



THE EDGE
MALAYSIA
**Outstanding Property
Personality Award 2014**
Datuk Tan Chin Nam

THE EDGE MALAYSIA Property Excellence Awards 2014

THE EDGE
MALAYSIA
**Outstanding Property
Project Award 2014**
Redevelopment of Sentul
YTL Land & Development Bhd

THE EDGE
MALAYSIA
**Notable Achievement
Award 2014**
Eco World Development Group Bhd

THE EDGE
MALAYSIA
**Notable Achievement
Award 2014**
Tropicana Corp Bhd

THE EDGE
MALAYSIA
**Affordable Urban Housing
Excellence Award 2014**
Pelangi Semenyih 2 Phase 2A
Pelangi Semenyih Sdn Bhd (MKH Bhd)

THE EDGE *Top Property Developers Awards 2014*



From left: Sarena Cheah, **Sunway**; Datuk Seri Abd Wahab Maskan, **Sime Darby Property**; Datuk Voon Tin Yow, **S P Setia**; Anuar Syahrin Abdul Ajib, **UEM Sunrise**; Chow Chee Wah, **Gamuda Bhd (Property Division)**; Datuk Yau Kok Seng, **Tropicana Corp**; Datuk Seri Robert Tan, **IGB Corp**; Datuk Terry Tham, **Eastern & Oriental**; Tan Sri Leong Hoy Kum, **Mah Sing Group**; Teh Chin Guan, **IOI Properties**

THE EDGE - PEPS
MALAYSIA
**Value Creation Excellence
Award 2014 | Non-residential**
The Core Kota Damansara
Sunsuria Sdn Bhd

THE EDGE - PEPS
MALAYSIA
**Value Creation Excellence
Award 2014 | Residential**
The Golf East Phase 1B9, Horizon Hills
Horizon Hills Development Sdn Bhd (Gamuda Bhd)

THE EDGE - PAM
**Green Excellence
Award 2014**
The Banjaran Hot Springs Retreat
Sunway City (Ipoh) Sdn Bhd

TOP 10

1. Sunway Bhd
2. Sime Darby Property Bhd^(N)
3. S P Setia Bhd
4. UEM Sunrise Bhd
5. Gamuda Bhd (Property Division)^(N)
6. Tropicana Corp Bhd
7. IGB Corp Bhd
8. Eastern & Oriental Bhd
9. Mah Sing Group Bhd
10. IOI Properties Bhd^{(N)(A)}

(N) Non-listed property developer

(A) Listed as IOI Properties Group Bhd on Jan 15, 2014

TOP 11 – 30

RANK	COMPANY	RANK	COMPANY
11	UOA Development Bhd	21	WCT Land Sdn Bhd ^(N)
12	I & P Group Sdn Bhd ^(N)	22	Selangor Dredging Bhd
13	Bandar Utama City Corp Sdn Bhd ^(N)	23	Wing Tai Malaysia Bhd
14	IJM Land Bhd	24	MKH Bhd
15	KLCC Property Holdings Bhd	25	Paramount Corp Bhd
16	Glomac Bhd	26	KSL Holdings Bhd
17	YTL Land & Dev. Bhd	27	PJ Development Holdings Bhd
18	Eco World Development Group Bhd	28	OSK Property Holdings Bhd
19	Naim Holdings Bhd	29	Plenitude Bhd
20	Bandar Raya Developments Bhd ^(N)	30	TA Global Bhd

THANK YOU

FOR CELEBRATING

40

YEARS

OF GROWTH

TOGETHER WITH US

As a **Master Community Developer**, Community Building, Entrepreneurial, and Enriching Lives remain as our core tenets that permeates our developments as we build environmentally friendly landmarks which deliver unrivalled value for our communities across the region.

We would like to thank you for being a part of our growing communities and for your endless support throughout 40 memorable years.

HEALTHCARE

25,000

babies delivered to joyous parents



PROPERTY DEVELOPMENT

over

20,000

homes delivered to satisfied buyers. Over 3,400 acres of new communities to be nurtured in the future



RETAIL

with over

10 MILLION SQ FT

of net lettable area, Sunway provides retail therapy for customers through an exciting shopping experience



BUILDING HOMES

1974

Quality & Delivery

DEFINING TOWNSHIPS

1986

Infrastructure Development

GROWING COMMUNITIES

2000

Connectivity & Accessibility



40 YEARS

A PART OF YOU

SUNWAYTM PROPERTY

Master Community Developer

COMMERCIAL

over **4.5 MILLION SQ FT**

of net lettable area, across Sunway office buildings through our revolutionary Build-Own-Manage model (B.O.M model)



CONNECTIVITY

Approximately

500,000

residents around Sunway, Subang and USJ areas will enjoy the benefits of **Malaysia's First Bus Rapid Transit (BRT) - Sunway Line** which provides eco-friendly electric bus services on an elevated and dedicated lane



LEISURE

42 MILLION

visitations to our award-winning retail and entertainment attractions that offer fun and adventure for the whole family



EDUCATION

awarded more than

RM 165 MILLION

scholarships to over 20,000 students to date



SAFETY AND SECURITY

more than

RM 2 MILLION

worth of security systems to ensure the safety of employees, students, residents, and visitors commuting in Sunway Resort City

SUSTAINING
INTO THE
FUTURE

2014

Endless Possibilities for generations and beyond

SUNWAY INTEGRATED PROPERTIES SDN. BHD. The Property Gallery Lobby Level, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 47500, Selangor Darul Ehsan, Malaysia
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In 1992, Tropicana led an entirely new concept of resort-style living when we designed the 625-acre Tropicana Golf & Country Resort, followed by the 409-acre Tropicana Indah Resort Homes. As a pioneer in resort-styled developments, we have crafted a DNA that sets us apart.

With emphasis on our customers' needs, we have been innovating and Redefining the Art of Living through the creation of our integrated developments by incorporating residential and commercial components to create thriving townships that are strategically connected.

As we continue to expand across Malaysia, at the hotspots of Klang Valley, Johor and Penang, we are leveraging on our land bank of more than 1,800 acres with a future GDV of over RM50 billion. Testament to our efforts, we have recently been awarded the BCI Top 10 Developer Award and featured in The Edge as one of the Top 10 developers in Malaysia to look out for.



Penang WorldCity



Tropicana 218 Macalister



Tropicana Bay Residences



Tropicana Landmark

NORTHERN & EAST MALAYSIA



Oasis 2



Tropicana Danga Cove



Tropicana Danga Bay

SOUTHERN



HEADQUARTERS

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18 Developments 8 Townships 3 Growth Regions 1 Trusted Name



Tropicana Metropark Tropicana Heights Tropicana Avenue Tropicana Gardens

CENTRAL



Tropicana Cheras Tropicana Grande Tropicana Indah Tropicana Golf & Country Resort



PROPERTY GALLERIES

Central — Klang Valley

Tropicana Catalogue House
+603 7806 3368
GPS N3 08.232 E101 35.702

Tropicana Metropark
+603 5636 6888
GPS N3 04.120 E101 33.794

Tropicana City Mall
+603 7728 2018
GPS N3 07.842 E101 37.627

Tropicana Heights
+603 8741 3088
GPS N2 57.970 E101 47.338

Northern — Penang Island

Penang WorldCity
+604 659 6888
GPS N5 20.588 E100 37.627

Tropicana 218 Macalister
+604 210 5888
GPS N5 24°58.424 E100 19°15.125

Southern — Johor Bahru

Tropicana Danga Bay
+607 234 1585
GPS N1 28.883 E103 43.178

Tropicana Danga Cove
+607 386 3888
GPS N1 29°48.3756 E103 49°1.9236

Tropicana City Centre
+607 235 7888
GPS N1 29.067 E103 43.067

East Malaysia — Kota Kinabalu

Tropicana Landmark
+6088 723 322
GPS N5 55.802 E116 05.187

Property Galleries are open from 9.30am to 6.30pm daily (including Public Holidays)

livelearnworkplay



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Builder of Distinction
Setia
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At S P Setia, we always put you, our customer, in first place. We look to your needs and your aspirations to inspire us so that we create the townships, eco sanctuaries, luxury residences, high-rises and integrated commercial developments that you desire. With an eye to the future, we transform them into vehicles for creating value and ensuring sustainability for your long-term benefit. To us, you are our No. 1 because only you can bring out the best in us.

Thank you for making us Malaysia's Top Property Developer again. We are always humbled and inspired by your support and confidence.



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- 90 **Mah Sing Group:** Staying on top of the game
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PSEUDONYMS ARE
ALLOWED BUT PLEASE
STATE YOUR FULL NAME,
ADDRESS AND CONTACT
NUMBER (TEL/FAX)
FOR US TO VERIFY.

2003–2009 RANKINGS

TOP 10 (2003)

RANKING	COMPANY
1	IGB Corp Bhd
2	S P Setia Bhd
3	IOI Properties Bhd
4	Bandar Raya Developments Bhd
5	MK Land Holdings Bhd
6	Sunway City Bhd
7	Sime UEP Properties Bhd
8	Island & Peninsular Bhd
9 (tie)	Sunrise Bhd
	Pelangi Bhd

Qualitative attributes (2003)

RANKING	COMPANY
1	Sunrise Bhd
2	IGB Corp Bhd
3	Sime UEP Properties Bhd
4	S P Setia Bhd
5	Bandar Raya Devt Bhd
6	MK Land Holdings Bhd
7	Sunway City Bhd
8	Pelangi Bhd
9	Island & Peninsular Bhd
10 (tie)	Dijaya Corp Bhd
	Negara Properties Bhd

Quantitative attributes (2003)

RANKING	COMPANY
1	IOI Properties Bhd
2	S P Setia Bhd
3	IGB Corp Bhd
4 (tie)	Bandar Raya Developments Bhd
	MK Land Holdings Bhd
	Sunway City Bhd
7	UDA Holdings Bhd
8	Sime UEP Properties Bhd
9	Talam Corp Bhd
10 (tie)	Island & Peninsular Bhd/Malton Bhd

TOP 10 (2004)

RANKING	COMPANY
1	IGB Corp Bhd
2	S P Setia Bhd
3	IOI Properties Bhd
4	MK Land Holdings Bhd
5	Sime UEP Properties Bhd
6	Bandar Raya Devt Bhd
7	Sunway City Bhd
8	Island & Peninsular Bhd
9	Boustead Properties Bhd
10	Sunrise Bhd

Qualitative attributes (2004)

RANKING	COMPANY
1	Sunrise Bhd
2	IGB Corp Bhd
3	S P Setia Bhd
4	Sime UEP Properties Bhd
5	Bandar Raya Developments Bhd
6	Sunway City Bhd
7	YTL Land & Devt Bhd
8	Island & Peninsular Bhd
9	Boustead Properties Bhd
10	IOI Properties Bhd

Quantitative attributes (2004)

RANKING	COMPANY
1	IGB Corp Bhd
2	IOI Properties Bhd
3	S P Setia Bhd
4	MK Land Holdings Bhd
5	Sime UEP Properties Bhd
6	Sunway City Bhd
7	UDA Holdings Bhd
8	Bandar Raya Developments Bhd
9	Island & Peninsular Bhd
10	Talam Corp Bhd

2008 NOTES

(N) Non-listed developer

2009 NOTES

(C) Changed name from RB Land Holdings Bhd to IJM Land Bhd on 1 Jul 2008.
(D) Delisted on 28 Apr 2009. Released annual report for financial year 2008.
(G) UEM Land Holdings was listed on 18 Nov 2008.
(N) Non-listed property developer

TOP 30 (2005)

RANKING	COMPANY
1	S P Setia Bhd
2	IOI Properties Bhd
3	IGB Corp Bhd
4	Sunway City Bhd
5	MK Land Holdings Bhd
6	Sime UEP Properties Bhd
7	Bandar Raya Devt Bhd
8	Boustead Properties Bhd
9	Island & Peninsular Bhd
10	Sunrise Bhd
11	Glomac Bhd
12	UDA Holdings Bhd
13	E&O Property Devt Bhd
14	Naim Cendera Holdings Bhd
15	Petaling Garden Bhd
16	YTL Land & Devt Bhd
17	Talam Corp Bhd
18	Dijaya Corp Bhd
19	Paramount Corp Bhd
20	Selangor Properties Bhd
21	Country Heights Holdings Bhd
22	Plenitude Bhd
23	Daiman Devt Bhd
24	PJ Devt Holdings Bhd
25	Mah Sing Group Bhd
26	SHL Consolidated Bhd
27	GuocoLand (M) Bhd
28	Pelangi Bhd
29	WCT Land Bhd
30	LBS Bina Group Bhd

Qualitative attributes (2005)

RANKING	COMPANY
1	Sunrise Bhd
2	S P Setia Bhd
3	IGB Corp Bhd
4	Bandar Raya Devt Bhd
5	IOI Properties Bhd
6	Sime UEP Properties Bhd
7	YTL Land & Devt Bhd
8	Sunway City Bhd
9	KLCC Property Holdings Bhd
10	Boustead Properties Bhd
11	MK Land Holdings Bhd
12	Glomac Bhd
13	Paramount Corp Bhd
14	Island & Peninsular Bhd
15	E&O Property Devt Bhd
16	Mah Sing Group Bhd
17	Dijaya Corp Bhd
18	SHL Consolidated Bhd
19	Country Heights Holdings Bhd
20	Equine Capital Bhd
21	Guocoland (M) Bhd
22	Daiman Devt Bhd
23	Petaling Garden Bhd
24	Selangor Dredging Bhd
25	Naim Cendera Holdings Bhd
26	Pelangi Bhd
27	Plenitude Bhd
28	Eastern & Oriental Bhd
29	EUPE Corp Bhd
30	PJ Devt Holdings Bhd

Quantitative attributes (2005)

RANKING	COMPANY
1	IOI Properties Bhd
2	S P Setia Bhd
3	IGB Corp Bhd
4	Sunway City Bhd
5	MK Land Holdings Bhd
6	Sime UEP Properties Bhd
7	Talam Corp Bhd
8	UDA Holdings Bhd
9	Island & Peninsular Bhd
10	Boustead Properties Bhd
11	Bandar Raya Devt Bhd
12	Naim Cendera Holdings Bhd
13	Petaling Garden Bhd
14	Selangor Properties Bhd
15	E&O Property Devt Bhd
16	WCT Land Bhd
17	Dijaya Corp Bhd
18	Worldwide Holdings Bhd
19	Glomac Bhd
20	LBS Bina Group Bhd
21	PJ Devt Holdings Bhd
22	Plenitude Bhd
23	Country Heights Holdings Bhd
24	Metro Kajang Holdings Bhd
25	KSL Holdings Bhd
26	Sunrise Bhd
27	Daiman Devt Bhd
28	Pelangi Bhd
29	Guocoland (M) Bhd
30	PK Resources Bhd

TOP 30 (2006)

