rental rate, but they worry about the cost of relocation and renovation. So landlords should also offer packages to ease the relocation. And as people move to newer buildings, the older ones have to undergo some refurbishment [to remain attractive].

TEP.com: Are they looking for customised space in terms of construction or design?

Eric: While I think local players are interested in MSC-status buildings, they tend to look for something cheaper.

Buckley: If you are a tenant who is paying RM5 to RM6 psf per month – and let's say if it is going to cost RM150 per sq ft for your fit-out cost – it will be quite difficult to at-

tract existing tenants to move to a new office building due to the much higher cost. In this case, landlords have to work harder and be creative in their offering, not just rent-free periods.

Eric: From my observation, the office owners who are more flexible are able to fill up their buildings faster. So the key is how flexible they are...

Wong: Yes, currently it is very much a tenant's market, so if you don't provide three or six months of rent-free periods, subsidise the relocation and fit-up cost, you won't be able to attract large new tenants into your building.

TEP.com: Are there any exceptions in the market where people do not mind paying a little bit more premium to get into it?

Wong: I don't think so.

Eric: Because the local players are more basic and price-sensitive.

Yam: But I think the trend will change due to globalisation. Recently, I went to Integra Tower and I was totally impressed by the quality of the building. I remember when I used to visit GIC (the Government of Singapore Investment Corp) and Temasek in Singapore 10 to 15 years ago. I was very impressed with those buildings. I asked why could they do it and we can't? Rental is probably just a small portion of the entire business cost. Quality buildings can attract a lot of people, such as Menara Binjai — there are people who appreciate quality.

Buckley: Menara Binjai is incredibly popular; it is almost 100% occupied.

Yam: For a tenant looking for new space, it is not just about rental. The tenant will also be looking for something more efficient and that will offer higher productivity, less inconvenience, greater connectivity and a sense of community. And don't worry about the oversupply situation; no one is going to get hurt except the landlords. But in terms of residential property, yes, it is very sensitive.

TEP.com: It is not just about location, design and branding, right? The maintenance of a building is also very important because you can have a fantastic building today, but five years down the road, it could be very different.

Yam: Yes, that is a consequence of the rental not being high enough.

TEP.com: So what would be a good balance? What is it that the developers and landlords need to do?

Yam: I think they need to be more transparent in the way they maintain a building and learn from the UK where the management corporation will table the budget of maintaining and upgrading the facilities in the building to owners. The owners are willing to stay in the building because they know the facilities will be upgraded. But in Malaysia, people are staying because of cheap charges, so we need to change the mindset.

TEP.com: Is it something that the government needs to do to ensure at least a minimal level of maintenance?

Yam: I hope not, because we are so highly

regulated and legislated.

TEP.com: So it is back to the stakeholders because they hold the key?

Buckley: If you want your building to be competitive, the building needs to be well-maintained and it should be left to market forces instead of the government.

TEP.com: Hence the players themselves actually hold the card; you decide what kind of building it is going to be and, by extension, what kind of pricing that you can command from the market.

Wong: I think the maintenance culture of building owners in Malaysia is very low, compared to Singapore and Hong Kong. Even in a Grade A office building, you do find issues like lift breakdowns and malfunctioning car park barriers. So you need to plan ahead to react to issues quickly, but generally, building owners in Malaysia have poor maintenance culture.

Buckley: They are more reactive as opposed to being proactive.

Grading of office building – who decides?

TEP.com: We talked about Grade A or B offices — is there a formal benchmark? How are buildings graded? Who decides on the grades?

Wong: KL City Hall has some guidelines but those guidelines are actually very basic, so each international property consultant will have their own criteria and guidelines. But generally, [as to] what is Grade A, B or C, more or less, we look at building design, accessibility and building intelligence features — and from there, we sort out their grades.

Buckley: Yes, we have our own criteria and basket, which will change over time when these buildings improve. We have the premium rank, and there are only four buildings in KL that qualified.

Yam: I think the Urban Land Institute (a nonprofit research and education organisation with offices in Washington DC, Hong Kong, London and Frankfurt) have definitions for the grades, but you cannot use the same grading for the buildings in different countries.

