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# GAME CHANGER OR MERE DISRUPTOR?

Co-working spaces seem to be mushrooming in the Klang Valley.  
Will they impact the traditional office segment? See Pages 6 and 7.

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all our readers  
**GONG XI  
FA CAI!**



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## NEWS HIGHLIGHTS from www.EdgeProp.my



### Majority of real estate practitioners say market outlook stable

About 66.5% of real estate practitioners who took part in the "Malaysian Institute of Estate Agents (MIEA) property market sentiment report 2017/2018", which was launched on Feb 6, expect the outlook for the overall property market to be stable.

MIEA president Eric Lim said their outlook was supported by strong economic growth and a healthy but prudent financial system.

Meanwhile, only 17.3% of respondents feel that the property market will improve this year, while 16.2% expect the market to worsen in 2018.

The survey participants comprise 370 real estate practitioners — including registered real estate agents, certified real estate negotiators, valuers, probationary valuers and probationary estate agents from Malaysia.

### Court dismisses Taman Desa residents' stay application to halt project

The Kuala Lumpur High Court has dismissed the stay application filed by residents of Taman Desa, Kuala Lumpur to stop a high-rise residential development The Address, pending a judicial review.

Costs of RM10,000 have also been awarded to the defendants by High Court judge Datuk Wira Kamaludin Md Said.

The Protect Taman Desa Coalition said the stay order application was made when the developer continued construction of the project

### Gamuda Land to unveil last tower of Bukit Bantayan Residences phase 1 in March

Gamuda Land aims to launch the third and final tower of Bukit Bantayan Residences phase 1 in Kota Kinabalu, Sabah in March.

A unique highland retreat-inspired condominium development situated on an 18.2-acre leasehold parcel in Inanam, Bukit Bantayan Residences is the developer's maid-

despite the residents having filed a judicial review with the outcome pending at the High Court.

The residents had filed for a judicial review against Kuala Lumpur City Hall's decision to grant a development order as the project comprises three 30-storey towers on a narrow strip of Tenaga Nasional Bhd reserve land, surrounded by three schools and low-rise condominiums.

"The residents are very disappointed with the decision as a crane had collapsed on Jan 24, with part of it falling into the compound of Tiara Faber Condominium, damaging a structure," it said in a statement.

### DBE Gurney diversifies into property development

Poultry firm DBE Gurney Resources Bhd has marked its diversification into property development and construction through a proposed joint



en development in Kota Kinabalu.

The overall GDV of the project is about RM996 million. Phase 1 comprises three towers — Ebena, Cemara and Dilenia — featuring 912 dual-key and 3-bedroom condo units.

Both Ebena and Cemara were launched in 2016 and 2017 respectively, and have achieved take-up

rates of 85% and 70% respectively, said Gamuda Land CEO Ngan Chee Meng at the topping-up ceremony of Ebena tower on Feb 7.

The last tower, Dilenia, will offer 320 homes in a 27-storey tower. Built-ups will be between 904 sq ft and 1,100 sq ft, while prices will start from RM493,800.

tive director Datuk Doh Jee Ming said it expects strong growth prospects particularly in the residential sector.

With an estimated GDV of RM24.5 million, the mixed affordable development project consists of 10 single-storey semidees, 85 single-storey terraced houses, three double-storey shophouses and 16 single-storey shophouses.



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## LAUNCHES + EVENTS



### CNY celebration at Alam Impian

Date: Feb 10 (Sat)

Time: 10am to 6pm

Venue: Alam Impian Welcome Centre, 1, Jalan Panglima Hitam 35/26, Alam Impian, Seksyen 35, Shah Alam, Selangor

Contact: (03) 5162 7600 / (03) 5162 8400

Join in the fun and celebrate the upcoming Lunar New Year with S P Setia Bhd at Alam Impian, Shah Alam. There will be an auspicious yee sang toss, lion dance, calligraphy demo, paper-cutting DIY workshop and many other activities for the whole family.

### Taste of Malaysia at One South

Date: Feb 10 and 11 (Sat and Sun)

Time: 11am to 5pm

Venue: One South Street Mall, Jalan OS, Taman Serdang Perdana, Seri Kembangan, Selangor

Contact: (03) 6188 4488

Satisfy your cravings and indulge in some of Malaysia's most famous gastronomic delights from various parts of Malaysia at the event organised by Hua Yang Bhd.



### Maju Kuala Lumpur's roadshow

Date: Feb 10 (Sat)

Time: 12pm to 11pm

Venue: Shangri-La Kuala Lumpur, 11, Jalan Sultan Ismail, Bukit Bintang, Kuala Lumpur

Contact: (03) 9054 1466

Find out more about Maju Holdings Sdn Bhd's Maju Kuala Lumpur project at the roadshow.

### Let's Ong 2018 with Mizu

Date: Feb 10 (Sat)

Time: 11am to 3pm

Venue: Mizu Residences Sales Gallery, A-G-06, Jalan PJU



If you have any real estate-related events, email us at [editor@edgeprop.my](mailto:editor@edgeprop.my).  
Events listed here will also appear on [www.EdgeProp.my](http://www.EdgeProp.my).