RANKING	COMPANY
1	S P Setia Bhd
2	IGB Corp Bhd
3	Island & Peninsular Bhd
4	Sunway City Bhd
5	IOI Properties Bhd
6	Sime UEP Properties Bhd
7	Sunrise Bhd
8	MK Land Holdings Bhd
9	Bandar Raya Developments Bhd
10	YTL Land & Development Bhd
11	Glomac Bhd
12	E&O Property Development Bhd
13	Paramount Corp Bhd
14	Mah Sing Group Bhd
15	Boustead Properties Bhd
16	Dijaya Corp Bhd
17	PJ Devt Holdings Bhd
18	UDA Holdings Bhd
19	Malton Bhd
20	RB Land Holdings Bhd
21	SHL Consolidated Bhd
22	Selangor Properties Bhd
23	Bolton Bhd
24	Naim Cendera Holdings Bhd
25	Country Heights Holdings Bhd
26	Plenitude Bhd
27	Metro Kajang Holdings Bhd
28	Petaling Garden Bhd
29	Negara Properties Bhd
30	Talam Corp Bhd

Qualitative attributes (2006)

RANKING	COMPANY
1	Sunrise Bhd
2	S P Setia Bhd
3	IGB Corp Bhd
4	Sunway City Bhd
5	IOI Properties Bhd
6	Glomac Bhd
7	YTL Land & Devt Bhd
8	Sime UEP Properties Bhd
9	Bandar Raya Developments Bhd
10	E&O Property Development Bhd
11	Island & Peninsular Bhd
12	Mah Sing Group Bhd
13	MK Land Holdings Bhd
14	Paramount Corp Bhd
15	Boustead Properties Bhd
16	Bolton Bhd
17	Malton Bhd
18	PJ Devt Holdings Bhd
19	Negara Properties Bhd
20	Dijaya Corp Bhd
21	Country Heights Holdings Bhd
22	SHL Consolidated Bhd
23	Hunza Properties Bhd
24	RB Land Holdings Bhd
25	Mulpha Land Bhd
26	Metro Kajang Holdings Bhd
27	Plenitude Bhd
28	Equine Capital Bhd
29	Asia Pacific Land Bhd
30	Selangor Properties Bhd

Quantitative attributes (2006)

RANKING	COMPANY
1	Island & Peninsular Bhd
2	S P Setia Bhd
3	IGB Corp Bhd
4	IOI Properties Bhd
5	Sunway City Bhd
6	Sime UEP Properties Bhd
7	Talam Corp Bhd
8	MK Land Holdings Bhd
9	UDA Holdings Bhd
10	Naim Cendera Holdings Bhd
11	Boustead Properties Bhd
12	Selangor Properties Bhd
13	Sunrise Bhd
14	Bandar Raya Devt Bhd
15	Krisassets Holdings Bhd
16	WCT Land Bhd
17	Dijaya Corp Bhd
18	Paramount Corp Bhd
19	E&O Property Devt Bhd
20	Petaling Garden Bhd
21	Worldwide Holdings Bhd
22	PJ Devt Holdings Bhd
23	LBS Bina Group Bhd
24	RB Land Holdings Bhd
25	Plenitude Bhd
26	YTL Land & Devt Bhd
27	Mah Sing Group Bhd
28	KSL Holdings Bhd
29	Glomac Bhd
30	Matrix International Bhd

TOP 30 OVERALL (2007)

RANKING	COMPANY
1	S P Setia Bhd
2	IGB Corp Bhd
3	IOI Properties Bhd
4	Sunway City Bhd
5	Island & Peninsular Bhd
6	Sime UEP Properties Bhd
7	Boustead Properties Bhd
8	Bandar Raya Devt Bhd
9	E&O Property Devt Bhd
10	Sunrise Bhd
11	YTL Land & Devt Bhd
12	Glomac Bhd
13	Paramount Corp Bhd
14	Dijaya Corp Bhd
15	Selangor Properties Bhd
16	Mah Sing Group Bhd
17	MK Land Holdings Bhd
18	PJ Devt Holdings Bhd
19	Metro Kajang Holdings Bhd
20	YNH Property Bhd
21	Malton Bhd
22	Plenitude Bhd
23	Daiman Devt Bhd
24	Petaling Garden Bhd
25	GuocoLand (M) Bhd
26	Naim Cendera Holdings Bhd
27	Ayer Hitam Planting Syndic. Bhd
28	Johor Land Bhd
29	RB Land Holdings Bhd
30	Equine Capital Bhd

Qualitative attributes (2007)

RANKING	COMPANY
1	S P Setia Bhd
2	Sunrise Bhd
3	IGB Corp Bhd
4	Sunway City Bhd
5	YTL Land & Devt Bhd
6	IOI Properties Bhd
7	Bandar Raya Devt Bhd
8	Glomac Bhd
9	E&O Property Devt Bhd
10	Boustead Properties Bhd
11	Sime UEP Properties Bhd
12	Island & Peninsular Bhd
13	Paramount Corp Bhd
14	Mah Sing Group Bhd
15	Dijaya Corp Bhd
16	Bolton Bhd
17	Hunza Properties Bhd
18	PJ Devt Holdings Bhd
19	Country Heights Holdings Bhd
20	Malton Bhd
21	Metro Kajang Holdings Bhd
22	Equine Capital Bhd
23	Asia Pacific Land Bhd
24	MK Land Holdings Bhd
25	YNH Property Bhd
26	Johor Land Bhd
27	Selangor Dredging Bhd
28	Negara Properties (M) Bhd
29	Mutiara Goodyear Devt Bhd
30	RB Land Holdings Bhd

Quantitative attributes (2007)

RANKING	COMPANY
1	IGB Corp Bhd
2	S P Setia Bhd
3	IOI Properties Bhd
4	Sunway City Bhd
5	Island & Peninsular Bhd
6	Sime UEP Properties Bhd
7	Boustead Properties Bhd
8	Selangor Properties Bhd
9	Naim Cendera Holdings Bhd
10	Bandar Raya Devt Bhd
11	E&O Property Devt Bhd
12	MK Land Holdings Bhd
13	Paramount Corp Bhd
14	Daiman Devt Bhd
15	Krisassets Holdings Bhd
16	Dijaya Corp Bhd
17	Petaling Garden Bhd
18	Worldwide Holdings Bhd
19	PJ Devt Holdings Bhd
20	Plenitude Bhd
21	United Malayan Land Bhd
22	Metro Kajang Holdings Bhd
23	KSL Holdings Bhd
24	Matrix International Bhd
25	Ayer Hitam Planting Syndic. Bhd
26	GuocoLand (M) Bhd
27	Mah Sing Group Bhd
28	YNH Property Bhd
29	RB Land Holdings Bhd
30	Malton Bhd

TOP 30 OVERALL (2008)

RANKING	COMPANY
1	S P Setia Bhd
2	IGB Corp Bhd
3	Sunway City Bhd
4	Island & Peninsular Sdn Bhd (N)
5	IOI Properties Bhd
6	Bandar Raya Devt Bhd
7	Bandar Utama City Corp Sdn Bhd (N)
8	Sunrise Bhd
9	E & O Property Devt Bhd
10	Boustead Properties Bhd
11	Mah Sing Group Bhd
12	YTL Land & Devt Bhd
13	Eastern & Oriental Bhd
14	Dijaya Corp Bhd
15	Paramount Corp Bhd
16	Glomac Bhd
17	Malton Bhd
18	Selangor Properties Bhd
19	YNH Property Bhd
20	Plenitude Bhd
21	Naza TTDI Sdn Bhd (N)
22	PJ Devt Holdings Bhd
23	Naim Cendera Holdings Bhd
24	United Malayan Land Bhd
25	Selangor Dredging Bhd
26	WCT Land Sdn Bhd (N)
27	Bolton Bhd
28	Metro Kajang Holdings Bhd
29	GuocoLand (M) Bhd
30	Mulpha Land Bhd

Qualitative attributes (2008)

RANKING	COMPANY
1	S P Setia Bhd
2	Sunrise Bhd
3	Bandar Utama City Corp Sdn Bhd (N)
4	IGB Corp Bhd
5	Bandar Raya Developments Bhd
6	E&O Property Devt Bhd
7	Sunway City Bhd
8	Glomac Bhd
9	YTL Land & Devt Bhd
10	Island & Peninsular Sdn Bhd (N)
11	IOI Properties Bhd
12	Boustead Properties Bhd
13	Selangor Dredging Bhd
14	Mah Sing Group Bhd
15	Naza TTDI Sdn Bhd (N)
16	YNH Property Bhd
17	Paramount Corp Bhd
18	Dijaya Corp Bhd
19	Malton Bhd
20	WCT Land Sdn Bhd (N)
21	Bolton Bhd
22	Mulpha Land Bhd
23	Plenitude Bhd
24	Palam Mesra Sdn Bhd (N)
25	Hunza Properties Bhd
26	Embassy Court Sdn Bhd (N)
27	PJ Development Hldgs Bhd
28	United Malayan Land Bhd
29	SHL Consolidated Bhd
30	Eastern & Oriental Bhd

Quantitative attributes (2008)

RANKING	COMPANY
1	S P Setia Bhd
2	IGB Corp Bhd
3	Sunway City Bhd
4	Island & Peninsular Sdn Bhd (N)
5	IOI Properties Bhd
6	Eastern & Oriental Bhd
7	Bandar Raya Devt Bhd
8	Boustead Properties Bhd
9	Selangor Properties Bhd
10	E&O Property Devt Bhd
11	Mah Sing Group Bhd
12	Naim Cendera Holdings Bhd
13	Bandar Utama City Corp Sdn Bhd (N)
14	Daiman Development Bhd
15	Dijaya Corporation Bhd
16	Sunrise Bhd
17	Paramount Corp Bhd
18	Malton Bhd
19	United Malayan Land Bhd
20	Krisassets Holdings Bhd
21	PJ Development Hldgs Bhd
22	Plenitude Bhd
23	KSL Holdings Bhd
24	MK Land Holdings Bhd
25	YNH Property Bhd
26	Matrix International Bhd
27	Metro Kajang Holdings Bhd
28	GuocoLand (M) Bhd
29	Asia Pacific Land Bhd
30	TAHPS Group Bhd

Refer to 2008 notes on pg8

TOP 30 OVERALL (2009)

RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	S P Setia Bhd
3	Sunway City Bhd
4	IGB Corp Bhd
5	Island & Peninsular Sdn Bhd (N)
6	IOI Properties Bhd (D)
7	Bandar Raya Devt Bhd
8	Eastern & Oriental Bhd
9	Sunrise Bhd
10	Bandar Utama City Corp Sdn Bhd (N)
11	Gamuda Bhd – Prop Div (N)
12	IJM Land Bhd (C)
13	YTL Land & Devt Bhd
14	Paramount Corp Bhd
15	Selangor Dredging Bhd
16	Mah Sing Group Bhd
17	Naza TTDI Sdn Bhd (N)
18	Selangor Properties Bhd
19	Dijaya Corporation Bhd
20	UEM Land Holdings Bhd (G)
21	PJ Devt Holdings Bhd
22	WCT Land Sdn Bhd (N)
23	Metro Kajang Holdings Bhd
24	Plenitude Bhd
25	Naim Holdings Bhd
26	Malton Bhd
27	United Malayan Land Bhd
28	Hunza Properties Bhd
29	Sagajuta (S) Sdn Bhd (N)
30	Bolton Bhd

Qualitative Attributes 2009

RANKING	COMPANY
1	Sunrise Bhd
2	S P Setia Berhad
3	Sunway City Bhd
4	Bandar Raya Devt Bhd
5	IGB Corp Bhd
6	Bandar Utama City Corp Sdn Bhd (N)
7	Eastern & Oriental Bhd
8	YTL Land & Devt Bhd
9	Gamuda Bhd – Prop Div (N)
10	Sime Darby Property Bhd (N)
11	IOI Properties Bhd (D)
12	IJM Land Berhad (C)
13	Island & Peninsular Sdn Bhd (N)
14	Glomac Bhd
15	Naza TTDI Sdn Bhd (N)
16	Selangor Dredging Bhd
17	Paramount Corp Bhd
18	Mah Sing Group Bhd
19	YNH Property Bhd
20	Malton Bhd
21	Mulpha Land Bhd
22	WCT Land Sdn Bhd (N)
23	Sagajuta (S) Sdn Bhd (N)
24	Dijaya Corp Bhd
25	UEM Land Holdings Berhad (G)
26	Hunza Properties Bhd
27	Ivory Associates Sdn Bhd (N)
28	Capital Land Sdn Bhd (N)
29	United Malayan Land Bhd
30	PJ Devt Holdings Bhd

Quantitative Attributes 2009

RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	Sunway City Bhd
3	S P Setia Bhd
4	Island & Peninsular Sdn Bhd (N)
5	IGB Corp Bhd
6	IOI Properties Bhd (D)
7	Eastern & Oriental Bhd
8	Bandar Raya Devt Bhd
9	Selangor Properties Bhd
10	Krisassets Holdings Bhd
11	Bandar Utama City Corp Sdn Bhd (N)
12	Naim Holdings Bhd
13	Gamuda Bhd – Prop Div (N)
14	Plenitude Bhd
15	Sunrise Bhd
16	PJ Devt Holdings Bhd
17	Dijaya Corp Bhd
18	Paramount Corp Bhd
19	Mah Sing Group Bhd
20	IJM Land Bhd (C)
21	Metro Kajang Holdings Bhd
22	Selangor Dredging Bhd
23	UEM Land Holdings Bhd (G)
24	Naza TTDI Sdn Bhd (N)
25	GuocoLand (M) Bhd
26	Matrix International Bhd
27	YTL Land & Devt Bhd
28	United Malayan Land Bhd
29	Mutiara Goodyear Devt Bhd
30	Encorp Bhd

Refer to 2009 notes on pg8

2010 RANKINGS

TOP 30 OVERALL (2010)

RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY
1	S P Setia Bhd	7	I & P Group Sdn Bhd (N)	13	Glomac Bhd	19	TA Global Bhd	25	Selangor Properties Bhd
2	Sime Darby Property Bhd (N)	8	Bandar Raya Developments Bhd	14	Dijaya Corp Bhd	20	UEM Land Holdings Bhd	26	Metro Kajang Holdings Bhd
3	Sunway City Bhd	9	Mah Sing Group Bhd	15	Plenitude Bhd	21	YNH Property Bhd	27	PJ Development Holdings Bhd
4	Sunrise Bhd	10	IJM Land Bhd	16	Selangor Dredging Bhd	22	Bolton Bhd	28	Naim Holdings Bhd
5	IGB Corp Bhd	11	Paramount Corp Bhd	17	Naza TTDI Sdn Bhd (N)	23	Malton Bhd	29	Hunza Properties Bhd
6	IOI Properties Bhd (N)	12	YTL Land & Devt Bhd	18	Eastern & Oriental Bhd	24	United Malayan Land Bhd	30	Mulpha Land Bhd

Quantitative Attributes 2010

BEST 30

RANKING	COMPANY
1	Sime Darby Property Bhd(N)
2	I & P Group Sdn Bhd(N)
3	S P Setia Bhd
4	Sunway City Bhd
5	IOI Properties Bhd(N)
6	IGB Corp. Bhd
7	Bandar Raya Devt Bhd
8	Selangor Properties Bhd
9	Mah Sing Group Bhd
10	TA Global Bhd(d)
11	Paramount Corp. Bhd
12	Sunrise Bhd
13	Dijaya Corp. Bhd
14	Naim Holdings Bhd
15	Plenitude Bhd
16	Golden Plus Holdings Bhd(b)
17	PJ Devt Holdings Bhd
18	Krisassets Holdings Bhd
19	Metro Kajang Holdings Bhd
20	Berjaya Assets Bhd(a)
21	TAHPS Group Bhd
22	Naza TTDI Sdn Bhd(N)
23	Daiman Devt Bhd
24	KSL Holdings Bhd
25	United Malayan Land Bhd
26	Triplc Bhd(f)
27	DNP Holdings Bhd
28	Oriental Interest Bhd
29	Asia Pacific Land Bhd
30	SHL Consolidated Bhd