TEP.com: Yes, and the market is not static, so the grading must evolve. But is that the case? Are Grade A buildings 20 years ago still in the same grade today? Is there a need for the grading to be standardised for a like-to-like comparison?

Buckley: The criteria and definition of a Grade A building would've changed during the 20-year period. You can just look at the waiting time of lifts in Mid Valley and compare what is being offered in new modern developments.

Yam: Lifts' speed is very important; it is one of the criteria. You have raised up a good point, I will ask Rehda (Real Estate & Housing Developers' Association Malaysia) together with PAM (Malaysian Institute of Architects) to set up our own Malaysian standards.

TEP.com: When InvestKL promotes the

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THEEDGEPROPERTY.COM ROUNDTABLE 2017 ON "Malaysia a key international office destination?"

FROM PREVIOUS PAGE

Grade A buildings, whose standards do you go by?

Yam: Generally, architects are the independent consultants. So, if I were describing a building that does not have specific [grading] definition that I can follow, I will ask the architect to come up with the specs (specification) to justify the grade. There are certain things that you cannot compromise; such as lifts, floor-to-ceiling height, curtain wall and energy savings...

TEP.com: Right now, the grading of a building is something that can be quite confusing for a layperson.

Yam: In fact, it is confusing. For instance, car parks. People in Singapore and Hong Kong usually do not need them, but it will play a very big role here to determine whether a building is ranked Grade A or B. And, going forward, if there is an MRT station, [the availability of] car parks should not be a criteria anymore.

What Malaysia needs...

TEP.com: Regina, there was a report by JLL about a year ago featuring the top 10 biggest single office asset real estate deals in Asia Pacific. Singapore's Asia Square Tower 1 topped the list that also highlighted six deals in Japan, two in China and one each in Singapore and Hong Kong. What does Malaysia need to do to get into the list?

Regina: Firstly, because rents [in Malaysia] are very low, the price per sq ft is very low. Thus, even if you have a five million sq ft building, it will be reasonably cheap and wouldn't feature in some of these indices.

TEP.com: But that should make us very attractive?

Regina: It is attractive.

Yam: I think one of the challenges in Malaysia is the perception that Malaysia is an Islamic country — there is an issue of trust deficit, that sort of stuff, a lot of negative things. We always shoot ourselves in the foot. If you cast that aside and look at what are the buildings that can be sold, there are only a few quality buildings that huge investment companies would look at.

But if you can buy a building with 5% yield in Malaysia and bet on the ringgit strengthening, it will be a double win. In fact, if you look at the negative interest-rate policies set by governments from Japan to Europe, this is a great opportunity for them — they should be cashing out and looking for yields. The only risk is forex, but if we are betting it right, our currency should increase, then you should be doing a deal here, so I think it is a lack of confidence.

Wong: Having said that, we have a Grade A office building with 5.5% net yield in hand. We are not the only firm marketing this building, yet it has been on the market for a while and couldn't find a buyer. We even marketed it overseas. Through our close associates in the UK, we spoke to a private fund, but they are looking at a net yield of 6.5% and looking for an office building that is off market.

Most investors are looking for high yields, which means owners have to bring down prices. But the owners are not willing to do so currently.

Another interesting development is that, if you look at the office building transactions over the past two years, I think none of them

were sold to any foreign funds. They were bought over by local REITs, EPF (Employees' Provident Fund) and KWAP (Kumpulan Wang Persaraan (Diperbadankan)). So why are the foreign funds not coming in to buy our office buildings even if there are a lot of signs pointing that ringgit is strengthening?

Yam: Because our real estate agencies are doing a poor job. We are not that aggressive. Maybe you don't get listings so you don't do it, but real estate agencies should put in a sustained effort. They have to do the shotgun approach while we do the rifle one.

Buckley: The way we work in Malaysia is slightly different from overseas, where you will have more exclusive agency appointments, whereas the agents here are appointed on an ad hoc basis.

Yam: But I think a lot of developers wouldn't mind it; typically when I do something, I don't mind giving a particular agent six months exclusivity.

Eric: For office buildings, it depends on the owners. Some of them will give agents three to six months (on an exclusive basis) to reach out to potential clients.