1a/29, Oasis Ara Damansara, Petaling Jaya, Selangor

Contact: (03) 8022 9999

Gain insights of yourself this new year with Prof Joe Choo at the festive event organised by Titijaya Land Bhd. There will also be a calligraphy session, cherry-blossom blow painting and Chinese New Year paper-cutting activities. Lucky visitors may also walk away with a red packet worth RM8,888.

### PRIMA open house at One City

Date: Feb 10 and 11 (Sat and Sun)

Time: 9am to 5pm

Venue: MCT Sales Gallery, Ground Floor, MCT Tower, One City, Jalan USJ 25/1, Subang Jaya, Selangor

Contact: (03) 7628 9898

PRIMA will be showcasing their 38 projects at MCT sales gallery. For those interested, go to PRIMA's website to find out the criteria for applicants and documents needed.

### Launch of Vega Residensi 2

Date: Feb 10 and 11 (Sat and Sun)

Time: 10am to 4pm

Venue: PKNS Sales Gallery,



Science Park Road,

Dengkil,

Selangor

Contact:

(014) 336 1891 / (017) 363 4821

PKNS

Property is

unveiling

a serviced

apartment project called Vega Residensi 2 located at Selangor Cyber Valley (formerly known as Selangor Science Park 2) near Cyberjaya.

### Info Day at Eco Sanctuary

Date: Feb 11 (Sun)

Time: 10am to 5pm

Venue: EcoWorld Gallery @ Eco Sanctuary, Lot 41296, Persiaran Eco Sanctuary, Telok Panglima Garang, Selangor

Contact: (03) 3344 2525

Explore the possibility of giving your child an international-level education. RSVP your preferred time slot now. Tenby International School Kota Kemuning will be open in September this year.

# First build-then-sell houses at Setia Ecohill set for March launch

BY NATALIE KHOO

**SEMENTYIH:** Property developer S P Setia Bhd is set to launch its first build-then-sell housing scheme, the Gloris double-storey superlink homes at its Setia Ecohill township in Semenyih, Selangor by March this year.

Comprising only 77 units, built-ups for the freehold units start from 2,645 sq ft while prices are from RM848,000. Gloris is the final phase of terraced houses in Setia Ecohill, as future residential phases will consist of semidees and bungalows. Gloris has an estimated GDV of RM70 million.

"Back in 2009 to 2013, there were more investors in the market because entries [to the market] were easier. However, in these past few years, we realised that the composition of the buyers has changed, as more are buying for their own use, including those who are looking to upgrade."

"Most investors only look at the price and package, and just expect future returns. Genuine homebuyers will look at the surrounding factors such as amenities and accessibility before buying. Back then, amenities in the township, such as the shops and schools, were still under construction. Now, many of them have been completed, such as the clubhouse, schools and our Ecohill Taipan shoplots. The Ecohill Walk Mall is also set to be completed in the next two years. All these allow homebuyers to buy with more confidence," Setia Ecohill general manager Koh Sook Meng told EdgeProp.my.

Gloris was soft-launched last year but in



Gloris is the final phase of terraced houses in Setia Ecohill.

line with the government's call to adopt the build-then-sell concept, S P Setia decided to convert Gloris into a build-then-sell product. The phase is located within an exclusive residential enclave of 287 units known as the Horizon Residences.

Some of the amenities nearby include schools such as REAL Kids Kindergarten and Tenby International School. Tesco Semenyih is five minutes' drive away.

"Commercial units at the Ecohill Taipan commercial centre was handed over at the end of last year and will see tenants moving

in soon, including eateries and a mini-mart, which is expected to commence operations soon," said Koh.

The township is accessible via several highways including the Kajang-Seremban Highway (LEKAS), North-South Expressway, South Klang Valley Expressway, SILK Highway and East Klang Valley Expressway, which is targeted to be completed this year.

Additionally, S P Setia has also spent RM80 million to construct the LEKAS-Ecohill Link, which opened in August 2015, and has further invested RM50 million to extend the



S P SETIA

Koh: The composition of buyers has changed, as more are buying for their own use, including those who are looking to upgrade.

link towards the neighbouring township, Setia Ecohill 2.

Gloris is aimed at families and upgraders living in surrounding areas such as Cheras, Kajang, Ampang, Hulu Langat, Seri Kembangan, Puchong, Putrajaya, Nilai and Seremban.

"For those living in the area and are looking to upgrade, it will be a seamless process moving in as they can immediately dispose of their old units and move in straight away, since their new house has already been completed," said Koh.

At least 10% of the 673-acre Setia Ecohill township development will be green zones including parks, gardens and pocket gardens. This is further enhanced by generous streetscapes as well as turfed and landscaped banks of the engineered waterways and detention ponds.

To be developed over eight to 10 years with a total GDV of RM4.5 billion, over 5,000 units of homes have been sold since its launch in 2013.

## Bellevue to unveil GEM Residences in Seberang Perai during CNY

BY LUM KA KAY

**PETALING JAYA:** Penang-based property developer Bellevue Group is launching GEM Residences in Seberang Perai, Penang during Chinese New Year on Feb 17.