Shareholders Funds

RANKING	COMPANY
1	Sime Darby Property Bhd(N)
2	IOI Properties Bhd(N)
3	IGB Corp. Bhd
4	I & P Group Sdn Bhd(N)
5	Sunway City Bhd
6	S P Setia Bhd
7	TA Global Bhd(d)
8	Selangor Properties Bhd
9	Bandar Raya Devt Bhd
10	IJM Land Bhd
11	UEM Land Holdings Bhd
12	Berjaya Assets Bhd(a)
13	Krisassets Holdings Bhd
14	MK Land Holdings Bhd
15	Sunrise Bhd
16	Daiman Devt Bhd
17	United Malayan Land Bhd
18	Mah Sing Group Bhd
19	Dijaya Corp. Bhd
20	Eastern & Oriental Bhd
21	Karambunai Corp. Bhd
22	PJ Devt Holdings Bhd
23	Guocoland (M) Bhd
24	KSL Holdings Bhd
25	DNP Holdings Bhd
26	YNH Property Bhd
27	Asia Pacific Land Bhd
28	Country Heights Holdings Bhd
29	Plenitude Bhd
30	Naim Holdings Bhd

Turnover

RANKING	COMPANY
1	S P Setia Bhd
2	Sime Darby Property Bhd(N)
3	Sunway City Bhd (g)
4	I & P Group Sdn Bhd(N)
5	Bandar Raya Devt Bhd
6	Sunrise Bhd
7	Mah Sing Group Bhd
8	IOI Properties Bhd(N)
9	IJM Land Bhd
10	IGB Corp. Bhd
11	PJ Devt Holdings Bhd
12	Naim Holdings Bhd
13	Golden Plus Holdings Bhd(b)
14	TA Global Bhd(d)
15	Naza TTDI Sdn Bhd(N)
16	Malton Bhd
17	Paramount Corp. Bhd
18	UEM Land Holdings Bhd
19	Metro Kajang Holdings Bhd
20	Triplc Bhd(f)
21	Glomac Bhd
22	Berjaya Assets Bhd(a)
23	Selangor Properties Bhd
24	Dijaya Corp. Bhd
25	Eastern & Oriental Bhd
26	Talam Corp. Bhd(e)
27	Bolton Bhd
28	Plenitude Bhd
29	YTL Land & Devt Bhd
30	SHL Consolidated Bhd

Profit Before Tax

RANKING	COMPANY
1	Sunway City Bhd (g)
2	Sime Darby Property Bhd(N)
3	I & P Group Sdn Bhd(N)
4	S P Setia Bhd
5	IGB Corp. Bhd
6	IOI Properties Bhd(N)
7	Sunrise Bhd
8	Krisassets Holdings Bhd
9	Bandar Raya Devt Bhd
10	Mah Sing Group Bhd
11	TA Global Bhd(d)
12	UEM Land Holdings Bhd
13	Naim Holdings Bhd
14	KSL Holdings Bhd
15	Plenitude Bhd
16	Naza TTDI Sdn Bhd(N)
17	Paramount Corp. Bhd
18	Dijaya Corp. Bhd
19	YNH Property Bhd
20	IJM Land Bhd
21	United Malayan Land Bhd
22	Selangor Properties Bhd
23	Talam Corp. Bhd(e)
24	Metro Kajang Holdings Bhd
25	Glomac Bhd
26	Malaysia Pacific Corp. Bhd
27	Golden Plus Holdings Bhd(b)
28	Crescendo Corp. Bhd
29	Berjaya Assets Bhd(a)
30	Hunza Properties Bhd

Notes:

- (a) Changed name from Matrix International Bhd
- (b) Golden Plus Holdings Bhd's shares have been suspended since Aug 3, 2009 for failure to issue its audited financial statements. The data provided by IDS are based on the unaudited 4th quarter results submitted to Bursa Malaysia and have been updated with the data from the latest audited accounts submitted to Bursa Malaysia on Aug 6, 2010.
- (c) Ivory Properties was listed on July 28, 2010 and was not captured in the data provided by IDS. The data is based on the pro-forma accounts for FY ended 2009 submitted as part of the prospectus to Bursa Malaysia for Ivory Properties' IPO.
- (d) TA Global was listed on Nov 23, 2009 and did not issue an annual report for FY ended 2009. The data here is obtained from the pro-forma accounts for FY2009 submitted as part of the prospectus to Bursa Malaysia for TA Global's IPO.
- (e) Talam Corp Bhd - PN17 on Sept 1, 2006 & amended PN17 on May 18, 2009. Talam Corp's PN17 status was uplifted on June 6, 2010.
- (f) Triplc Bhd - PN17 as at Sept 22, 2010.
- (g) Sunway City's turnover and profit before tax were annualised as it issued 18 months accounts for the financial year ended this Dec 31, 2009.
- (N) Non-listed developer

Cash/Net Gearing

RANKING	COMPANY
1	Selangor Properties Bhd
2	Plenitude Bhd
3	TAHPS Group Bhd
4	I & P Group Sdn Bhd(N)
5	Paramount Corp. Bhd
6	Dijaya Corp. Bhd
7	Golden Plus Holdings Bhd(b)
8	Oriental Interest Bhd
9	Land & General Bhd
10	I - Bhd
11	Triplc Bhd(f)
12	Keladi Maju Bhd
13	Daiman Devt Bhd
14	MUI Properties Bhd
15	A & M Realty Bhd
16	Tanco Holdings Bhd
17	LBI Capital Bhd
18	Villamas Sdn Bhd(N)
19	Petaling Tin Bhd
20	Asia Pacific Land Bhd
21	Tebrau Teguh Bhd
22	Bertam Alliance Bhd
23	Farlim Group (M) Bhd
24	Ibraco Bhd
25	TA Global Bhd(d)
26	Asas Dunia Bhd
27	Naim Holdings Bhd
28	Gromutual Bhd
29	Sime Darby Property Bhd(N)
30	Mah Sing Group Bhd

Qualitative Attributes 2010

BEST 30

RANKING	COMPANY
1	S P Setia Bhd
2	Sunrise Bhd
3	Sunway City Bhd
4	IGB Corp. Bhd
5	Bandar Raya Devt Bhd
6	Sime Darby Property Bhd(N)
7	IJM Land Bhd
8	YTL Land & Devt Bhd
9	Mah Sing Group Bhd
10	IOI Properties Bhd(N)
11	Eastern & Oriental Bhd
12	Selangor Dredging Bhd
13	I & P Group Sdn Bhd(N)
14	Glomac Bhd
15	Paramount Corp Bhd
16	Dijaya Corp. Bhd
17	UEM Land Holdings Bhd
18	Naza TTDI Sdn Bhd(N)
19	Plenitude Bhd
20	Mulpha Land Bhd
21	Bolton Bhd
22	YNH Property Bhd
23	WCT Land Sdn Bhd(N)
24	Malton Bhd
25	Hunza Properties Bhd
26	United Malayan Land Bhd
27	Ivory Properties Group Bhd
28	TA Global Bhd
29	Metro Kajang Holdings Bhd
30	PJ Devt Holdings Bhd

Product Quality

RANKING	COMPANY
1	Sunrise Bhd
2	S P Setia Bhd
3	Sunway City Bhd
4	Bandar Raya Dev Bhd
5	IGB Corp. Bhd
6	Sime Darby Property Bhd(N)
7	Eastern & Oriental Bhd
8	IJM Land Bhd
9	YTL Land & Devt Bhd
10	Paramount Corp Bhd
11	IOI Properties Bhd(N)
12	Selangor Dredging Bhd
13	Mah Sing Group Bhd
14	I & P Group Sdn Bhd(N)
15	Mulpha Land Bhd
16	Glomac Bhd
17	Plenitude Bhd
18	UEM Land Holdings Bhd
19	Naza TTDI Sdn Bhd(N)
20	WCT Land Sdn Bhd(N)
21	Bolton Bhd
22	United Malayan Land Bhd
23	Dijaya Corp. Bhd
24	TA Global Bhd
25	YNH Property Bhd
26	Hunza Properties Bhd
27	Ivory Properties Group Bhd
28	Malton Bhd
29	Selangor Properties Bhd
30	PJ Devt Holdings Bhd

Innovation & Creativity

RANKING	COMPANY
1	S P Setia Bhd
2	Sunway City Bhd
3	Sunrise Bhd
4	Bandar Raya Devt Bhd
5	IGB Corp. Bhd
6	Selangor Dredging Bhd
7	YTL Land & Devt Bhd
8	Mah Sing Group Bhd
9	Sime Darby Property Bhd(N)
10	Eastern & Oriental Bhd
11	IJM Land Bhd
12	Glomac Bhd
13	Mulpha Land Bhd
14	IOI Properties Bhd(N)
15	I & P Group Sdn Bhd(N)
16	Naza TTDI Sdn Bhd(N)
17	Malton Bhd
18	YNH Property Bhd
19	I - Bhd
20	Paramount Corp Bhd
21	Plenitude Bhd
22	UEM Land Holdings Bhd
23	Bolton Bhd
24	Dijaya Corp. Bhd
25	TA Global Bhd
26	Ivory Properties Group Bhd
27	United Malayan Land Bhd
28	WCT Land Sdn Bhd(N)
29	Hunza Properties Bhd
30	PJ Devt Holdings Bhd

Value Creation for Buyers

RANKING	COMPANY
1	S P Setia Bhd
2	Sunway City Bhd
3	Sunrise Bhd
4	IGB Corp. Bhd
5	IOI Properties Bhd(N)
6	Sime Darby Property Bhd(N)
7	YTL Land & Devt Bhd
8	Bandar Raya Devt Bhd
9	IJM Land Bhd
10	Mah Sing Group Bhd
11	I & P Group Sdn Bhd(N)
12	Eastern & Oriental Bhd
13	Paramount Corp Bhd
14	Glomac Bhd
15	Dijaya Corp. Bhd
16	Selangor Dredging Bhd
17	Plenitude Bhd
18	Hunza Properties Bhd
19	WCT Land Sdn Bhd(N)
20	Malton Bhd
21	YNH Property Bhd
22	Naza TTDI Sdn Bhd(N)
23	Bolton Bhd
24	Mulpha Land Bhd
25	UEM Land Holdings Bhd
26	TA Global Bhd
27	United Malayan Land Bhd
28	Ivory Properties Group Bhd
29	Metro Kajang Holdings Bhd
30	Naim Holdings Bhd

Image

RANKING	COMPANY
1	S P Setia Bhd
2	Sunway City Bhd
3	Sunrise Bhd
4	Bandar Raya Dev Bhd
5	IGB Corp. Bhd
6	IJM Land Bhd
7	Mah Sing Group Bhd
8	Sime Darby Property Bhd(N)
9	IOI Properties Bhd(N)
10	YTL Land & Devt Bhd
11	Paramount Corp Bhd
12	Eastern & Oriental Bhd
13	Selangor Dredging Bhd
14	I & P Group Sdn Bhd(N)
15	Glomac Bhd
16	UEM Land Holdings Bhd
17	Dijaya Corp. Bhd
18	Bolton Bhd
19	Naza TTDI Sdn Bhd(N)
20	Plenitude Bhd
21	YNH Property Bhd
22	WCT Land Sdn Bhd(N)
23	Hunza Properties Bhd
24	Ivory Properties Group Bhd
25	Metro Kajang Holdings Bhd
26	United Malayan Land Bhd
27	I - Bhd
28	Mulpha Land Bhd
29	Naim Holdings Bhd
30	Malton Bhd

Expertise

RANKING	COMPANY
1	S P Setia Bhd
2	Sunrise Bhd
3	Sunway City Bhd
4	IGB Corp. Bhd
5	IJM Land Bhd
6	IOI Properties Bhd(N)
7	Bandar Raya Dev Bhd
8	Mah Sing Group Bhd
9	Sime Darby Property Bhd(N)
10	Selangor Dredging Bhd
11	YTL Land & Devt Bhd
12	Eastern & Oriental Bhd
13	I & P Group Sdn Bhd(N)
14	Glomac Bhd
15	Paramount Corp Bhd
16	Dijaya Corp. Bhd
17	Bolton Bhd
18	Malton Bhd
19	Plenitude Bhd
20	YNH Property Bhd
21	UEM Land Holdings Bhd
22	Metro Kajang Holdings Bhd
23	Hunza Properties Bhd
24	Naza TTDI Sdn Bhd(N)
25	WCT Land Sdn Bhd(N)
26	United Malayan Land Bhd
27	Mulpha Land Bhd
28	PJ Devt Holdings Bhd
29	Ivory Properties Group Bhd
30	Selangor Properties Bhd

2011 RANKINGS

TOP 30 OVERALL (2011)

RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY
1	S P Setia Bhd	7	Mah Sing Group Bhd	13	UEM Land Holdings Bhd	19	Paramount Corp Bhd	25	Plenitude Bhd
2	Sime Darby Property Bhd (N)	8	Sunrise Bhd (B)	14	YTL Land & Development Bhd	20	Selangor Dredging Bhd	26	Mulpha Land Bhd
3	Sunway City Bhd	9	IJM Land Bhd	15	AlBatha Bukit Kiara Holdings Sdn Bhd (N)	21	Malton Bhd	27	Ivory Properties Group Bhd
4	IGB Corp Bhd	10	Bandar Raya Developments Bhd	16	Glomac Bhd	22	YNH Property Bhd	28	PJ Development Holdings Bhd
5	I & P Group Sdn Bhd (N)	11	Bandar Utama City Corp Sdn Bhd (N)	17	Dijaya Corp Bhd	23	Hunza Properties Bhd	29	Nadayu Properties Bhd (C)
6	IOI Properties Bhd (N)	12	Eastern & Oriental Bhd	18	Naza TTDI Sdn Bhd (N)	24	Bolton Bhd	30	United Malayan Land Bhd

Quantitative Attributes 2011

BEST 30

RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	IOI Properties Bhd (N)
3	S P Setia Bhd
4	Sunway City Bhd
5	I & P Group Sdn Bhd (N)
6	IGB Corp Bhd
7	UEM Land Holdings Bhd
8	Krisassets Holdings Bhd
9	Bandar Utama City Corp Sdn Bhd (N)
10	Mah Sing Group Bhd
11	Berjaya Assets Bhd
12	Paramount Corp Bhd
13	Naim Holdings Bhd
14	Selangor Properties Bhd
15	Sunrise Bhd (B)
16	Naza TTDI Sdn Bhd (N)
17	TA Global Bhd
18	Plenitude Bhd
19	IJM Land Bhd
20	PJ Development Holdings Bhd
21	Dijaya Corp Bhd
22	Bandar Raya Developments Bhd
23	Wing Tai Malaysia Bhd (E)
24	United Malayan Land Bhd
25	KSL Holdings Bhd
26	SHL Consolidated Bhd
27	Daiman Development Bhd
28	Eastern & Oriental Bhd
29	Glomac Bhd
30	Malton Bhd