Buckley: What I found is that the owners who are not in the real estate industry typically like to appoint an agent to exclusively sell their buildings, but a lot of developers are not willing to do so and they just call multiple parties. So for an international agency like Knight Frank, JLL or CBRE, to market it overseas and engage your team overseas is quite difficult.

Digital disruption and office space

TEP.com: What about digital disruption? Do you see it impacting the take-up of office space?

Yam: Based on my observation, one of the reasons you need to be very efficient in places like London is because you pay a lot of money to travel to go shopping. The fuel cost there is three to four times here.

Buckley: I think it is people's time. People don't want to waste time travelling from one place to another if they can shop online. But Malaysia is a little bit behind, although I believe we will catch up pretty soon.

TEP.com: That is for retail. Does digital disruption have an impact on office space?

Yam: I think there will be some. But I don't think it will be major. I think people still need to relate and socialise with the community.

Buckley: After all, especially if we are in a customer service industry, we still need face-to-face interaction.

TEP.com: What about the impact from co-working spaces?

Yam: When we go to work, one of the reasons, aside from making a living, is to be able to interact with our colleagues. We have some fun. There are birthday celebrations and all those. However, co-working spaces do not provide that. There is co-working space for the millennials and the technopreneurs, but for others, they



Regina Lim
JLL Southeast Asia
head of capital
markets research

Lim's career in the property market spans over 15 years. She started out in Singapore's Urban Redevelopment Authority, where she undertook property research, land sales policy and planning policy studies. Prior to joining JLL in October 2015, Lim was the head of Singapore equity research and head of Asean property at Standard Chartered. She has covered Singapore property developers and Singapore REITs in UBS and Standard Chartered.

still want their office space where they can lock their drawers before they go home.

Eric: In the past, new start-ups that may not be able to afford the rental of an office space will have their offices in shop lots.

Wong: Co-working space is a trend but it is a small growing trend. It is more applicable to marketing and online shopping — for instance, Lazada. They have a few hundred employees, mostly occupying shared spaces. However, their office has many facilities such as a mini gym and a little café area for staff to hang out — a Google kind of office. I would not say it is a major trend now.

Buckley: We haven't seen big co-working offices coming in such as WeWork. The co-working space that we see in Malaysia is just an interpretation of what the co-working space is like in Singapore and Hong Kong, where the co-working trend there is more developed. So, it's not impossible to see the co-working space trend develop in KL and that could dramatically influence the way we work.

Regina: I think many things we see today have been enabled by changing technology. Ten years ago, we couldn't book a GrabCar because we did not use a lot of mobile phones or GPS, or even online shop. But for the past five years, developed markets such as London, Berlin and

the US have seen an increase in the number of freelancers in this gateway economy. Basically, instead of me doing your job for the whole year, you can bill me by the hour. As there is a growing number of these freelancers, there is a strong demand for co-working space. And in London and Berlin, there are actually developers building purpose-built co-working spaces — 200,000 to 500,000 sq ft. And who are their tenants? They are a combination of freelancers. Instead of me giving you an office in this part of the town, I am giving you a WeWork membership for a yearly subscription and you can work at the 12 offices around town. It is like joining Fitness First. When you feel a need to go and print something from the office, then you go into the nearest office.

The co-working space is also interesting because you can sit next to your colleague or you can sit next to someone who is working in Amazon and learn a thing or two from him. And they are doing a lot of sharing of services, like a secretariat. Most of these freelancers also do not have health insurance. The co-working space operator can say you can use this health insurance company which is sited right over there, for example. It's basically a bundling of all services. There is a community that is happening.

When you go to a gym, the last thing you want is for all the treadmills to be taken up. As for the co-working space operator, the last thing you want is for people to come in and not be able to find a desk. There is some fictional vacancy that they try to maintain in a single outlet of their operation that would not really result in a lower demand for space overall.

But in the last 20 years, you can see that the usage of office space has slowly changed. We used to take 12 sq m per person, then it dropped to 10 sq m and eventually 8 sq m. But there is a flaw. I don't think we can go beyond 8 sq m. In a lot of office spaces that JLL helps companies to design, we find that even if desk areas are getting smaller, the breakout areas are getting bigger. Because people who are born and bred using mobile, checking their Facebook 100 times a day, they are social people. You want to keep them working for you instead of jumping ship every two years. So, those are the changing needs of modern office users.