The project — being jointly developed by Bellevue and LTC Corp Ltd, a Singapore Stock Exchange-listed company — comprises 978 high-rise residential units with commercial titles. Located on a 5.34-acre freehold parcel along Jalan Baru, Seberang Perai, GEM Residences is part of a 20-acre mixed development, which also features GEM Megamall and a 4-star hotel, and has a total GDV of about RM3 billion. GEM Residences alone has an estimated GDV of RM700 million.

Banking on its strategic location, the developer hopes to attract a mix of working-class individuals, business professionals, millennials and retirees.

"Particularly, there is a huge employment pool of professionals in Prai Industrial Zone [the second-largest industrial park in Malaysia] as well as Kulim Hi-Tech Park. Foreign buyers of GEM Residences are also eligible for a reduced ceiling price of RM500,000 [instead of the usual RM1 million] for strata developments in Seberang Prai," Bellevue Group managing director Datuk Sonny Ho told EdgeProp.my.

According to Ho, GEM Residences is



BELLEVUE GROUP

the largest shopping mall in the northern region upon its completion in 2021.

"GEM Megamall is poised to take its place as the largest and trendiest lifestyle destination in the northern region of Malaysia. At 1.2 million sq ft in net lettable area extending over six levels with about 450 shops and over 3,500 parking bays, here is the next lifestyle benchmark."

"GEM Megamall will feature many firsts [for the northern region] — the first Sogo departmental store up north, the first Olympic-sized ice skating rink and the largest Golden Screen Cinema Cineplex with 20 screens, just to name a few. A 38-lane bowling alley, a lifestyle supermarket and an F&B and entertainment hub are also part of the tenant mix."

"Retailers can look forward to a ready and untapped market catchment of 6.5 million with shoppers from the northern region," said Ho.

On the Penang property market's performance in 2017, Ho said 2017 has been slow. "Despite that, projects with good design, in strategic location and at the right price point have registered good take-up. Properties below RM750,000 seem to have fared well and are easier to get financing approval."

"Moving forward, in 2018, with the ringgit and Malaysian stock market strengthening, it is almost definite that the property market holds a more promising outlook than last year," he said.

primed to bring a new standard of living to Prai. "Featuring 978 units with a variety of sizes and types ranging from 441 sq ft to 1,445 sq ft, 1- to 4-bedroom layouts and with one to three car parks per unit, GEM Residences also offers views of the Penang Island and Penang Bridge," he said, adding that each unit is priced at RM500 psf.

The project is about seven minutes' drive from the Penang Bridge and 30 minutes' drive to the Penang International Airport. Jalan Baru is also connected by the North-South Highway and Butterworth Outer Ring Road.

The units are housed in four 30-storey towers above an 8-storey podium featuring

15 retail units on the ground floor known as GEM Shoppes, followed by car parks, and occupying the entire Level 8 will be an expansive private landscaped deck. On the rooftop will be some recreational facilities including an Olympic-sized ocean pool, signature gym, jumbo chess, barbecue pit, aqua gym, Jacuzzi and sky bridge.

Each residential tower will bear the name of various gemstones — Coral, Ruby, Sapphire and Diamond. Each floor consists of only eight or nine units and serviced by four elevators.

On the 11.32-acre GEM Megamall located next to GEM Residences, Ho said it will be

## FENG SHUI



### 1. The Rat

**Years 2008, 1996, 1984, 1972, 1960**

Rats strive to be ahead of the game, and this year they could have a chance to progress in their personal development. They might have an enhanced ability to learn and could benefit by enrolling in courses that would allow them to pick up new skill sets or improve those that they already have — hence, rat academicians, scholars or students could be the main beneficiaries.



### 2. The Ox

**Years 2009, 1997, 1985, 1973, 1961**

Ox folks are generally known to be diligent, industrious and humble. They could have a strong potential for wealth accumulation and career advancements this year. However, they may be required to practise moderation and keep a healthy work-life balance. It is also inadvisable for them to indulge in excessive spending or bragging, as it might taint any potential good luck.



### 3. The Tiger

**Years 2010, 1998, 1986, 1974, 1962**

Most Tigers are fighters who will likely fight for their own rights. They may get wealth and success in the professional sector, but those might only come if they make solid plans and sound strategies to achieve their goals. Tigers would also need to constantly pay attention to details in order to accomplish tasks quickly and properly.



### 4. The Rabbit

**Years 2011, 1999, 1987, 1975, 1963**

Rabbits are usually sensitive individuals who strive to keep the peace between others. This year, they can probably expect to be surrounded by an abundance of support in their efforts. It would be a good time for them to seek out mentors who can guide and teach them to achieve greater success in their goals.



### 5. The Dragon

**Years 2012, 2000, 1988, 1976, 1964**

Dragons tend to be extremely charismatic. However, this could be a tough year, as there could be challenges, changes and setbacks ahead. They would need to strategise carefully and consider all possible scenarios before executing any plans. They should also be prepared with counter-measures for worst-case scenarios.



### 6. The Snake

**Years 2013, 2001, 1989, 1977, 1965**

Snakes are generally calm, secretive and reserved. They can expect smooth progress through the year, which could give them time to relax and enjoy the joyous atmosphere. This could also be a good year for them to improve on their social and personal lives. It is fairly likely that Snakes will find themselves in a better position at the end of the year.