Shareholders Funds

RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	IOI Properties Bhd (N)
3	IGB Corp Bhd
4	I & P Group Sdn Bhd (N)
5	UEM Land Holdings Bhd
6	Sunway City Bhd
7	S P Setia Bhd
8	TA Global Bhd
9	Selangor Properties Bhd
10	Bandar Raya Developments Bhd
11	IJM Land Bhd
12	Krisassets Holdings Bhd
13	Berjaya Assets Bhd
14	Bandar Utama City Corp Sdn Bhd (N)
15	Sunrise Bhd (B)
16	Eastern & Oriental Bhd
17	MK Land Holdings Bhd
18	Daiman Development Bhd
19	Mah Sing Group Bhd
20	Dijaya Corp Bhd
21	United Malayan Land Bhd
22	KSL Holdings Bhd
23	PJ Development Holdings Bhd
24	Karambunai Corp Bhd
25	Guocoland (M) Bhd
26	Wing Tai Malaysia Bhd (E)
27	YNH Property Bhd
28	Plenitude Bhd
29	Naim Holdings Bhd
30	Country Heights Holdings Bhd

Turnover

RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	S P Setia Bhd
3	Mah Sing Group Bhd
4	Sunway City Bhd
5	I & P Group Sdn Bhd (N)
6	IJM Land Bhd
7	IOI Properties Bhd (N)
8	IGB Corp Bhd
9	PJ Development Holdings Bhd
10	Naza TTDI Sdn Bhd (N)
11	Bandar Raya Developments Bhd
12	Naim Holdings Bhd
13	Sunrise Bhd (B)
14	UEM Land Holdings Bhd
15	Paramount Corp Bhd
16	Bandar Utama City Corp. Sdn Bhd (N)
17	Berjaya Assets Bhd
18	Wing Tai Malaysia Bhd (E)
19	Eastern & Oriental Bhd
20	Plenitude Bhd
21	Malton Bhd
22	LBS Bina Group Bhd
23	United Malayan Land Bhd
24	Glomac Bhd
25	MK Land Holdings Bhd
26	Dijaya Corp Bhd
27	MKH Bhd (A)
28	Sapura Resources Bhd
29	Encorp Bhd
30	WCT Land Sdn Bhd (N)

Profit Before Tax

RANKING	COMPANY
1	IOI Properties Bhd (N)
2	Sunway City Bhd
3	Sime Darby Property Bhd (N)
4	S P Setia Bhd
5	Berjaya Assets Bhd
6	IGB Corp Bhd
7	Krisassets Holdings Bhd
8	I & P Group Sdn Bhd (N)
9	UEM Land Holdings Bhd
10	Sunrise Bhd (B)
11	Bandar Utama City Corp Sdn Bhd (N)
12	Mah Sing Group Bhd
13	Paramount Corporation. Bhd
14	KSL Holdings Bhd
15	Bandar Raya Developments Bhd
16	IJM Land Bhd
17	Naim Holdings Bhd
18	Naza TTDI Sdn Bhd (N)
19	Plenitude Bhd
20	Eastern & Oriental Bhd
21	WCT Land Sdn Bhd (N)
22	Glomac Bhd
23	Wing Tai Malaysia Bhd (E)
24	United Malayan Land Bhd
25	PJ Development Holdings Bhd
26	Selangor Properties Bhd
27	YNH Property Bhd
28	Hunza Properties Bhd
29	TA Global Bhd
30	Dijaya Corporation Bhd

Notes:

- (A) MKH Bhd was previously known as Metro Kajang Holdings Bhd Changed name on April 8, 2011.
- (B) Sunrise voluntarily delisted on Jan 21, 2011 but released an annual report for FY2010 while still listed on the Property Sector of Bursa Malaysia. As such the Company is automatically considered for TPDA2011.
- (C) Nadayu Properties was previously known as Muti-ara Goodyear Development Bhd. Changed name on June 20, 2011.
- (D) Triplic was declared PN17 on May 8, 2006 & amended PN17 since May 18, 2009. Triplic was reclassified from the Property Sector to the Construction Sector on Bursa Malaysia on July 11, 2011.
- (E) Wing Tai Malaysia Bhd was previously known as DNP Holdings Bhd. Changed name on Nov 19, 2010.
- (N) Non-listed company.

Cash/Net Gearing

RANKING	COMPANY
1	Trinity Group Sdn Bhd
2	Land & General Bhd
3	Plenitude Bhd
4	Paramount Corp Bhd
5	TAHPS Group Bhd
6	Keladi Maju Bhd
7	I-Bhd
8	Oriental Interest Bhd
9	SHL Consolidated Bhd
10	I & P Group Sdn Bhd
11	MUI Properties Bhd
12	Selangor Properties Bhd
13	A & M Realty Bhd
14	Khor Joo Saik Sdn Bhd
15	LBI Capital Bhd
16	Farlim Group (M) Bhd
17	Tebrau Teguh Bhd
18	Bertam Alliance Bhd
19	Daiman Development Bhd
20	Bandar Utama City Corp Sdn Bhd
21	Dijaya Corp Bhd
22	Krisassets Holdings Bhd
23	Petaling Tin Bhd
24	Asas Dunia Bhd
25	Ibraco Bhd
26	UEM Land Holdings Bhd
27	South Malaysia Industries Bhd
28	Hunza Properties Bhd
29	Triplic Bhd (D)
30	TA Global Bhd

Qualitative Attributes 2011

BEST 30

RANKING	COMPANY
1	S P Setia Berhad
2	Sunway City Bhd
3	IJM Land Berhad
4	Mah Sing Group Bhd
5	Sunrise Bhd (B)
6	Sime Darby Property Bhd (N)
7	IGB Corp Bhd
8	Bandar Raya Developments Bhd
9	Al-Batha Bukit Kiara Holdings Sdn Bhd (N)
10	Eastern & Oriental Bhd
11	Selangor Dredging Bhd
12	Bandar Utama City Corp Sdn Bhd (N)
13	YTL Land & Development Bhd
14	I & P Group Sdn Bhd (N)
15	Glomac Bhd
16	IOI Properties Bhd (N)
17	UEM Land Holdings Berhad
18	Dijaya Corp Bhd
19	Naza TTDI Sdn Bhd (N)
20	Paramount Corp Bhd
21	YNH Property Bhd
22	Malton Bhd
23	Hunza Properties Bhd
24	Ivory Properties Group Bhd
25	Mulpha Land Bhd
26	Bolton Bhd
27	Plenitude Bhd
28	Nadayu Properties Bhd (C)
29	MKH Bhd (A)
30	PJ Development Holdings Bhd

Product Quality

RANKING	COMPANY
1	S P Setia Berhad
2	Sunway City Bhd
3	IGB Corp Bhd
4	Sunrise Bhd (B)
5	Al-Batha Bukit Kiara Holdings Sdn Bhd (N)
6	Bandar Raya Developments Bhd
7	Eastern & Oriental Bhd
8	IJM Land Berhad
9	Mah Sing Group Bhd
10	Selangor Dredging Bhd
11	YTL Land & Development Bhd
12	Bandar Utama City Corp Sdn Bhd (N)
13	Sime Darby Property Bhd (N)
14	I & P Group Sdn Bhd (N)
15	UEM Land Holdings Berhad
16	Glomac Bhd
17	Paramount Corp Bhd
18	Naza TTDI Sdn Bhd (N)
19	Mulpha Land Bhd
20	IOI Properties Bhd (N)
21	Bolton Bhd
22	Hunza Properties Bhd
23	Dijaya Corp Bhd
24	Ivory Properties Group Bhd
25	Malton Bhd
26	YNH Property Bhd
27	WCT Land Sdn Bhd (N)
28	PJ Development Holdings Bhd
29	TA Global Bhd
30	Nadayu Properties Bhd (C)

Innovation & Creativity

RANKING	COMPANY
1	S P Setia Berhad
2	Sunway City Bhd
3	Al-Batha Bukit Kiara Holdings Sdn Bhd (N)
4	Sime Darby Property Bhd (N)
5	Mah Sing Group Bhd
6	Bandar Raya Developments Bhd
7	Selangor Dredging Bhd
8	Sunrise Bhd (B)
9	IJM Land Berhad
10	YTL Land & Development Bhd
11	IGB Corp Bhd
12	Eastern & Oriental Bhd
13	UEM Land Holdings Berhad
14	I & P Group Sdn Bhd (N)
15	Dijaya Corp Bhd
16	IOI Properties Bhd (N)
17	Bandar Utama City Corp Sdn Bhd (N)
18	Glomac Bhd
19	Malton Bhd
20	YNH Property Bhd
21	Naza TTDI Sdn Bhd (N)
22	Mulpha Land Bhd
23	Hunza Properties Bhd
24	Bolton Bhd
25	Ivory Properties Group Bhd
26	Nadayu Properties Bhd (B)
27	I - Bhd
28	Paramount Corp Bhd
29	Plenitude Bhd
30	Encorp Bhd

Value Creation for Buyers

RANKING	COMPANY
1	S P Setia Berhad
2	IJM Land Berhad
3	Sime Darby Property Bhd (N)
4	Mah Sing Group Bhd
5	Sunway City Bhd
6	Sunrise Bhd (B)
7	Bandar Raya Developments Bhd
8	Eastern & Oriental Bhd
9	I & P Group Sdn Bhd (N)
10	Bandar Utama City Corp Sdn Bhd (N)
11	Al-Batha Bukit Kiara Holdings Sdn Bhd (N)
12	Dijaya Corp Bhd
13	Selangor Dredging Bhd
14	IOI Properties Bhd (N)
15	IGB Corp Bhd
16	Glomac Bhd
17	YTL Land & Development Bhd
18	Naza TTDI Sdn Bhd (N)
19	UEM Land Holdings Berhad
20	Paramount Corp Bhd
21	Hunza Properties Bhd
22	YNH Property Bhd
23	Bolton Bhd
24	Ivory Properties Group Bhd
25	Malton Bhd
26	Plenitude Bhd
27	MKH Bhd (A)
28	Encorp Bhd
29	Mulpha Land Bhd
30	PJ Development Holdings Bhd

Image

RANKING	COMPANY
1	S P Setia Berhad
2	Sunway City Bhd
3	Sime Darby Property Bhd (N)
4	IJM Land Berhad
5	Mah Sing Group Bhd
6	Bandar Raya Developments Bhd
7	IGB Corp Bhd
8	Sunrise Bhd (B)
9	Eastern & Oriental Bhd
10	Bandar Utama City Corp Sdn Bhd (N)
11	YTL Land & Development Bhd
12	I & P Group Sdn Bhd (N)
13	Al-Batha Bukit Kiara Holdings Sdn Bhd (N)
14	Naza TTDI Sdn Bhd (N)
15	Glomac Bhd
16	UEM Land Holdings Berhad
17	Selangor Dredging Bhd
18	IOI Properties Bhd (N)
19	Dijaya Corp Bhd
20	Ivory Properties Group Bhd
21	Paramount Corp Bhd
22	Malton Bhd
23	YNH Property Bhd
24	Hunza Properties Bhd
25	Mulpha Land Bhd
26	Bolton Bhd
27	Nadayu Properties Bhd (C)
28	Plenitude Bhd
29	MKH Bhd (A)
30	OSK Property Holdings Bhd

Expertise

RANKING	COMPANY
1	S P Setia Berhad
2	Sunway City Bhd
3	IGB Corp Bhd
4	IJM Land Berhad
5	Mah Sing Group Bhd
6	Sunrise Bhd (B)
7	Sime Darby Property Bhd (N)
8	Bandar Raya Developments Bhd
9	Bandar Utama City Corp Sdn Bhd (N)
10	Al-Batha Bukit Kiara Holdings Sdn Bhd (N)
11	Eastern & Oriental Bhd
12	Glomac Bhd
13	IOI Properties Bhd (N)
14	Selangor Dredging Bhd
15	YTL Land & Development Bhd
16	Dijaya Corp Bhd
17	I & P Group Sdn Bhd (N)
18	UEM Land Holdings Berhad
19	Paramount Corp Bhd
20	Naza TTDI Sdn Bhd (N)
21	Malton Bhd
22	YNH Property Bhd
23	Bolton Bhd
24	Hunza Properties Bhd
25	Ivory Properties Group Bhd
26	MKH Bhd (A)
27	Plenitude Bhd
28	WCT Land Sdn Bhd (N)
29	Mulpha Land Bhd
30	Nadayu Properties Bhd (C)

2012 RANKINGS

TOP 30 OVERALL (2012)

RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY
1	S P Setia Bhd	7	Mah Sing Group Bhd	13	Eastern & Oriental Bhd	19	YTL Land & Development Bhd	25	Selangor Dredging Bhd
2	Sunway Bhd	8	Gamuda Bhd (Property Division) (N)	14	KLCC Property Holdings Bhd	20	Malton Bhd	26	WCT Land Sdn Bhd (N)
3	Sime Darby Property Bhd (N)	9	Bandar Utama City Corp Sdn Bhd (N)	15	AlBatha Bukit Kiara Holdings Sdn Bhd (N)	21	United Malayan Land Bhd	27	KSL Holdings Bhd
4	IGB Corp Bhd	10	IJM Land Bhd	16	Glomac Bhd	22	Paramount Corp Bhd	28	OSK Property Holdings Bhd
5	UEM Land Holdings Bhd	11	UOA Development Bhd	17	Naza TTDI Sdn Bhd (N)	23	TA Global Bhd	29	Dijaya Corp Bhd
6	I & P Group Sdn Bhd (N)	12	Bandar Raya Developments Bhd	18	Malaysian Resources Corp Bhd(Prop Div) (N)	24	PJ Development Holdings Bhd	30	Plentitude Bhd

Quantitative Attributes 2012

BEST 30

RANKING	COMPANY
1	S P Setia Bhd
2	Sime Darby Property Bhd (N)
3	I & P Group Sdn Bhd (N)
4	UEM Land Holdings Bhd
5	KLCC Property Holdings Bhd (YE)(1)
6	IGB Corp Bhd
7	Sunway Bhd (H)
8	UOA Development Bhd
9	Bandar Utama City Corp Sdn Bhd (N)
10	Krisassets Holdings Bhd
11	Berjaya Assets Bhd
12	Gamuda Bhd (Property Division) (N)
13	Mah Sing Group Bhd
14	IJM Land Bhd
15	Selangor Properties Bhd
16	TA Global Bhd
17	Bandar Raya Developments Bhd
18	Plentitude Bhd
19	Paramount Corp Bhd
20	Malton Bhd
21	Naza TTDI Sdn Bhd (N)
22	United Malayan Land Bhd
23	Wing Tai Malaysia Bhd
24	Daiman Development Bhd
25	Glomac Bhd
26	KSL Holdings Bhd
27	MK Land Holdings Bhd
28	PJ Development Holdings Bhd
29	Naim Holdings Bhd
30	Mahajaya Bhd (D)