Buckley: I think it is also because businesses like the flexibility as they can do month-to-month leasing. They also do not have to fork out the fit-out cost, and if a particular part of the business is growing, they can just move the team to that office.

Regina: You know, I am enjoying using Airbnb every single time I travel. I have three children and I enjoy cooking and washing [in these Airbnbs]. I can't imagine staying in the hotel ever again. I know co-working spaces in Singapore make up less than 1% of the occupiable stock, but I believe it will make up 5% to 10% in the next 10 years. In developed markets like Berlin, London and Manhattan, it has taken up more than 5% of the occupiable stock.

TEP.com: It is indeed gaining momentum.

Regina: Yes, it is something we could not do before, but something we can do now. You could not operate a company with your different employees in different co-working spaces 10 years ago. Because firstly, you don't know where they are and there were no emails back then. In Singapore, we are working on this thing called the Personal Flying Vehicle. So, instead of taking an Uber or a cab, you are going to be on a motorbike and flying in the air. I know, it sounds pretty off and a bit crazy, but basically you have

“
If it is something I cannot use, then it does not matter how cheap it is.”
 —Regina

drones already now carrying parcels which are 55 kg, almost the weight of a person. I don't think we should discount these possibilities. The youths are going to inherit the earth and this is what works for them.

What should be Malaysia's story?

TEP.com: Malaysia has a good story to tell; it is just that we are not telling it right and not telling it loud enough. Regina, looking in from the outside, what is the story we need to tell?

Regina: I think KL will do fantastic if Singapore did not exist. Singapore is a global city, and it has a higher GDP per capita, so it is in a different league altogether. And then we have the rest of the five countries in Southeast Asia that I cover [Thailand, the Philippines, Vietnam, Malaysia and Indonesia], of which Malaysia is the most developed in terms of GDP per capita, in terms of employment and services and so on. So, I think it [Malaysia] has achieved quite a lot and the problem is to go further, in a more service-oriented situation, a lot of the higher-level things are required. For example, transparency in the market is strong, ease of doing business is strong. But they can be better. If you want to get to the next level, it has to be better. Corruption has to go down. And why is the ringgit low? What is causing this to happen and are these factors going away? Those are the real tough questions we have to ask ourselves.

I believe Malaysia is going to steal away more MNCs from Hong Kong, Shanghai, Singapore and Sydney because the cost is cheaper. But there is also another side - the benefits. What can I get for this cost? If it is something I cannot use, then it does not matter how cheap it is. It is those qualitative, software things we should fix.

I am optimistic about China's involvement with Malaysia. Malaysia is a rich country full of history and wonderful people, fantastic food. It has so much potential. The Chinese's determination, their sense of focus, their efficiency paired with Malaysia's geographical and rich resources, its ports - maybe in the next 20 years, that combination can beat Singapore, and Singapore may become irrelevant if China and Malaysia work very hard together.

TEP.com: That aside, has Malaysia done anything right?

Wong: The good attributes of the country are that we have good infrastructure, good ports, good connectivity and a very friendly business environment. Our foreign investment guidelines are more liberal compared with Singapore or Thailand. We have very well-defined property ownership rights, unlike in Indonesia where property ownership only gives you the rights to use rather than a solid title. Like what Regina said, these are all the strong attributes. But what is so sad is that we have an image problem. Our foreign missions, InvestKL, the Chambers of Commerce and everyone have to do more marketing. For example, the MNCs that InvestKL attracted have gotten 100% foreign ownership - a lot of foreigners are not aware of that. And the other weakness is government bureaucracy, red tape and corruption - we need to change the perception.

Buckley: Our infrastructure here is not bad on a regional basis; they are getting better.



Eric Lim Malaysian Institute of Estate Agents (MIEA) president

Lim has just been elected president of MIEA, having been actively involved in the association since 2003. He has been in the real estate industry for over 21 years. He is also the founder and group managing director of Hartamas Real Estate Group, providing corporate real estate and project marketing as well as valuation consultancy services. Lim was a board member of the Board of Valuers, Appraisers and Estate Agents (BOVAEA) of Malaysia from 2007 to 2016. During his stint in BOVAEA, Lim was the chairman of the Estate Agency Practice Committee.