### 7. The Horse

**Years 2014, 2002, 1990, 1978, 1966**

Most Horses are lively individuals who might try to do as much as they can each day. This year, they could be surrounded by generous and supportive people who can help them in any wealth or career opportunities that might appear. They might also have an edge in solving conflicts, making it likely that 2018 would be a smooth-sailing year for them.



### 8. The Goat

**Years 2015, 2003, 1991, 1979, 1967**

Goats are typically gentle and cultured individuals. They will probably have a good 2018, as it looks to be full of good tidings and positive events. They might encounter a few trials and tribulations, but it's likely that none of them would be significant enough to cause much trouble. It is also possible for Goats to meet individuals who could help or guide them.



## 9. The Monkey

**Years 2016, 2004, 1992, 1980, 1968**

Generally, Monkeys are bright individuals who are able to comfortably adapt to any situation. However, it would take all of their skills to successfully navigate through the challenges that might occur this year — these difficulties could appear in both their personal and professional lives. As long as they remain determined, it is highly likely that Monkeys would be able to overcome any challenges in their path.



## 10. The Rooster

**Years 2017, 2005, 1993, 1981, 1969**

Most Roosters are honest and feisty individuals with untiring spirits. However, this could be a good year for them to slow down and take a breather, especially if last year was eventful for them. Roosters could also use this downtime to take better care of their well-being and find a healthy balance in life. At the end of the year, they could emerge both physically and emotionally stronger.



## 11. The Dog

**Years 2018, 2006, 1994, 1982, 1970**

Most Dogs are kind and caring individuals who try to put others before themselves. They might face several personal or professional problems, but those can be overcome if they remain optimistic and confident. Fortunately, it is very likely that they can achieve success in several of their goals which they have been working towards for a while.



## 12. The Boar

**Years 2007, 1995, 1983, 1971, 1959**

Boars are generally jovial individuals with sunny and cheerful dispositions. It is highly likely that they will be able to achieve success this year, as they might be able to effectively perform in any situation. Although Boars should not hesitate when attempting new opportunities or challenges so that they can achieve their goals this year, they should also keep a clear mind to handle any unexpected difficulties encountered.



The information provided is only a small amount extracted from your BaZi chart.

But if you want a preliminary reading on your fate in 2018, the above is good enough to begin with. If you want to know more about how to make 2018 your best year ever, download Joey Yap's *Thrivers' Guide 2018* for FREE at [www.joeyyap.com/edgeprop](http://www.joeyyap.com/edgeprop). If you have any feng shui-related questions for Yap, please go to the Tools section of [www.EdgeProp.my](http://www.EdgeProp.my).

Datuk Joey Yap is the world's leading Chinese Metaphysics consultant and bestselling author of more than 160 books which have sold over four million copies worldwide. He is chief consultant of the Joey Yap Consulting Group and founder of Mastery Academy of Chinese Metaphysics. His nearly two decades of professional consultancy includes working with Microsoft, Sime Darby, UEM, Prudential and Citibank. He has students in more than 30 countries.

Wishing you and your family  
a happy and prosperous  
Chinese New Year!



## COVER STORY



PICTURES BY LOW YEN YEING | EdgeProp.my



# AN OFFICE FULL OF STRANGERS

BY NATALIE KHOO

No longer an alien concept, co-working spaces have been gaining more attention of late. This trending concept, which boasts flexibility of geographical location and wider circle of networking, unseats the traditional office real estate, as how some disruptive innovations have done.

After all, like most successful disruptors, the economic factor is one of the prime movers of the co-working concept. Targeting one of the largest overheads of conventional companies, office space rental or purchase — and it does not help that such costs are increasing — the shared workspace dangles the substantial savings like the carrot at the end of the stick.

## Some co-working spaces in the Klang Valley

CO3	Start
Colony	The Canvas Network
Common Ground	The Co
Fluent Space	The Entrepreneurs' Lab
H Space	The Success Factory
Herserlef	Unit.my
Impact Hub	Uppercase Bangsar
In Cube 8	White Space International
Jetpack	WORQ
Komune Coworking Office	
Lionsworld	
Makespace	
Nook	
Paper+Toast	
Regus	
Servcorp	



DATA BY NAWAWI TIE LEUNG, CBRE|WTW AND EDGEPROP.MY

For the Gen X, the idea of working among unfamiliar faces in an unaccustomed surrounding may seem disconcerting, but for the digital generation — that is, the future — such a prospect may prove to be exciting.

So, are we standing on the threshold of a major disruptor?

"Co-working spaces are considered relatively new in Malaysia and supply is still considered low in the country except in the commercial centres of the Klang Valley, and maybe Johor Bahru and Penang," says Nawawi Tie Leung Property Consultants Sdn Bhd director and head of valuation Daniel Ma.

"The co-working space operators here are mainly international players from the US and Europe. Unlike those working in a typical office environment, users of co-working spaces are not employed by the same organisation," he adds.