Shareholders Funds

RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	KLCC Property Holdings Bhd (YE)(1)
3	UEM Land Holdings Bhd
4	S P Setia Bhd
5	IGB Corp Bhd
6	Sunway Bhd (H)
7	I & P Group Sdn Bhd (N)
8	TA Global Bhd
9	Krisassets Holdings Bhd
10	Selangor Properties Bhd
11	Berjaya Assets Bhd
12	IJM Land Bhd
13	Bandar Raya Developments Bhd
14	UOA Development Bhd
15	Bandar Utama City Corp Sdn Bhd (N)
16	Malaysian Resources Corp Bhd (Prop Div) (N)
17	Gamuda Bhd (Property Division) (N)
18	Mah Sing Group Bhd
19	Eastern & Oriental Bhd
20	MK Land Holdings Bhd
21	Daiman Development Bhd
22	Dijaya Corp Bhd
23	KSL Holdings Bhd
24	United Malayan Land Bhd
25	PJ Development Holdings Bhd
26	Wing Tai Malaysia Bhd
27	YNH Property Bhd
28	Plentitude Bhd
29	GuocoLand (M) Bhd
30	Naim Holdings Bhd

Turnover

RANKING	COMPANY
1	Sunway Bhd (H)
2	S P Setia Bhd
3	Sime Darby Property Bhd (N)
4	UEM Land Holdings Bhd
5	Mah Sing Group Bhd
6	IJM Land Bhd
7	I & P Group Sdn Bhd (N)
8	KLCC Property Holdings Bhd (YE)(1)
9	IGB Corp Bhd
10	Gamuda Bhd (Property Division) (N)
11	Bandar Raya Developments Bhd
12	Naza TTDI Sdn Bhd (N)
13	UOA Development Bhd
14	Glomac Bhd
15	PJ Development Holdings Bhd
16	Paramount Corp Bhd
17	Malaysian Resources Corp Bhd (Prop Div) (N)
18	Malton Bhd
19	Bandar Utama City Corp. Sdn Bhd (N)
20	LBS Bina Group Bhd
21	MK Land Holdings Bhd
22	Naim Holdings Bhd
23	TA Global Bhd
24	Dijaya Corp Bhd
25	Krisassets Holdings Bhd
26	Wing Tai Malaysia Bhd
27	Berjaya Assets Bhd
28	Mahajaya Bhd (D)
29	Selangor Dredging Bhd
30	MKH Bhd

Profit Before Tax

RANKING	COMPANY
1	KLCC Property Holdings Bhd (YE)(1)
2	Krisassets Holdings Bhd
3	Sunway Bhd (H)
4	UOA Development Bhd
5	Sime Darby Property Bhd (N)
6	S P Setia Bhd
7	Berjaya Assets Bhd
8	IGB Corp Bhd
9	UEM Land Holdings Bhd
10	IJM Land Bhd
11	I & P Group Sdn Bhd (N)
12	Mah Sing Group Bhd
13	Bandar Utama City Corp Sdn Bhd (N)
14	Gamuda Bhd (Property Division) (N)
15	Selangor Properties Bhd
16	Naza TTDI Sdn Bhd (N)
17	Glomac Bhd
18	Plentitude Bhd
19	M.K.N Group Sdn Bhd (N)
20	KSL Holdings Bhd
21	Paramount Corp Bhd
22	TA Global Bhd
23	Malaysian Resources Corp Bhd (Prop Div) (N)
24	Malton Bhd
25	Wing Tai Malaysia Bhd
26	Mahajaya Bhd (D)
27	Dijaya Corp Bhd
28	Bandar Raya Developments Bhd
29	United Malayan Land Bhd
30	PJ Development Holdings Bhd

Notes:

- (D) Mahajaya Bhd's year-end is 30 June and was delisted on 14 May 2012. It issued an annual report for FY2011 while still listed on the Properties sector on Bursa Malaysia.
- (H) Sunway Bhd resulted from a merger of Sunway Holdings Bhd (Construction sector) and Sunway City Bhd (Properties sector) and was listed on 23 August 2011.
- (N) Non-listed developer
- (YE)(1) KLCC changed its y/e from 31Mar to 31Dec in 2011. Turnover & PBT for the period ended 31 Dec 2011 were annualised.
- (YE)(4) Tanco Holdings changed its y/e and issued 18-month accounts for the period ended 30 Jun 2011. Turnover & PBT for the period ended 30 Jun 2011 were annualised.

Cash/Net Gearing

RANKING	COMPANY
1	I & P Group Sdn Bhd (N)
2	Plentitude Bhd
3	TAHPS Group Bhd
4	Gamuda Bhd (Property Division) (N)
5	SHL Consolidated Bhd
6	Selangor Properties Bhd
7	Land and General Bhd
8	Malton Bhd
9	Bandar Utama City Corp Sdn Bhd (N)
10	Daiman Development Bhd
11	S P Setia Bhd
12	A & M Realty Bhd
13	Paramount Corp Bhd
14	Keladi Maju Bhd
15	Oriental Interest Bhd
16	UOA Development Bhd
17	Nilai Resources Group Bhd
18	Tebrau Teguh Bhd
19	MUI Properties Bhd
20	I - Bhd
21	Tanco Holdings Bhd (YE)(4)
22	Farlim Group (M) Bhd
23	South Malaysia Industries Bhd
24	Trinity Group Sdn Bhd (N)
25	Petaling Tin Bhd
26	Asas Dunia Bhd
27	Hunza Properties Bhd
28	United Malayan Land Bhd
29	EUPE Corp Bhd
30	IGB Corp Bhd

Qualitative Attributes 2012

BEST 30

RANKING	COMPANY
1	S P Setia Bhd
2	Sunway Bhd (H)
3	Al Batha Bukit Kiara Holdings Sdn Bhd (N)
4	IGB Corp Bhd
5	Mah Sing Group Bhd
6	Gamuda Bhd (Property Division) (N)
7	Bandar Utama City Corp Sdn Bhd (N)
8	Bandar Raya Developments Bhd
9	Eastern & Oriental Bhd
10	Sime Darby Property Bhd (N)
11	IJM Land Bhd
12	UEM Land Holdings Bhd
13	YTL Land & Development Bhd
14	I & P Group Sdn Bhd (N)
15	UOA Development Bhd
16	Malaysian Resources Corp Bhd (Prop Div) (N)
17	Glomac Bhd
18	Naza TTDI Sdn Bhd (N)
19	Selangor Dredging Bhd
20	WCT Land Sdn Bhd (N)
21	Trinity Group Sdn Bhd (N)
22	Malton Bhd
23	Dijaya Corp Bhd
24	United Malayan Land Bhd
25	OSK Property Holdings Bhd
26	KLCC Property Holdings Bhd (YE)(1)
27	Paramount Corp Bhd
28	Mulpha Land Bhd
29	Bolton Bhd
30	PJ Development Holdings Bhd

Product Quality

RANKING	COMPANY
1	Sunway Bhd (H)
2	S P Setia Bhd
3	Al Batha Bukit Kiara Holdings Sdn Bhd (N)
4	UEM Land Holdings Bhd
5	Bandar Utama City Corp Sdn Bhd (N)
6	IGB Corp Bhd
7	Sime Darby Property Bhd (N)
8	YTL Land & Development Bhd
9	Gamuda Bhd (Property Division) (N)
10	IJM Land Bhd
11	Bandar Raya Developments Bhd
12	Eastern & Oriental Bhd
13	I & P Group Sdn Bhd (N)
14	Mah Sing Group Bhd
15	UOA Development Bhd
16	KLCC Property Holdings Bhd (YE)(1)
17	Malaysian Resources Corp Bhd (Prop Div) (N)
18	Selangor Dredging Bhd
19	Naza TTDI Sdn Bhd (N)
20	United Malayan Land Bhd
21	WCT Land Sdn Bhd (N)
22	Glomac Bhd
23	Malton Bhd
24	Trinity Group Sdn Bhd (N)
25	Dijaya Corp Bhd
26	Paramount Corp Bhd
27	Mulpha Land Bhd
28	OSK Property Holdings Bhd
29	PJ Development Holdings Bhd
30	Bolton Bhd

Innovation & Creativity

RANKING	COMPANY
1	S P Setia Bhd
2	Mah Sing Group Bhd
3	Al Batha Bukit Kiara Holdings Sdn Bhd (N)
4	Sunway Bhd (H)
5	YTL Land & Development Bhd
6	Eastern & Oriental Bhd
7	IGB Corp Bhd
8	Bandar Raya Developments Bhd
9	Gamuda Bhd (Property Division) (N)
10	Sime Darby Property Bhd (N)
11	UOA Development Bhd
12	Bandar Utama City Corp Sdn Bhd (N)
13	Malaysian Resources Corp Bhd (Prop Div) (N)
14	UEM Land Holdings Bhd
15	IJM Land Bhd
16	Trinity Group Sdn Bhd (N)
17	I & P Group Sdn Bhd (N)
18	Selangor Dredging Bhd
19	Naza TTDI Sdn Bhd (N)
20	Malton Bhd
21	OSK Property Holdings Bhd
22	WCT Land Sdn Bhd (N)
23	Dijaya Corp Bhd
24	Mulpha Land Bhd
25	Glomac Bhd
26	Bolton Bhd
27	United Malayan Land Bhd
28	PJ Development Holdings Bhd
29	KLCC Property Holdings Bhd (YE)(1)
30	I - Bhd

Value Creation for Buyers

RANKING	COMPANY
1	S P Setia Bhd
2	Sunway Bhd (H)
3	Gamuda Bhd (Property Division) (N)
4	I & P Group Sdn Bhd (N)
5	Eastern & Oriental Bhd
6	IGB Corp Bhd
7	Bandar Utama City Corp Sdn Bhd (N)
8	Bandar Raya Developments Bhd
9	Mah Sing Group Bhd
10	Al Batha Bukit Kiara Holdings Sdn Bhd (N)
11	IJM Land Bhd
12	Sime Darby Property Bhd (N)
13	UEM Land Holdings Bhd
14	YTL Land & Development Bhd
15	UOA Development Bhd
16	Glomac Bhd
17	WCT Land Sdn Bhd (N)
18	Malaysian Resources Corp Bhd (Prop Div) (N)
19	Naza TTDI Sdn Bhd (N)
20	Dijaya Corp Bhd
21	Selangor Dredging Bhd
22	Paramount Corp Bhd
23	Trinity Group Sdn Bhd (N)
24	Malton Bhd
25	United Malayan Land Bhd
26	Bolton Bhd
27	KSL Holdings Bhd
28	OSK Property Holdings Bhd
29	Hunza Properties Bhd
30	Mulpha Land Bhd

Image

RANKING	COMPANY
1	S P Setia Bhd
2	Sunway Bhd (H)
3	Mah Sing Group Bhd
4	Bandar Utama City Corp Sdn Bhd (N)
5	UEM Land Holdings Bhd
6	IGB Corp Bhd
7	Sime Darby Property Bhd (N)
8	Bandar Raya Developments Bhd
9	IJM Land Bhd
10	Eastern & Oriental Bhd
11	Gamuda Bhd (Property Division) (N)
12	Al Batha Bukit Kiara Holdings Sdn Bhd (N)
13	I & P Group Sdn Bhd (N)
14	Glomac Bhd
15	YTL Land & Development Bhd
16	UOA Development Bhd
17	Malaysian Resources Corp Bhd (Prop Div) (N)
18	KLCC Property Holdings Bhd (YE)(1)
19	Naza TTDI Sdn Bhd (N)
20	Trinity Group Sdn Bhd (N)
21	Selangor Dredging Bhd
22	OSK Property Holdings Bhd
23	Dijaya Corp Bhd
24	GuocoLand (M) Bhd
25	WCT Land Sdn Bhd (N)
26	Paramount Corp Bhd
27	Malton Bhd
28	Bolton Bhd
29	PJ Development Holdings Bhd
30	United Malayan Land Bhd

Expertise

RANKING	COMPANY
1	S P Setia Bhd
2	Sunway Bhd (H)
3	Gamuda Bhd (Property Division) (N)
4	IGB Corp Bhd
5	IJM Land Bhd
6	Bandar Raya Developments Bhd
7	Bandar Utama City Corp Sdn Bhd (N)
8	Mah Sing Group Bhd
9	Al Batha Bukit Kiara Holdings Sdn Bhd (N)
10	Sime Darby Property Bhd (N)
11	YTL Land & Development Bhd
12	Eastern & Oriental Bhd
13	UEM Land Holdings Bhd
14	I & P Group Sdn Bhd (N)
15	Malaysian Resources Corp Bhd (Prop Div) (N)
16	UOA Development Bhd
17	Glomac Bhd
18	Naza TTDI Sdn Bhd (N)
19	WCT Land Sdn Bhd (N)
20	United Malayan Land Bhd
21	Malton Bhd
22	Paramount Corp Bhd
23	GuocoLand (M) Bhd
24	Selangor Dredging Bhd
25	Dijaya Corp Bhd
26	OSK Property Holdings Bhd
27	KLCC Property Holdings Bhd (YE)(1)
28	PJ Development Holdings Bhd
29	Mulpha Land Bhd
30	Bolton Bhd

2013 RANKINGS

TOP 30 OVERALL (2013)

RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY
1	S P Setia Bhd	7	UOA Development Bhd	13	Tropicana Corp Bhd	19	PJ Development Holdings Bhd	25	Hunza Properties Bhd
2	Sunway Bhd	8	Gamuda Bhd (Property Division) (N)	14	KLCC Property Holdings Bhd	20	Paramount Corp Bhd	26	Symphony Life Bhd
3	Sime Darby Property Bhd (N)	9	I & P Group Sdn Bhd (N)	15	IOI Properties Bhd (N)	21	Wing Tai Malaysia Bhd	27	Malton Bhd
4	UEM Sunrise Bhd	10	Mah Sing Group Bhd	16	YTL Land & Development Bhd	22	WCT Land Sdn Bhd (N)	28	MKH Bhd
5	IGB Corp Bhd	11	Eastern & Oriental Bhd	17	Glomac Bhd	23	AlBatha Bukit Kiara Holdings Sdn Bhd (N)	29	KSL Holdings Bhd
6	Bandar Utama City Corp Sdn Bhd (N)	12	IJM Land Bhd	18	Selangor Dredging Bhd	24	TA Global Bhd	30	Plenitude Bhd

Quantitative Attributes 2013

BEST 30

RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	IOI Properties Bhd (N)
3	KLCC Property Holdings Bhd
4	UEM Sunrise Bhd
5	I&P Group Sdn Bhd(N)
6	IGB Corporation Bhd
7	SP Setia Bhd
8	Sunway Bhd
9	UOA Development Bhd
10	Gamuda Bhd (Property Division) (N)
11	Bandar Utama City Corp Sdn Bhd (N)
12	IJM Land Bhd
13	Berjaya Assets Bhd
14	Mah Sing Group Bhd
15	Selangor Properties Bhd
16	TA Global Bhd
17	KSL Holdings Bhd
18	Eastern & Oriental Bhd
19	Tropicana Corporation Bhd
20	Glomac Bhd
21	Naim Holdings Bhd
22	Plenitude Bhd
23	Wing Tai Malaysia Bhd
24	Amcorp Properties Bhd
25	MK Land Holdings Bhd
26	PJ Devt Holdings Bhd
27	Daiman Devt Bhd
28	Malton Bhd
29	Paramount Corporation Bhd
30	MKH Bhd