But, it is not that comprehensive. Our bus services are quite poor.

Wong: But if you compare that to Manila or Bangkok?

Buckley: But why are we comparing ourselves with these countries? We should be comparing ourselves to Hong Kong, Taiwan and Singapore. I think more needs to be done on the infrastructure. I see this as a weakness, not strength. I think bureaucracy and red tape are an issue here. Just recently, DBKL (KL City Hall) announced that if you have a business in an office tower, you need to have a licence. Why do you need to have a licence? It is just more cost, more red tape. It doesn't make any sense to me. Things like that don't do us any favour.

Yam: For comparative purposes, this is the World Bank 2017 ranking: New Zealand is No 1 for the best country to do business, but the population is three million, so it is not so scaled. Singapore is No 2, while Malaysia is No 23. Aside from Singapore, Malaysia is No 1 in Asean. Thailand is 46.

It does not mean that we take 46, subtract 23 and we are 23 positions ahead. I thought I could share this for the benefit of the young people that all is not lost. Brunei is 72, Vietnam is 82, Indonesia is 91, the Philippines is 93, Sri Lanka is 110, Cambodia is 131, Laos is 139, and Myanmar is 170.

Buckley: One of the plus points worth mentioning is that we have the KLIA and KLIA 2 airports. It is easy to get around the region. It's great; it's very cost-effective, especially with the budget airlines. That's very attractive for businesses.

Yam: Two years ago, when the IMDB issue came up, I was told to go and see the chairman of an MNC on how to deal [with this news]. It was surprising that they don't ask head-on about the IMDB issue. My take on this is that we operate in a global environment - they understand and so they don't look at it as something surprising or shocking. They would have seen Africa or South America, so it is business as usual for these countries.

We have the more matured countries where the governance is pretty good, but you also have the emerging countries and less-developed countries that have to deal with politics. We can't have the one-size-fits-all situation. Malaysia needs some affirmative action plan to address the distribution of wealth that you see in countries like India and Sri Lanka. We need to have out-of-the-box thinking. Each country needs its own solution to help solve the challenges of a diversified community.

TEP.com: What would be Malaysia's story from InvestKL, then?

Yam: We are pushing above our weight, in terms of infrastructure, schools and the overall ecosystem. Perhaps the only thing is the heat and humidity in Malaysia. Tell us the things that are stopping you [foreign investors] from coming in. Is it the tax or is it the bureaucracy? We can deal with it head on. We need to spend more to promote Malaysia. The organic growth is too slow.

Eric: In Malaysia, we are actually doing quite well. In China, it takes three months to set up a company. Here in Malaysia, it takes a few days. China demands all sorts of documents, some to be translated into Mandarin as well. Perhaps, we just need to improve on our infrastructure.

It's not all gloom and doom

TEP.com: There are new purpose-built office projects that are doing well. Datuk Seri Michael Yam, do share with us your latest venture.

Yam: My company, Triterra Metropolis Sdn Bhd, is currently in a partnership with Naza TTDI Sdn Bhd to kick-start an office development at The MET Corporate Towers at the 75.5-acre KL Metropolis on Jalan Duta, KL. Comprising a 42-storey and a 30-storey tower, it is expected to complete in 2021. This is a premium strata office development. We did a lot of research on the Mont' Kiara market. The project location is very near the high court so a lot of law firms have approached us...

When their business is doing well, they naturally will want to expand. And they don't want to move to somewhere far; they want to still be nearby. We are already 70% pre-sold and we are selling at RM950 psf onwards, depending on which floor. This is a great address, the connectivity is great

and it is affordable. It is said that a monorail line will be passing through here as well.

In short, developers need to really work hard to up their game.

Buckley: If you compare that pricing [of average RM950 psf] to Bangsar South, it's very, very attractive.

Yam: A lot of thought have been put into this project. After Plaza Mont' Kiara, it was almost a supply-driven type of situation.