Meanwhile, CBRE|WTW Sdn Bhd managing director Foo Gee Jen tells EdgeProp.my that shopoffices and second-grade offices are currently adequate for most office users' needs in Penang and Johor Bahru.

"Until Johor Bahru and Penang develop into regional commercial centres in their own right on par with Kuala Lumpur with strong demand for high-quality and prestigious offices, quality co-working office space such as that provided by Regus and others will not be in demand," Foo opines.

According to Foo, Regus has the most number of shared office locations in the Klang Valley and is the most established here as well.

Owned by IWG Plc and listed on the London Stock Exchange, Regus has 32 offices in Kuala Lumpur, Petaling Jaya, Shah Alam, Johor Bahru and Kota Kinabalu, and 3,000 offices worldwide in 120 countries. Regus was founded in Brussels, Belgium in 1989 and is currently based in Luxembourg.

### Its appeal

There is no denying the rising trend in co-working spaces, especially in the Klang Valley, as ultimately, its two stand-out advantages — cost and convenience — are the buzzwords of the internet epoch.

"Based on research done by Regus Group in

NAWAWI TIE LEUNG  
PROPERTY CONSULTANTS



Ma: Co-working spaces are considered relatively new in Malaysia and supply is still considered low except in the commercial centres of the Klang Valley.

CBRE|WTW



Foo: Malaysia, as one of the most developed economies in the region which hosts MNCs and large corporations, will definitely be at the forefront of the co-working expansion.

2013, the average workspace occupied is about 17 sq m per person," Ma says.

Foo agrees that operating in a co-working space will lower the operation cost for a company that does not require a physical office on a daily basis, but only for occasional meetings and when they need to use office facilities.

"Co-working space providers can offer state-of-the-art comprehensive facilities and services that are constantly being upgraded. The space can give a good first impression to visitors, future suppliers, customers and business partners, especially for companies that engage in innovation and creativity such as IT companies, e-commerce companies and interior design companies.

"With co-working space, even very small companies and start-ups are able to have a prime office address," Foo adds.

Ma concurs that co-working spaces offer a lower capital for new set-ups and savings on maintenance costs as well as things like renovations, office furniture and internet services.

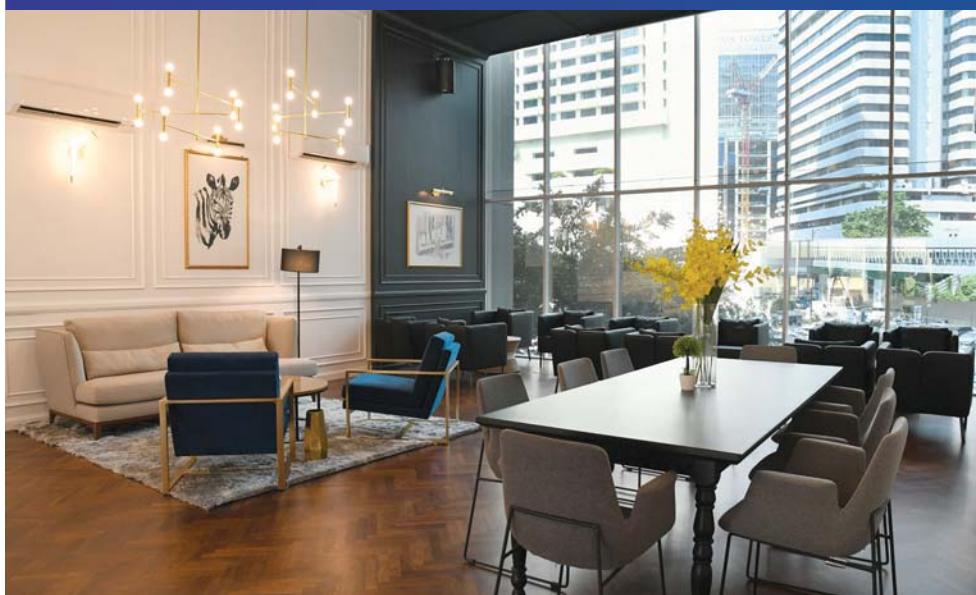
"You save a lot especially on fixed operation costs such as utility bills, administrative costs, service charges and contribution to landlord's outgoings. It also provides a much more flexible, innovative and collaborative workspace on design and locations. Hence, users can rent a small space, which is sufficient for own use rather than a large office space, to reduce overheads," says Ma.

He also agrees that it allows small and medium enterprises (SMEs) to have access to prominent addresses as well as an extensive networking and increased social interaction with different organisations.

### The hurdles

One of the main challenges to the growth of co-working spaces is the newness of the concept in Malaysia, the real estate consultants highlight.

"At present, co-working space is a niche market segment normally utilised by those in the IT, e-commerce and online services, freelancers, entrepreneurs, out of towners who are in the Klang Valley for business, and new foreign businesses



Above:  
Colony near  
KLCC.

Right:  
Uppercase in  
APW, Bangsar.



[that need a temporary base of operation until they find and secure a suitable office].

"It has a very limited market as it is only suitable for small companies and start-ups. As companies grow and expand, they will find larger and more permanent offices for their exclusive use," says Foo.