Turnover

RANKING	COMPANY
1	Sunway Bhd
2	SP Setia Bhd
3	Sime Darby Property Bhd (N)
4	UEM Sunrise Bhd
5	Mah Sing Group Bhd
6	IJM Land Bhd
7	KLCC Property Holdings Bhd
8	I&P Group Sdn Bhd (N)
9	Gamuda Bhd (Property Division) (N)
10	IGB Corporation Bhd
11	IOI Properties Bhd (N)
12	UOA Development Bhd
13	Glomac Bhd
14	PJ Devt Holdings Bhd
15	Trinity Corporation Bhd
16	Tropicana Corporation Bhd
17	YTL Land & Development Bhd
18	TA Global Bhd
19	MKH Bhd
20	WCT Land Sdn Bhd (N)
21	LBS Bina Group Bhd
22	Bandar Utama City Corp Sdn Bhd (N)
23	Naim Holdings Bhd
24	Eastern & Oriental Bhd
25	Wing Tai Malaysia Bhd
26	Paramount Corporation. Bhd
27	MK Land Holdings Bhd
28	KSL Holdings Bhd
29	Encorp Bhd
30	Selangor Dredging Bhd

Shareholders Funds

RANKING	COMPANY
1	KLCC Property Holdings Bhd
2	Sime Darby Property Bhd(N)
3	UEM Sunrise Bhd
4	IOI Properties Bhd (N)
5	IGB Corporation Bhd
6	SP Setia Bhd
7	Sunway Bhd
8	I&P Group Sdn Bhd (N)
9	IJM Land Bhd
10	TA Global Bhd
11	Tropicana Corporation Bhd
12	UOA Development Bhd
13	Berjaya Assets Bhd
14	Selangor Properties Bhd
15	Bandar Utama City Corp Sdn Bhd (N)
16	Gamuda Bhd (Property Division) (N)
17	Eastern & Oriental Bhd
18	Mah Sing Group Bhd
19	KSL Holdings Bhd
20	MK Land Holdings Bhd
21	Daiman Devt Bhd
22	YTL Land & Development Bhd
23	WCT Land Sdn Bhd (N)
24	PJ Devt Holdings Bhd
25	Wing Tai Malaysia Bhd
26	Plenitude Bhd
27	Naim Holdings Bhd
28	YNH Property Bhd
29	MKH Bhd
30	Guocoland (M) Bhd

Profit Before Tax

RANKING	COMPANY
1	KLCC Property Holdings Bhd
2	Sunway Bhd
3	IOI Properties Bhd (N)
4	SP Setia Bhd
5	UEM Sunrise Bhd
6	Sime Darby Property Bhd (N)
7	UOA Development Bhd
8	I&P Group Sdn Bhd (N)
9	IGB Corporation Bhd
10	WCT Land Sdn Bhd (N)
11	Mah Sing Group Bhd
12	Bandar Utama City Corp Sdn Bhd (N)
13	Gamuda Bhd (Property Division) (N)
14	IJM Land Bhd
15	Tropicana Corporation Bhd
16	Berjaya Assets Bhd
17	KSL Holdings Bhd
18	Eastern & Oriental Bhd
19	Glomac Bhd
20	Sapura Resources Bhd
21	Selangor Properties Bhd
22	Wing Tai Malaysia Bhd
23	Hunza Properties Bhd
24	TA Global Bhd
25	Naim Holdings Bhd
26	Amcorp Properties Bhd
27	MKH Bhd
28	Plenitude Bhd
29	Lien Hoe Corporation Bhd
30	Crescendo Corporation Bhd

Cash/Net Gearing

RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	IOI Properties Bhd (N)
3	I&P Group Sdn Bhd (N)
4	Plenitude Bhd
5	IGB Corporation Bhd
6	SHL Consolidated Bhd
7	UOA Development Bhd
8	TAHPS Group Bhd
9	Daiman Devt Bhd
10	Selangor Properties Bhd
11	Bandar Utama City Corp Sdn Bhd (N)
12	Gamuda Bhd (Property Division) (N)
13	Sapura Resources Bhd
14	Keladi Maju Bhd
15	A & M Realty Bhd
16	Oriental Interest Bhd
17	Land & General Bhd
18	Bertam Alliance Bhd
19	Tebrau Teguh Bhd
20	MUI Properties Bhd
21	Trinity Group Sdn Bhd (N)
22	Asas Dunia Bhd
23	Farlim Group (M) Bhd
24	I-Bhd
25	Tambun Indah Land Bhd
26	Ken Holdings Bhd
27	Petaling Tin Bhd
28	Grand Hoover Bhd
29	Spago Property Sdn Bhd (N)
30	South Malaysia Industries Bhd

Qualitative Attributes 2013

BEST 30

RANKING	COMPANY
1	SP Setia Bhd
2	Sunway Bhd
3	UEM Sunrise Bhd
4	IGB Corporation Bhd
5	Mah Sing Group Bhd
6	Eastern & Oriental Bhd
7	Sime Darby Property Bhd (N)
8	Bandar Utama City Corp Sdn Bhd (N)
9	YTL Land & Development Bhd
10	UOA Development Bhd
11	Gamuda Bhd (Property Division) (N)
12	Tropicana Corporation Bhd
13	I & P Group Sdn Bhd (N)
14	IJM Land Bhd
15	Selangor Dredging Bhd
16	AlBatha Bukit Kiara Holdings Sdn Bhd (N)
17	Glomac Bhd
18	KLCC Property Holdings Bhd
19	IOI Properties Bhd
20	PJ Development Holdings Bhd
21	Paramount Corporation Bhd
22	Ken Holdings Bhd (C)
23	WCT Land Sdn Bhd (N)
24	Symphony Life Bhd
25	Hunza Properties Bhd
26	Mulpha Land Bhd
27	Wing Tai Malaysia Bhd
28	Malton Bhd
29	MKH Bhd
30	OSK Property Holdings Bhd

Innovation & Creativity

RANKING	COMPANY
1	SP Setia Bhd
2	Sunway Bhd
3	Mah Sing Group Bhd
4	Eastern & Oriental Bhd
5	YTL Land & Development Bhd
6	UEM Sunrise Bhd
7	Tropicana Corporation Bhd
8	UOA Development Bhd
9	Gamuda Bhd (Property Division) (N)
10	IGB Corporation Bhd
11	Selangor Dredging Bhd
12	Sime Darby Property Bhd (N)
13	AlBatha Bukit Kiara Holdings Sdn Bhd (N)
14	I & P Group Sdn Bhd (N)
15	IJM Land Bhd
16	Bandar Utama City Corp Sdn Bhd (N)
17	IOI Properties Bhd (N)
18	Ken Holdings Bhd (C)
19	KLCC Property Holdings Bhd
20	Glomac Bhd
21	Hunza Properties Bhd
22	Mulpha Land Bhd
23	OSK Property Holdings Bhd
24	PJ Development Holdings Bhd
25	WCT Land Sdn Bhd (N)
26	Symphony Life Bhd
27	Paramount Corporation Bhd
28	I-Bhd
29	Malton Bhd
30	BCB Bhd

Image

RANKING	COMPANY
1	SP Setia Bhd
2	Sunway Bhd
3	Sime Darby Property Bhd (N)
4	Mah Sing Group Bhd
5	IGB Corporation Bhd
6	UEM Sunrise Bhd
7	Eastern & Oriental Bhd
8	Bandar Utama City Corp Sdn Bhd (N)
9	YTL Land & Development Bhd
10	Tropicana Corporation Bhd
11	UOA Development Bhd
12	Gamuda Bhd (Property Division) (N)
13	I & P Group Sdn Bhd (N)
14	IJM Land Bhd
15	IOI Properties Bhd (N)
16	KLCC Property Holdings Bhd
17	Selangor Dredging Bhd
18	Glomac Bhd
19	AlBatha Bukit Kiara Holdings Sdn Bhd (N)
20	PJ Development Holdings Bhd
21	Symphony Life Bhd
22	Wing Tai Malaysia Bhd
23	WCT Land Sdn Bhd (N)
24	Paramount Corporation Bhd
25	Ken Holdings Bhd (C)
26	Malton Bhd
27	Hunza Properties Bhd
28	OSK Property Holdings Bhd
29	Guocoland (M) Bhd
30	I-Bhd

Product Quality

RANKING	COMPANY
1	SP Setia Bhd
2	Sunway Bhd
3	IGB Corporation Bhd
4	Bandar Utama City Corp Sdn Bhd (N)
5	Sime Darby Property Bhd (N)
6	UEM Sunrise Bhd
7	Eastern & Oriental Bhd
8	YTL Land & Development Bhd
9	I & P Group Sdn Bhd (N)
10	Mah Sing Group Bhd
11	IOI Properties Bhd (N)
12	KLCC Property Holdings Bhd
13	Selangor Dredging Bhd
14	Tropicana Corporation Bhd
15	UOA Development Bhd
16	IJM Land Bhd
17	Gamuda Bhd (Property Division) (N)
18	AlBatha Bukit Kiara Holdings Sdn Bhd (N)
19	Glomac Bhd
20	Paramount Corporation Bhd
21	Hunza Properties Bhd
22	Ken Holdings Bhd (C)
23	Mulpha Land Bhd
24	Symphony Life Bhd
25	PJ Development Holdings Bhd
26	Wing Tai Malaysia Bhd
27	WCT Land Sdn Bhd (N)
28	MKH Bhd
29	Malton Bhd
30	Nadayu Properties Bhd

Value Creation for Buyers

RANKING	COMPANY
1	Sunway Bhd
2	SP Setia Bhd
3	Bandar Utama City Corp Sdn Bhd (N)
4	UEM Sunrise Bhd
5	Eastern & Oriental Bhd
6	IOI Properties Bhd (N)
7	Gamuda Bhd (Property Division) (N)
8	IGB Corporation Bhd
9	Sime Darby Property Bhd
10	UOA Development Bhd
11	Tropicana Corporation Bhd
12	I & P Group Sdn Bhd (N)
13	Mah Sing Group Bhd
14	YTL Land & Development Bhd
15	IJM Land Bhd
16	AlBatha Bukit Kiara Holdings Sdn Bhd (N)
17	Selangor Dredging Bhd
18	Glomac Bhd
19	Paramount Corporation Bhd
20	WCT Land Sdn Bhd (N)
21	PJ Development Holdings Bhd
22	MKH Bhd
23	KLCC Property Holdings Bhd
24	Symphony Life Bhd
25	Malton Bhd
26	Wing Tai Malaysia Bhd
27	Hunza Properties Bhd
28	Ken Holdings Bhd (C)
29	Mulpha Land Bhd
30	Ivory Properties Group Bhd

Expertise

RANKING	COMPANY
1	Sunway Bhd
2	SP Setia Bhd
3	IGB Corporation Bhd
4	Mah Sing Group Bhd
5	UEM Sunrise Bhd
6	YTL Land & Development Bhd
7	Gamuda Bhd (Property Division) (N)
8	Bandar Utama City Corp Sdn Bhd (N)
9	Sime Darby Property Bhd (N)
10	Eastern & Oriental Bhd
11	UOA Development Bhd
12	Tropicana Corporation Bhd
13	IOI Properties Bhd (N)
14	IJM Land Bhd
15	I & P Group Sdn Bhd (N)
16	Glomac Bhd
17	AlBatha Bukit Kiara Holdings Sdn Bhd (N)
18	Selangor Dredging Bhd
19	PJ Development Holdings Bhd
20	Paramount Corporation Bhd
21	KLCC Property Holdings Bhd
22	WCT Land Sdn Bhd (N)
23	MKH Bhd
24	Ken Holdings Bhd (C)
25	Symphony Life Bhd
26	Hunza Properties Bhd
27	Ivory Properties Group Bhd
28	Wing Tai Malaysia Bhd
29	OSK Property Holdings Bhd
30	Malton Bhd

Notes:

(C) Reclassified to properties sector only in April 27, 2010
 (N) Non-listed developer

2014 RANKINGS

Quantitative Attributes 2014

BEST 30	
RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	IOI Properties Bhd (N)(A)
3	I & P Group Sdn Berhad (N)
4	UEM Sunrise Bhd
5	UOA Development Bhd
6	Sunway Bhd
7	IGB Corporation Bhd
8	KLCC Property Holdings Bhd
9	Bandar Utama City Corporation Sdn Bhd (N)
10	Gamuda Bhd - property division (N)
11	S P Setia Bhd
12	IJM Land Bhd
13	Mah Sing Group Bhd
14	Tropicana Corp Bhd
15	KSL Holdings Bhd
16	Naim Holdings Bhd
17	Selangor Properties Bhd
18	Bandar Raya Developments Bhd (N)
19	LBS Bina Group Bhd
20	Eastern & Oriental Bhd
21	Matrix Concepts Hldgs Bhd
22	TA Global Bhd
23	WCT Land Sdn Bhd (N)
24	Wing Tai Malaysia Bhd
25	Berjaya Assets Bhd
26	Plenitude Bhd
27	UDA Holdings Bhd
28	Daiman Development Bhd
29	United Malayan Land Bhd
30	MK Land Holdings Bhd

Shareholders Funds	
RANKING	COMPANY
1	UEM Sunrise Bhd
2	Sime Darby Property Bhd (N)
3	IOI Properties Bhd (N)(A)
4	S P Setia Bhd
5	Sunway Bhd
6	IGB Corporation Bhd
7	KLCC Property Holdings Bhd
8	I & P Group Sdn Berhad (N)
9	IJM Land Bhd
10	Tropicana Corp Bhd
11	TA Global Bhd
12	UOA Development Bhd
13	Berjaya Assets Bhd
14	Gamuda Bhd - property division (N)
15	Bandar Utama City Corporation Sdn Bhd (N)
16	Mah Sing Group Bhd
17	Selangor Properties Bhd
18	Bandar Raya Developments Bhd (N)
19	UDA Holdings Bhd
20	Eastern & Oriental Bhd
21	KSL Holdings Bhd
22	MK Land Holdings Bhd
23	United Malayan Land Bhd
24	Naim Holdings Bhd
25	Daiman Development Bhd
26	WCT Land Sdn Bhd (N)
27	Wing Tai Malaysia Bhd
28	YTL Land & Dev. Bhd
29	PJ Development Hldgs Bhd
30	MKH Bhd

Turnover	
RANKING	COMPANY
1	Sunway Bhd
2	S P Setia Bhd
3	UEM Sunrise Bhd
4	Sime Darby Property Bhd (N)
5	Mah Sing Group Bhd
6	Tropicana Corp Bhd
7	I & P Group Sdn Berhad (N)
8	KLCC Property Holdings Bhd
9	IJM Land Bhd
10	UOA Development Bhd
11	IOI Properties Bhd (N)(A)
12	IGB Corporation Bhd
13	Gamuda Bhd - property division (N)
14	Bandar Raya Developments Bhd (N)
15	PJ Development Hldgs Bhd
16	Naim Holdings Bhd
17	MKH Bhd
18	Glomac Bhd
19	KSL Holdings Bhd
20	TA Global Bhd
21	Bandar Utama City Corporation Sdn Bhd (N)
22	United Malayan Land Bhd
23	Eastern & Oriental Bhd
24	Wing Tai Malaysia Bhd
25	Matrix Concepts Hldgs Bhd
26	Encorp Bhd
27	LBS Bina Group Bhd
28	Paramount Corp Bhd
29	WCT Land Sdn Bhd (N)
30	MK Land Holdings Bhd