Wong: When you have done your homework, you will customise the building based on the needs of your potential buyers. But you look at the current market, some people who have built the office buildings don't know anything about what the buyers want. It's a speculative move.

Yam: So you must know your market and customer. I would like to thank TheEdgeProperty.com for doing this roundtable discussion on the office market. Property is like any other commodity - you need to get the product right, know your customer and get your branding right. It's one of those asset class that I wouldn't

be too concerned about because it doesn't really hurt any man on the street except for the investors. Those who might be hurt are probably developers, but they already have a safety net for themselves. Maybe the banks [might get hurt], but they are trained for risk mitigation.

Why would people buy shop houses? You would only get 2% to 3% yield and look, banks still lend them money.

Wong: It's for capital appreciation.

Yam: Precisely. My friend bought a RM6 million shopoffice unit and eight years later, it is now worth RM18 million. In Malaysia, what else can you invest in [for capital appreciation]? In fixed deposit, you probably can get about 5% return. For stocks, nine out of 10 buyers will get burnt. If you pick the right [property] product at the right time, you can enjoy capital appreciation. So developers, investors and buyers, please do your homework. Or maybe can also invest in REIT.

Wong: I think KL is well-positioned among Asean countries as a regional hub with our diverse economic and business activities. The ringgit will hopefully strengthen but at this current position, it makes our office rents extremely attractive. Compared with Jakarta, Bangkok, Makati - InvestKL must promote [Malaysia] - we have the lowest gross effective rent among these markets.

Buckley: It's even lower than Phnom Penh.

Wong: Precisely. So why are MNCs not coming in? I think we need to sell more. I actually have a lot of faith in [China's] Belt and Road initiative connecting 64 countries throughout the world. And because of our good relationship with China, Malaysia is one of the countries China is helping to develop and this will have spin-off opportunities. Also, with the digital hub that is being developed at KLIA Aeropolis with Jack Ma spearheading it, we should be able to attract more China MNCs. Hopefully in the future, more will come into the market. And Malaysia's economy, slowly and surely, is recovering.

Eric: Moving forward, we can also probably look at those shop house owners. They may want to upgrade or move to the older office buildings.



Malaysian city life and what it means

BY NATALIE KHOO

I love my country Malaysia very much. There is a deep sense of pride and joy to be a citizen of this country and having lived in the city of Petaling Jaya, in particular, all my life.

I am sure many Malaysians feel the same. Even if you have travelled to many different countries, there is no place you would rather call home. We speak to three prominent Malaysians to find out what they love about living in Malaysia and what they hope the cities they live in will evolve into in the future.



Datuk Chef Wan

Malaysian celebrity chef Redzuawan Ismail, more famously known as Chef Wan, actually started off in the accountancy field. Now a household name in the culinary industry, having produced multiple cookbooks and starred in numerous TV shows, Chef Wan is a firm believer that greenery can add to a person's happiness in the city, as seen in places such as Stockholm and Oslo.

More greenery, please!

"I think beautiful parks and pockets of forests present within a city make living in it more relaxing and make the citizens happier as well. Even in Japan or Canada, you can see that people live longer when there are more recreational parks, as they can spend time hiking and soaking themselves in nature. Meanwhile in Malaysia, there are different attractions present in the different cities here. We have wonderful dining places as well. Connectivity and amenities in the inner city are good and easy to access. It is easy to get from shop to shop, coupled with the improving public transportation, which makes it convenient to move from place to place."

A beautiful city is a clean city

"My wish would be to see better town-planning so we can have more greenery in the city as well as wider roads in congested areas. I also believe there should be

more public recreational places. Old buildings should also be preserved like what they have done in Penang because it is our culture and heritage. Another concern I have is hygiene in the city. The citizens living in the city produce a lot of rubbish but do not dispose them well. Sometimes when I go jogging in places like Taman Titivangsa, the place is full of litter. In the city centre, people also discard leftover food on city streets and drains, which then attract rats. The public toilets are also a huge concern - they are smelly and disgusting. Surely, we can come together and take care of all these public facilities better. It is our role to take care of the environment.