"Although Malaysia is a highly sought-after destination for outsourcing by multinational companies (MNCs), the linkage with co-working space adoption is not evident yet, perhaps due to the back-end or supportive nature of their businesses in Malaysia compared to their HQ or regional hubs such as Hong Kong and Singapore," he adds.

Ma notes that for operators, there are also fluctuations in income due to the non-standard lease durations and inconsistency of occupancy rate.

"Furthermore, co-working spaces may not be able to accommodate bigger corporations. Some of these co-working spaces may also lack privacy due to the huge amount of people working within the same environment," says Ma.

#### Current demand and future growth

Both Foo and Ma believe that traditional office space will still be in demand and do not expect co-working space to overtake traditional office demand.

"The co-working spaces are generally targeting SMEs, freelancers or young entrepreneurs. The traditional office will be the first choice for established corporations and organisations, owing to benefits such as the ability to interact with other colleagues, clients and company privacy," says Ma.

Nevertheless, he believes that the demand for co-working space is expected to grow in the near future due to its flexibility and efficiency in space utilisation.

"The demand for both co-working spaces and traditional offices is still dependent on the nature of business and budget or start-up cost," says Ma.

According to Foo, while more co-working spaces may be occupied, they will remain proportionately small compared to traditional offices.

"We estimate that the existing supply of co-working spaces is not more than 1 million sq ft compared with the total office space supply of over 100 million sq ft in the Klang Valley," says Foo.

"As such, we wouldn't consider the co-working space segment in the Klang Valley as significant," says Foo, adding that the concept of co-working is meant to be a flexible set-up where it can be increased or reduced in response to demand.

Elsewhere in the region, Ma notes that demand for co-working spaces in countries such as India has tripled from 2014, while in Hong Kong, several hospitality spaces have been converted into co-working space.

"The leasing of co-working spaces is expected to touch 10 million sq ft by 2020 in India while a recent report stated that an unnamed group has bid HK\$1.4 billion (RM717.5 million) to purchase the Kings Hotel on Wanchai's Jaffe Road with the intention to convert the 193-room hotel into a co-working centre, the latest in a string of properties to be refitted as shared offices in the city."

"In Malaysia, a number of cafes cum office spaces have popped up. For instance, Herserlef in Sri Petaling is a new co-working space cafe with a flat rate of RM16.20 for an entire day spent at the space and all food and drinks are free," Ma adds.

Meanwhile, Foo notes that CBRE's Asia Pacific Occupier Survey 2017 revealed that Southeast Asia is a key driver of co-working space in the Asia-Pacific while its APAC Investor Intention Survey 2017 identifies Asean as an attractive investment destination among both international and home investors.

"Emerging markets in Asean in particular are offering assets at lower prices with potential for growth in the future. There is an observable shift in interest into assets that require minimal management. Aggregating the findings above, the office sector in Malaysia in general is an attractive investment option in the Asia-Pacific. There is certainly an appetite for co-working around the world and Asia-Pacific region — more precisely in emerging economies such as Southeast Asian countries."

"Malaysia, as one of the most developed economies in the region which hosts MNCs and large corporations, will definitely be at the forefront of the co-working expansion. Therefore, it may now be a strategic move for office owners in Malaysia to position themselves in the driving seat in anticipation of this future office trend," says Foo.

## What's on offer in co-working spaces in the Klang Valley



### Regus

#### Locations

##### Kuala Lumpur

- Menara CIMB, KL Sentral
- 1 Sentral, KL Sentral
- The Horizon, Bangsar South
- The Gardens South Tower, Mid Valley City
- Menara IGB, Mid Valley City
- Central Plaza
- Pavilion
- Menara Prestige
- Menara Darussalam,
- Menara SDB,
- The Troika
- Menara Binjai
- Vista Tower, The Intermark
- Solaris Mont Kiara

#### Selangor

- PJ Exchange, Petaling Jaya
- First Avenue, Petaling Jaya
- Menara OBYU 4, Petaling Jaya
- The Pinnacle, Bandar Sunway
- Brunsfield Oasis Tower 3, Petaling Jaya
- MCT Tower, Subang Jaya
- Wisma Sunway, Shah Alam
- DPulze Cyberjaya, Cyberjaya
- BBT One – The Towers (South Tower), Klang

#### Packages and prices

RM18 to RM27. Prices are based on per person per day on a 24-month agreement.

#### Facilities/services

- Kitchen area with tea and coffee-making facilities
- Meeting rooms are available for rent by the hour

### CO3 Social Office

#### Locations

- Bandar Puchong Jaya — 22,400 sq ft, can accommodate up to 380 users
- Jalan Semangat, Petaling Jaya (incoming) — 50,000 sq ft, can accommodate up to 1,000 users



#### Packages and prices

##### Hot desk

RM60/day  
RM600/month

##### Fixed desk

RM1,000/month

#### Facilities/services

- Meeting rooms of various sizes
- Library
- Arcade room
- Sun corner
- Sleeping pod
- Spiral metal slide
- Open kitchen
- Business class printers and scanners with unlimited printing services
- Four capsule beds
- Honour system: Food and drinks are sold without supervision in the office