Profit Before Tax	
RANKING	COMPANY
1	Sunway Bhd
2	KLCC Property Holdings Bhd
3	IOI Properties Bhd (N)(A)
4	UEM Sunrise Bhd
5	UOA Development Bhd
6	S P Setia Bhd
7	Sime Darby Property Bhd (N)
8	I & P Group Sdn Berhad (N)
9	Tropicana Corp Bhd
10	LBS Bina Group Bhd
11	Bandar Utama City Corporation Sdn Bhd (N)
12	IGB Corporation Bhd
13	Mah Sing Group Bhd
14	IJM Land Bhd
15	Gamuda Bhd - property division (N)
16	KSL Holdings Bhd
17	Naim Holdings Bhd
18	Matrix Concepts Hldgs Bhd
19	United Malayan Land Bhd
20	Eastern & Oriental Bhd
21	Hunza Properties Bhd
22	Wing Tai Malaysia Bhd
23	Glomac Bhd
24	MKH Bhd
25	Selangor Properties Bhd
26	Bandar Raya Developments Bhd (N)
27	Tambun Indah Land Bhd
28	WCT Land Sdn Bhd (N)
29	Encorp Bhd
30	Symphony Life Bhd

Notes:
(N) Non-listed developer
(A) Listed as IOI Properties Group Bhd on Jan 15, 2014

Cash/Net Gearing	
RANKING	COMPANY
1	I & P Group Sdn Berhad (N)
2	Sime Darby Property Bhd (N)
3	UDA Holdings Bhd
4	Plenitude Bhd
5	IOI Properties Berhad
6	UOA Development Bhd
7	SHL Consolidated Bhd
8	Daiman Development Bhd
9	Gamuda Bhd - property division (N)
10	Keladi Maju Bhd
11	Land and General Bhd
12	Bandar Utama City Corporation Sdn Bhd (N)
13	A & M Realty Bhd
14	Selangor Properties Bhd
15	TAHPS Group Bhd
16	Sapura Resources Bhd
17	Matrix Concepts Hldgs Bhd
18	Oriental Interest Berhad
19	MUI Properties Bhd
20	Farlim Group (M) Bhd
21	Tambun Indah Land Bhd
22	Tebrau Teguh Bhd
23	Ken Holdings Bhd
24	South M'sia Ind Bhd
25	Petaling Tin Bhd
26	Grand Hoover Bhd
27	I - Berhad
28	Golden Plus Hldgs Bhd
29	IOI Properties Bhd (N)(A)
30	Titijaya Land Bhd

Qualitative Attributes 2014

BEST 30	
RANKING	COMPANY
1	Sunway Bhd
2	S P Setia Bhd
3	Eastern & Oriental Bhd
4	Sime Darby Property Bhd (N)
5	Tropicana Corp Bhd
6	Mah Sing Group Bhd
7	Gamuda Bhd - property division (N)
8	YTL Land & Dev. Bhd
9	UEM Sunrise Bhd
10	IGB Corporation Bhd
11	Eco World Devt Grp Bhd
12	UOA Development Bhd
13	IOI Properties Bhd (N)(A)
14	I & P Group Sdn Berhad (N)
15	Bandar Utama City Corporation Sdn Bhd (N)
16	Glomac Bhd
17	IJM Land Bhd
18	Selangor Dredging Bhd
19	KLCC Property Holdings Bhd
20	Albatha Bukit Kiara Holdings Sdn Bhd (N)
21	Naim Holdings Bhd
22	Bandar Raya Developments Bhd (N)
23	Paramount Corp Bhd
24	MKH Bhd
25	WCT Land Sdn Bhd (N)
26	Hunza Properties Bhd
27	Ken Holdings Bhd
28	OSK Property Holdings Bhd
29	Symphony Life Bhd
30	Mulpha Land Bhd

Product Quality	
RANKING	COMPANY
1	S P Setia Bhd
2	Sunway Bhd
3	UEM Sunrise Bhd
4	Eastern & Oriental Bhd
5	IGB Corporation Bhd
6	Mah Sing Group Bhd
7	Sime Darby Property Bhd (N)
8	Gamuda Bhd - property division (N)
9	Tropicana Corp Bhd
10	UOA Development Bhd
11	YTL Land & Dev. Bhd
12	I & P Group Sdn Berhad (N)
13	Bandar Utama City Corporation Sdn Bhd (N)
14	Glomac Bhd
15	IOI Properties Bhd (N)(A)
16	Eco World Devt Grp Bhd
17	IJM Land Bhd
18	KLCC Property Holdings Bhd
19	Selangor Dredging Bhd
20	Bandar Raya Developments Bhd (N)
21	Albatha Bukit Kiara Holdings Sdn Bhd (N)
22	Paramount Corp Bhd
23	Naim Holdings Bhd
24	Mulpha Land Bhd
25	Ken Holdings Bhd
26	Wing Tai Malaysia Bhd
27	Hunza Properties Bhd
28	Symphony Life Bhd
29	OSK Property Holdings Bhd
30	MKH Bhd

Innovation & Creativity	
RANKING	COMPANY
1	Sunway Bhd
2	Eastern & Oriental Bhd
3	S P Setia Bhd
4	Tropicana Corp Bhd
5	Mah Sing Group Bhd
6	YTL Land & Dev. Bhd
7	Eco World Devt Grp Bhd
8	Gamuda Bhd - property division (N)
9	UEM Sunrise Bhd
10	Sime Darby Property Bhd (N)
11	UOA Development Bhd
12	IGB Corporation Bhd
13	IOI Properties Bhd (N)(A)
14	Selangor Dredging Bhd
15	IJM Land Bhd
16	Albatha Bukit Kiara Holdings Sdn Bhd (N)
17	Glomac Bhd
18	I & P Group Sdn Berhad (N)
19	Ken Holdings Bhd
20	Bandar Utama City Corporation Sdn Bhd (N)
21	Bandar Raya Developments Bhd (N)
22	KLCC Property Holdings Bhd
23	OSK Property Holdings Bhd
24	Malton Bhd
25	Mulpha Land Bhd
26	Naim Holdings Bhd
27	Hunza Properties Bhd
28	I - Berhad
29	MKH Bhd
30	PJ Development Hldgs Bhd

Value Creation for Buyers	
RANKING	COMPANY
1	S P Setia Bhd
2	Sunway Bhd
3	Sime Darby Property Bhd (N)
4	Eastern & Oriental Bhd
5	Tropicana Corp Bhd
6	UEM Sunrise Bhd
7	Gamuda Bhd - property division (N)
8	Bandar Utama City Corporation Sdn Bhd (N)
9	IOI Properties Bhd (N)(A)
10	UOA Development Bhd
11	I & P Group Sdn Berhad (N)
12	YTL Land & Dev. Bhd
13	IGB Corporation Bhd
14	IJM Land Bhd
15	Mah Sing Group Bhd
16	Glomac Bhd
17	Selangor Dredging Bhd
18	MKH Bhd
19	Eco World Devt Grp Bhd
20	Naim Holdings Bhd
21	Albatha Bukit Kiara Holdings Sdn Bhd (N)
22	Paramount Corp Bhd
23	Hunza Properties Bhd
24	Land and General Bhd
25	WCT Land Sdn Bhd (N)
26	KLCC Property Holdings Bhd
27	PJ Development Hldgs Bhd
28	Bandar Raya Developments Berhad (N)
29	GuocoLand (M) Bhd
30	Malton Bhd

Image	
RANKING	COMPANY
1	Sunway Bhd
2	Mah Sing Group Bhd
3	Sime Darby Property Bhd (N)
4	Eastern & Oriental Bhd
5	Eco World Devt Grp Bhd
6	S P Setia Bhd
7	IGB Corporation Bhd
8	YTL Land & Dev. Bhd
9	Tropicana Corp Bhd
10	IOI Properties Bhd (N)(A)
11	UEM Sunrise Bhd
12	Gamuda Bhd - property division (N)
13	Glomac Bhd
14	Bandar Utama City Corporation Sdn Bhd (N)
15	I & P Group Sdn Berhad (N)
16	IJM Land Bhd
17	UOA Development Bhd
18	Selangor Dredging Bhd
19	KLCC Property Holdings Bhd
20	Naim Holdings Bhd
21	Bandar Raya Developments Bhd (N)
22	Albatha Bukit Kiara Holdings Sdn Bhd (N)
23	I - Berhad
24	Paramount Corp Bhd
25	Hunza Properties Bhd
26	Symphony Life Bhd
27	MKH Bhd
28	Ivory Properties Grp Bhd
29	PJ Development Hldgs Bhd
30	WCT Land Sdn Bhd (N)

Expertise	
RANKING	COMPANY
1	Sunway Bhd
2	Eastern & Oriental Bhd
3	Eco World Devt Grp Bhd
4	Tropicana Corp Bhd
5	Gamuda Bhd - property division (N)
6	Sime Darby Property Bhd (N)
7	YTL Land & Dev. Bhd
8	IGB Corporation Bhd
9	S P Setia Bhd
10	Mah Sing Group Bhd
11	UEM Sunrise Bhd
12	IOI Properties Bhd (N)(A)
13	UOA Development Bhd
14	IJM Land Bhd
15	Bandar Utama City Corporation Sdn Bhd (N)
16	Glomac Bhd
17	I & P Group Sdn Berhad (N)
18	Selangor Dredging Bhd
19	Naim Holdings Bhd
20	KLCC Property Holdings Bhd
21	WCT Land Sdn Bhd (N)
22	MKH Bhd
23	Paramount Corp Bhd
24	Bandar Raya Developments Bhd (N)
25	Albatha Bukit Kiara Holdings Sdn Bhd (N)
26	OSK Property Holdings Bhd
27	GuocoLand (M) Bhd
28	Hunza Properties Bhd
29	Ken Holdings Bhd
30	Mulpha Land Bhd

Thank you



YB Dato' Abdul Rahman Dahlan

Minister of Urban Wellbeing, Housing and Local Government

FOR PRESENTING

THE EDGE
MALAYSIA

Property Excellence
Awards 2014

The Team



ABDUL GHANI ISMAIL/THE EDGE

From left: Au (third from left) with *City & Country's* deputy editor Rosalynn Poh, assistant editors Wong King Wai and Erynda Jacqui Chan, senior writer Lam Jian Wyn, writers Zatil Husna, Elena Tunku Sherie and Chai Yee Hoong

This year marks the 12th edition of *The Edge Malaysia* Top Property Developers' Awards (TPDA), which was introduced to recognise Malaysia's best property developers and to raise the benchmark on property developers and development in Malaysia.

What debuted in 2003 as the TPDA has evolved into *The Edge Malaysia* Property Excellence Awards (see box).

The Edge Malaysia Property Excellence Awards 2014 comprise: TPDA, *The Edge*-PEPS Value Creation Excellence Award, *The Edge*-PAM Green Excellence Award, *The Edge Malaysia* Outstanding Property Personality Award, *The Edge Malaysia* Outstanding Property Project Award, *The Edge Malaysia* Notable Achievement Award, The Best in Qualitative Attributes Award and *The Edge Malaysia* Affordable Urban Housing Excellence Award.

Anchoring *The Edge Malaysia* Property Excellence Awards is TPDA. Winners are judged on their qualitative (as seen from the consumers' perspective) and quantitative attributes. The qualitative ranking was culled from feedback from a panel of judges comprising property gurus in the country. The results were audited by Deloitte Malaysia.

This year, we are pleased to introduce a new award — *The Edge Malaysia* Affordable Urban Housing Excellence Award. This award seeks to identify and recognise outstanding affordable housing projects undertaken wholly by the private-sector developers for the urban middle-income group.

The introduction of the new award is in response to a call by Minister of Urban Wellbeing, Housing and Local Government Datuk Abdul Rahman Dahlan. The minister, in his keynote address at *The Edge Malaysia* Property Excellence Awards Gala Night 2013, had reiterated the need for more quality and affordable housing in Malaysia and that outstanding affordable housing projects be recognised.

To encourage the private sector to provide more and quality affordable housing, *The Edge Malaysia* Affordable Urban Housing Excellence Award will consider only

projects undertaken wholly by private sector developers who receive no aid or participation, direct or indirect, from the government.

The project must be located in Malaysia and have a development size of at least 100 units. The units must be priced at RM500,000 or less (before any discounts or rebates, whether in cash or in kind). The criteria we look for include quality of development, design and innovation, accessibility and connectivity, liveability, community interaction (public and shared-use spaces, safe and secure access) and location.

This year, outstanding Malaysian developers ranked by *The Edge* are heading to Kota Kinabalu for a two-day networking session and briefing on the Sabah's real estate investment landscape. The developers will get first-hand information from the state government on the investment potential of the state, its real estate hot spots as well as the dos and don'ts of investing in real estate there. Our appreciation to Sabah Chief Minister Datuk Seri Musa Aman and Datuk Abdul Rahman for making this possible.

We would also like to thank all judges, the Association of Valuers, Property Managers, Estate Agents and Property Consultants in the Private Sector (PEPS), the Malaysian Institute of Architects (PAM), Deloitte Malaysia and *The Edge* team for their contribution to the success of *The Edge Malaysia* Property awards. — Au Foong Yee

Au Foong Yee is managing director of The Edge Communications Sdn Bhd, which publishes *The Edge Malaysia*, *The Edge Financial Daily*, *haven* and *Personal Money*. She is also managing director of The Edge Galerie Sdn Bhd and Pepper Events Sdn Bhd. A former executive editor of *The Edge Malaysia*, Au was responsible for the launch of *The Edge Malaysia* Top Property Excellence Awards in 2003. She also sits on the panel of judges for the awards.

The Edge Malaysia Property Excellence Awards Milestones

- | | | | |
|-------------|---|-------------|--|
| 2003 | <i>The Edge</i> initiates a ranking for all property developers listed on Bursa Malaysia | 2010 | TPDA: Qualitative attributes were given greater weightage (65% for qualitative, 35% for quantitative) in the evaluation, compared with a 50:50 weightage for both attributes previously |
| 2004 | <i>The Edge's</i> ranking of top property developers is officially named <i>The Edge Malaysia</i> Top Property Developers Awards (TPDA). Winners were honoured in an award presentation ceremony. | 2012 | New awards were introduced under TEPEA, namely <i>The Edge Malaysia</i> Notable Achievement Award, <i>The Edge Malaysia</i> Outstanding Property Personality Award, <i>The Edge Malaysia</i> Outstanding Property Project Award and the Best in Qualitative Attributes Award |
| 2007 | TPDA results was audited for the first time | 2013 | Honorary, merit and special mentions were awarded in <i>The Edge</i> – PEPS Value Creation Excellence Award and <i>The Edge</i> – PAM Green Excellence Award |
| 2008 | TPDA was opened to privately owned developers and property arms of companies listed on Bursa Malaysia | 2014 | <i>The Edge Malaysia</i> Affordable Urban Housing Excellence Award was introduced |
| 2010 | TPDA and two new awards — namely <i>The Edge</i> – PEPS Value Creation Excellence Award and <i>The Edge</i> – PAM Green Excellence Award — come under the overarching banner of <i>The Edge Malaysia</i> Property Excellence Awards (TEPEA) | | |

SCULPTING THE SKYLINE



THIS IS SENTUL EAST.

This is how the skyline will be transformed with The Capers (already completed) and The Fennel which is currently under construction.