"I also hope our cities will have a better integration of public transportations as well as more walkways and pavements for people to get from one place to another, and to feel more connected. I would also like to see more green and for our rivers to be cleaned."



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Datin Dian Lee

Founder and managing director of boutique property development company The Clearwater Group, Lee is a mum of three young children and also teaches yoga. She loves food, nature and visiting new places. Lee is a city girl, having lived in Kuala Lumpur all her life. Her one wish is for the city to have more free and safe places for children to play.

Beauty in diversity

"KL is a city that is incomparable to other places because we are so unique. I see KL as a very beautiful city. We have really urban city areas such as KLCC where there are glamorous high-end skyscrapers, but we also have streets in KL where you can sit down to enjoy a cup of teh tarik and a RM1.50 nasi lemak. You can share a table with fellow countrymen from different walks of life and appreciate each other's culture and diversity. I feel quite happy living in the city. I think what is important is to find our own rhythm. There is this hustle and bustle about living in the city and it is perceived to be all just 'go, go, go', but you need a rhythm. Even though I live in the city, I feel the need to be connected to nature, to have my own garden, and for my children and pets to be with me."

Happy cities are made up of kind people

"I was in Petaling Jaya two weeks back and I stopped at a random plant nursery. I stopped my car and went down to buy some plants, but I forgot that I did not have any cash on me. The shop owner told me the credit card machine is down, so she asked me to take the plants first and leave my contact number with her. I was surprised and asked, 'What if I don't come back with the money?' She replied saying she trusted me and told me to just take the plants first. Neither of us knew each other. When I got home, the first thing I did was to transfer money over to her bank account. That is what makes this city beautiful - you have all these kind trusting people. In the pay-it-forward yoga class I teach every week, all I ask of my students is to do something kind for another person no matter who they are. We have to be nice to each other and show compassion to one another since we are all living in one city."

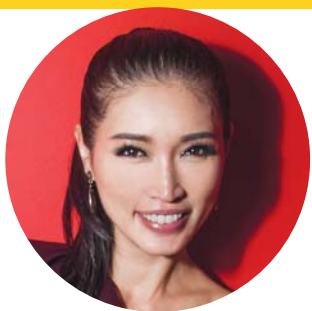
Safe and children-friendly public spaces

"Most places for children to play require an entry fee. Our museum does not have many activities going for children, unlike in Singapore. The public parks such as the Lake Gardens are not 100% functional with many broken items. I think it is really important for us to be able to provide a safe place for our children to play."

Are you happy living in the city?



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Amber Chia

The world-renowned model is mother to seven-year-old Ashton. She is also the founder of the Amber Chia Academy, a beauty and modelling agency. Raised in Tawau, Sabah, she has lived in KL for almost 20 years.

A city of opportunities

"I always tell my friends, we [Malaysians] can never truly describe to you the beauty of the cities and towns in Malaysia. They have to see them for themselves. We are a multiracial country, with different languages spoken and different cultures all existing in harmony. People living in the cities may be more stressed out, but more often than not, they would still have a smile on their faces. Whenever I go back to Tawau to visit my parents, they always tell me not to walk so fast, but I am already so used to it! Each city in Malaysia has its own uniqueness that cannot be replicated elsewhere. The capital city is where businesses thrive and people come to look for opportunities to make it

big. Penang is known as an island of cultural heritage and good food. In Melaka, it is its rich history that stands out. When I travel overseas for work such as in New York, Milan or Japan, I feel people living there are much more stressed out than Malaysians.

"Being a career-driven person with passion for my work, I believe that living in the city allows me to continuously grow my business. KL city is where the entertainment industry is most prominent in the country. Eventually, I will also bring my parents over from Tawau to stay here, as all the best medical centres are located here. I built my career here and started my family here, and I think KL city is absolutely beautiful with a story to tell."

Reduce traffic jam and increase green spaces

"Perhaps with more public transportation, traffic jam - one of the causes of stress in the city - can be reduced. Another thing is to have more nature-driven areas where we can go to for a short weekend with our families in the city or just outside the city. When I want to take my son for a trip, it is often quite a distance from the city centre. I believe that in the next five years, KL city will only grow to be better, attracting more tourists to come and experience the rich culture, great architecture and buildings we have."



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