### Colony

#### Locations

##### Colony @ KLCC, KL

#### Packages and prices

##### Private office

starts from RM2,088/month

##### Reserved desk

starts from RM668/month

##### Open hot desk

starts from RM386/month

##### Prepaid time passes

starts from RM338/100 hours

##### Meeting room / event space

starts from RM89/person

##### Day pass

starts from RM60/day

##### Virtual office – mailbox

starts from RM118/month

#### Facilities/services

- Business address
- Mail-handling services
- Office cleaning services
- High-speed internet
- 24/7 access
- Utilities (subject to package type)

### Common Ground

#### Locations

- Wisma UOA, Damansara Heights — 50 private offices, 30 fixed desks and 80 hot desks; plus a large and medium-sized boardroom, two discussion rooms, an in-house cafe and an auditorium space for events
- Wisma Mont Kiara, Mont Kiara — 34 private offices, 52 fixed desks and 80 hot desks; plus two large boardrooms, two discussion rooms, an in-house cafe and an event space for up to 60 people
- Menara Ken TTDI in TTDI (coming soon) — 51 private offices, 92 fixed desks and 60 hot desks; plus two large boardrooms, three discussion rooms, an in-house cafe and event space for up to 130 people

#### Packages and prices

##### Hot desk

RM399/month to RM499/month

##### Fixed desk

RM559/month to RM899/month

##### Private office

Starts from RM659/month

#### Facilities/services

- Events space
- Fast internet
- Complimentary water, coffee and tea for members
- Micro roasted coffee and professional baristas (selected spaces)
- Onsite and front desk staff
- Business-class printers
- Cleaning services
- In-house cafe



# Chinese developers may look at industrial townships going forward

BY SHAWN NG

KUALA LUMPUR: With the improving infrastructure in Malaysia and China's Belt and Road Initiative (BRI), Chinese property developers may explore opportunities in the Malaysian real estate sector, particularly in industrial-driven township developments, said Knight Frank Malaysia.

As the outlook for the commercial and high-rise residential property segments remains cloudy, the property consultancy firm expects Chinese developers to try to create their own market by tapping into the port, rail and highway projects, which will spur the growth of industrial activities and thus create an opportunity for them to develop townships.

Knight Frank Malaysia executive director of capital markets Allan Sim said that many developers are building "too fast and too many" high-rise homes to cater for local demand, which has created a tough market.

"Sometimes, you cannot rely too much on the local demand, so you have to create your own market. Hence, we foresee that many of these Chinese developers may bring in their manufacturing partners from China [to tap on the growing industrial activity] and by then they may start to build a township," he told reporters at the launch of two research reports on Chinese investment trends across the Asia Pacific on Wednesday.

He added that industrial and mixed-use property in Malaysia will be buoyed by rising interest from Chinese investors into the manufacturing sector as Chinese manufacturers are expected to set up production facilities here.

Similarly, the industrial sector will also benefit from China playing a pivotal role in developing Malaysia's digital economy, alongside the rapid development in Malaysia's logistics and warehousing sectors.

"And in the longer term, we can also expect a flow-on effect to business activities, creating a demand for hospitality related services," he elaborated.

The two new reports by Knight Frank, "New Frontiers: The 2018 Report" and "Chinese Corridors in Malaysia", aim to assess the investment opportunities that are rising in Malaysia and help investors understand potential opportunities that the BRI could generate beyond its borders.

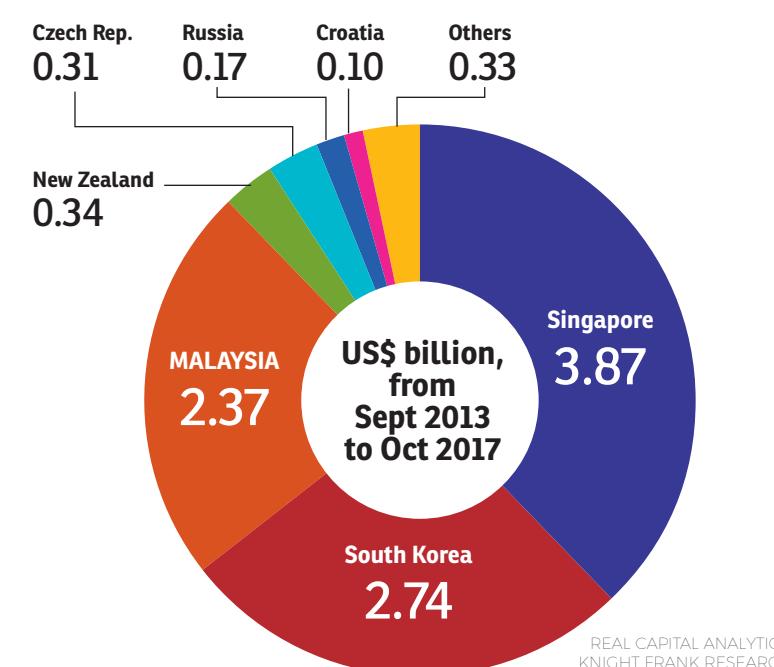
According to the "New Frontiers: The 2018 Report", Malaysia ranked third in China outbound real estate investments into Belt and Road countries with US\$2.37 billion (RM9.26 billion) received over the past four years. Malaysia ranked behind Singapore (US\$3.87 billion) and South Korea (US\$2.74 billion).

## Knight Frank Belt and Road Index 2018 – Top 10 rankings

BRI Country & ranking	Economic Potential 25%	Institutional Effectiveness 25%	Demographic Advantage 20%	Infrastructure Development 15%	Market Accessibility 10%	Resilience to Natural Disasters 5%
1. Singapore	48.92	87.69	44.9	78.55	100	98.77
2. Qatar	60.1	63.47	57.68	50.84	49.31	100
3. United Arab Emirates	48.64	66.52	53.18	62.84	57.01	97.61
4. New Zealand	36.01	98.76	37.41	53.8	34.85	88.49
5. China	56.81	37.17	58.94	54.62	94.86	82.55
6. Malaysia	48.51	58.43	49.42	54.33	62.64	89.39
7. Estonia	35.24	82.4	28.54	56.15	70.42	96.74
8. Bahrain	36.98	44.45	69.03	71.46	50.11	94.83
9. Bhutan	64.78	59.73	57.92	19.71	41.58	87.65
10. South Korea	37.74	70.24	39.03	67.81	46.02	87.82

INTERNATIONAL MONETARY FUND, UNITED NATIONS, WORLD BANK, TRANSPARENCY INTERNATIONAL, GERMANWATCH, KNIGHT FRANK RESEARCH

## Chinese outbound real estate investment into Belt and Road countries



Sim (left) and Knight Frank Asia-Pacific head of research Nicholas Holt.

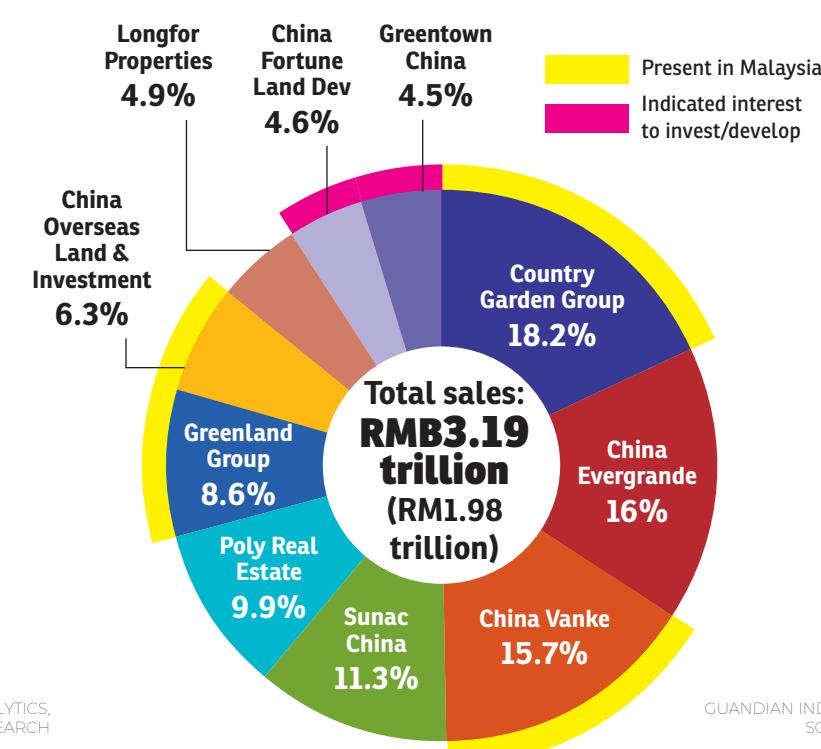


The report showed that the total Chinese outbound real estate investment into the Belt and Road countries from September 2013 to October 2017 stood at US\$10.2 billion, of which US\$5.2 billion

were spent on purchasing development sites, while another US\$3.1 billion were spent on office buildings.

Meanwhile, Malaysia ranked sixth in the top 20 rankings of the New Frontiers: The 2018 Report's Belt and Road Index, which assessed the 67 countries considered core to China's BRI. The assessment was based on six categories: eco-

## Top 10 Chinese developers by contracted sales



nomic potential, demographic advantage, infrastructure development, institutional effectiveness, market accessibility and resilience to natural disaster. The index aims to provide a macro view of each country and the key criteria that can help form investment strategies along the Belt and Road.

"Malaysia, which is strategically positioned along the Belt and Road link, offers many advantages, in terms of resources, good growth potential and similarities in culture due to historical ties. The country can be China's gateway to Asean and beyond. In fact, Malaysia has seen an upsurge of BRI-related investments, with China emerging as the largest foreign investor in recent years," said Knight Frank Ma-

laysia executive chairman Eric Ooi.

Data from the Malaysian Investment Development Authority (MIDA) showed that China was the strongest supporter of the manufacturing industries in Malaysia, contributing investments of RM4.77 billion in 2016, bringing total foreign direct investment in the manufacturing sector to RM27.42 billion.

Moving forward, Chinese investment will continue to transform Malaysia, particularly in the manufacturing, construction, infrastructure, property and e-commerce sectors, he said.

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