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THE KEYNOTE ADDRESS BY DATUK ABDUL RAHMAN DAHLAN, MINISTER OF URBAN WELLBEING, HOUSING AND LOCAL GOVERNMENT – EXCERPTS

MOHD IZWAN MOHD NAZAM/THE EDGE



Assalamualaikum, good evening and salam 1Malaysia.

Home is a feeling rather than a place, where hope rises and dream begins. In the words of an Elizabethan jurist, Edward Coke: “The home to every one is to him as his castle and fortress, as well for his defence against injury and violence as for his repose.”

It is my privilege to be here tonight, with you fine ladies and gentlemen, who have created homes and buildings for our country. We know that over the past few years, this field has faced tremendous challenges. Building anything worthwhile is never easy; it never has been nor will it ever be. So, tonight, let us celebrate your hard work. Tonight, let us set the benchmark for the rest to follow.

The Edge Malaysia Property Excellence Awards indeed stand out from the rest. This is because they give consumers’ perspectives a special place in the selection process. This year marks the 12th edition of these awards. I was told the awards started out considering only companies that were listed under the property sector on Bursa Malaysia. In 2008, the scope of the awards was extended to include non-listed property developers too, making it more inclusive and comprehensive. I believe this move has been instrumental in elevating the competitiveness of property developers.

Awards and recognition aside, we must always remember our collective responsibility. The immediate need to build houses for all is only

one aspect of our challenge. We must also address the issue of affordability, taking into account the needs of the low and middle-income group. The move to encourage mixed-use development remains an imperative. We must strive to facilitate the rakyat to buy houses, regardless of their station in life.

The task to provide adequate and affordable housing for all does not fall only on the government’s shoulders. I believe in a sustainable ecosystem: a productive collaboration between the government, government agencies, industry stakeholders, private developers and end financiers. I have no doubt in my mind that if we work together, we will be able to weather any storm.

Speaking of affordable housing, I was told that this year, the organiser has created a new award to complement the original three. The new addition to the family is *The Edge Affordable Urban Housing Excellence Award*.

At this juncture, I recall that in my speech at the same event last year, I suggested a new award category that celebrates the builder of the best designed and most affordable quality home. Naturally, I am chuffed that the organiser has taken up my suggestion. I hope such recognition will spur more developers to build even more affordable homes of remarkable quality.

I know building affordable homes is no walk in the park. I am also aware of the constraints faced by the developers, including but not limited to, getting the suitable locations and grappling with the ever increasing

price of land. But our problem is not unique nor is it unsurmountable. I believe if developers are more stringent in controlling cost, more innovative in their approach and remain ever vigilant for new building technologies, they will still be able to turn in a sizeable profit.

What needs to be done is for all of us to rise above these challenges. Awards such as *The Edge* Property Excellence Awards can spur develop-

“The winners have to go through vigorous scrutiny, not only in performance and size but also in their qualitative attributes. After all, quality has always been the key success factor in any chosen field.”

ers to become more compassionate and creative in building affordable homes.

But believe me, we are not alone in facing this seemingly bleak situation. In Budget 2015, announced on Oct 10, Prime Minister Datuk Seri Najib Razak took multiple approaches in addressing concerns about the affordability of houses.

In the budget, the government announced the launch of the Youth Housing Scheme, an initiative aimed at assisting youths in buying their first home. Assistance comes in many forms: cash aid for the first 24 months, reduction in stamp duties on transfer documents, 10% government guarantee on loans and EPF withdrawal. All this is with the intention of easing the burden on youths when it comes to owning a house.

The budget also provides for

143,000 new affordable homes to be built. This does not include the 5,380 units slated for civil servants.

Given the occasion, it is only appropriate for me to address the impact of the Goods and Services Tax (GST) on the property market. Although residential housing is GST-exempt, Rehda has raised a number of concerns facing developers today. I assure you my ministry is working hand in hand with Rehda and the Ministry of

Finance to address these issues before GST takes effect next year. This way, we hope to see the indirect effect of GST on residential properties to be almost nil, or at the very least, minimal.

Allow me to share with you the findings of the Department of Statistics. It estimates that by 2020, 34.9% of Malaysia’s population will consist of those aged between 20 and 39 years. This group will, sooner or later, be looking for houses. However, there could be constraints on their purchasing power due to the moderate growth rate in household income against the faster rate of increase in property prices. Accordingly, we must never let up on our commitment to help the youths of the country.

What makes these awards a stellar recognition of industry players? These

are no simple awards. The winners have to go through vigorous scrutiny, not only in performance and size but also in their qualitative attributes. After all, quality has always been the key success factor in any chosen field.

In 2010, the property awards evolved further with the introduction of two new awards: *The Edge-PEPS Value Creation Excellence Award* and *The Edge-PAM Green Excellence Award*. This year, as mentioned earlier, *The Edge Malaysia Affordable Urban Housing Excellence Award* was introduced to give recognition to outstanding affordable housing projects for the urban middle-income group undertaken by the private sector in Malaysia.

I take special interest in *The Edge-PAM Green Excellence Award*. This award helps address the issue of creating environmental friendly and sustainable homes. The environmental challenges that our planet faces, particularly climate change, are of utmost importance in ensuring its long-term survival. Malaysia has embraced the benefits of sustainable building practices and the potential of green buildings in line with the call by the World Green Building Council.

Green buildings, according to international research, consume less energy, use less water, generate less waste and create a healthy and productive environment for employees. Green building practices can reduce a building’s operating costs by as much as 9%, increase building values by 7.5% and realise a 6.6% increase in return on investment. Thus, green buildings do not just make sound ecological and environmental sense, they make sound economic sense, too.

Good green building practices bring many benefits to the building industry. Therefore, the active adoption of green technology will definitely help owners of buildings or developers achieve higher sales values, fetch higher rents and enjoy higher occupancy rates compared with non-green buildings. As at November 2013, Malaysia had achieved 75 million sq ft of certified green buildings. This reflects the public and private sectors’ awareness of the need to move towards green and sustainable buildings. However, it should be noted that most of these green buildings are commercial or office buildings, and there is still much room for improvement in building more green housing.

In addition to the new award this year, my congratulations also go *The Edge* for organising a networking trip to Kota Kinabalu this weekend. With the support of the Sabah government, Shareda, Sabah Tourism Board and the Ministry of Finance, this retreat is tailored to help participants gauge their potential and opportunities for property development in Sabah.

My final and most special congratulations go to this year’s winners. May the endorsement of your achievement propel you to greater heights of success! Steve Jobs once said, “Be a yardstick of quality. Some people aren’t used to an environment where excellence is expected.”

Congratulations

to the winners of

THE EDGE MALAYSIA Property Excellence Awards 2014

Official bank
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THE EDGE MALAYSIA *Top Property Developers Awards 2014*

- 1 Sunway Bhd
- 2 Sime Darby Property Bhd
- 3 S P Setia Bhd
- 4 UEM Sunrise Bhd
- 5 Gamuda Bhd (Property Division)
- 6 Tropicana Corp Bhd
- 7 IGB Corporation Bhd
- 8 Eastern & Oriental Bhd
- 9 Mah Sing Group Bhd
- 10 IOI Properties Bhd

Best In Qualitative Attributes 2014
Sunway Bhd

THE EDGE MALAYSIA **Outstanding Property Personality Award 2014**

Datuk Tan Chin Nam
Founder, Tan & Tan Development Bhd
and IGB Corporation Bhd

THE EDGE MALAYSIA **Outstanding Property Project Award 2014**

Redevelopment of Sentul
YTL Land & Development Bhd

THE EDGE - PEPS Value Creation Excellence Award 2014

Non-residential
The Core Kota Damansara
Sunsuria Sdn Bhd

Residential
The Golf East - 1B9, Horizon Hills
Horizon Hills Development Sdn Bhd

Residential - Merit Award
Caspia & Nuovo, Ambang Botanic
Harum Intisari Sdn Bhd

Tranquility Park @ East Ledang
UEM Sunrise Bhd

THE EDGE MALAYSIA **Affordable Urban Housing Excellence Award 2014**

Pelangi Semenyih "Phase 2A"
MKH Bhd

THE EDGE MALAYSIA **Notable Achievement Award 2014**

Eco World Development Group Bhd

THE EDGE MALAYSIA **Notable Achievement Award 2014**

Tropicana Corp Bhd

THE EDGE - PAM Green Excellence Award 2014

The Banjaran Hotspring Retreat
Sunway City (Ipoh) Sdn Bhd

Honorary Mention
The Arc @ Bandar Rimbayu
Bandar Rimbayu Sdn Bhd

Sunway Rymba Hills
Sunway PKNS Sdn Bhd

Chengal House
Sejati Residences, Cyberjaya
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A 200-year-old story of Malaysian hardwood.
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At the heart of everything we do at Paramount is the ethos of respecting people and planet. It drives the way we design and plan our properties, and is very much at the core of our educational institutions.

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From 200-year-old chengal wood salvaged from a 73-year-old factory, our Paramount Property team have designed a spacious clubhouse that showcases the grains and textures of this precious Malaysian hardwood, while teachers at our Sri KDU Schools are putting together an experiential learning programme that will

introduce our students to the rich diversity of Malaysia's forest resources.

While the direct beneficiaries of Chengal House will undoubtedly be the owners of Sejati Residences, we believe that Chengal House will also be a catalyst that will change the way Malaysians think about forests, timber and wood preservation. And bring to life our vision of placing Malaysia firmly on the world stage in the application of timber in design and construction.

Chengal House at Sejati Residences, Cyberjaya – Paramount's iconic tribute to the beauty and resilience of Malaysian hardwoods.

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THE EDGE MALAYSIA Property Excellence Awards 2014



Recognising the best

BY E JACQUI CHAN

The Edge Malaysia Property Excellence Awards (TEPEA) 2014 saw a new No 1 and the debut of a few new names in the Top 10 in *The Edge Malaysia Top Property Developers Awards* (TPDA) ranking. The changes this year reflect the increasingly competitive property market in the country.

Sunway Bhd was ranked the best developer in the country for the first time while Sime Darby Property Bhd moved up one rank from last year to take second place. In third place was S P Setia Bhd, the former No 1.

Apart from TPDA, TEPEA 2014 also comprises *The Edge*-PEPS Value Creation Excellence Award, *The Edge*-PAM Green Excellence Award, *The Edge Malaysia* Outstanding Property Personality Award, *The Edge Malaysia* Outstanding Property Project Award and *The Edge Malaysia* Notable Achievement Award. There is also a category under TPDA — Best in Qualitative Attributes Award. Furthermore, this year saw the introduction of *The Edge Malaysia* Affordable Urban Housing Excellence Award.

The TEPEA awards ceremony was held on Oct 13 at the KL Hilton. The event, which was by invitation only, saw more than 200 industry players and experts gathering to network and celebrate the best of the best in the industry. It was officiated by Datuk Abdul Rahman Dahlan, Minister of Urban Wellbeing, Housing and Local Government.

In his speech, Abdul Rahman addressed the need to build more affordable housing and called

for collaboration between government agencies, industry stakeholders, private developers and end-financiers.

“I know building affordable homes is no walk in the park. I’m also aware of the constraints faced by developers, which include acquiring suitable locations and grappling with ever-increasing land costs.

“Our problem is neither unique nor unsurmountable. I believe if developers are more stringent in controlling cost and more innovative in utilising new building technologies, they would still be able to turn a sizeable profit,” said Abdul Rahman.

Meanwhile, The Edge Media Group publisher and group CEO Ho Kay Tat said in his opening address that *The Edge Malaysia* Affordable Urban Housing Excellence Award was introduced to support the government’s call for more developers to build more affordable housing.

Ho also stressed that the property industry is a critical component of the economy as an employer, a consumer of goods and services, and a supplier of homes and offices.

“A healthy and robust industry is in everyone’s interest. The issues facing the sector today are complex but with the collective input and co-operation of its key players and the regulators, we can achieve what needs to be done,” said Ho.

A celebration of excellence

Veteran property developer Datuk Tan Chin Nam received *The Edge Malaysia* Outstanding Property Personality Award this year. Tan is the founder of Tan & Tan Developments Bhd and IGB Corp Bhd.

The much-respected Tan, a pioneer in the Malaysian property industry, received a standing ovation as he collected his award. He developed Desa Kudalari in KL, the first condominium in the country; Sierramas in Sungai Buloh, the first gated development; and Kampung Kongo in Cheras, the first low-cost housing development. He also oversaw the development of Mid Valley City in Kuala Lumpur.

Tan was instrumental in the formation of the Housing Developers’ Association in the 1970s, now known as the Real Estate and Housing Developers’ Association Malaysia.

The No 1 property developer, Sunway, had a stellar 2013, posting a net profit of RM1.5 billion for its financial year ended Dec 31, 2013 — more than three times the RM438.83 million recorded in the previous year. Calling itself the master community builder, Sunway continues to impress with sales of RM628 million in the first half of this year, up 28% year on year, and unbilled sales of RM2.4 billion.

The developer, which ranked second last year, has 3,400 acres of undeveloped landbank with a potential total gross development value (GDV) of RM50 billion. It has a strong property investment portfolio, with RM3 billion worth of projects under construction. Sunway also took home the Best in Qualitative Attributes Award 2014.

The company’s focus on liveability and sustainability in its developments has paid off as its Banjaran Hotsprings Retreat in Sunway City Ipoh won *The Edge*-PAM Green Excellence Award 2014 while Sunway Rymba Hills in Kota Damansara earned an honorary mention.

Moving up a notch to second place was Sime Darby Bhd’s property arm Sime Darby Property. The developer launched several major projects in its financial year ended June 30, 2014, including the Elmina township development along the Guthrie Corridor Expressway and Bandar Ainsdale in Seremban, Negeri Sembilan. Sime Darby’s joint venture with S P Setia and the Employees Provident Fund — the £8 billion Battersea Power Station (BPS) in London — continues to bring in strong sales.

Coming in at number three was S P Setia, which saw major changes this year with the departure of former group CEO and president Tan Sri Liew Kee Sin in April, and the recent resignation of current acting president and CEO Datuk Voon Tin Yow. Datuk Khor Chap Jen, currently deputy president of S P Setia, will take over Voon’s position on Jan 1, 2015.

Despite this, S P Setia is still going strong with sales of RM3.81 billion for the first 10 months of this year and RM1.42 billion for the third quarter of the financial year ending Oct 31, 2014. It had unbilled sales of RM10.88 billion as at Aug 31, 2014.

S P Setia and its JV partners are gearing up for BPS’ launch of its third phase, which will happen simultaneously in eight countries on Oct 31 and five more countries the following week. On the domestic front, S P Setia is set to launch the RM1.8 billion Setia Eco Templer and other developments in Bandar Setia Alam, and Setia EcoHill in Selangor as well as Aeropod in Kota Kinabalu, Sabah, among others.

Maintaining its fourth position was UEM Sunrise Bhd. The developer welcomed a new



The winners of *The Edge Malaysia Property Excellence Awards 2014* with Abdul Rahman (front row, centre), Ho (front row, far right), Au (front row, far left) and Hamirullah Boorhan, Maybank's head for community financial services (front row, sixth from left)

managing director and CEO in September, Anwar Syahrin Abdul Ajib, who replaced the late Datuk Wan Abdullah Wan Ibrahim.

UEM Sunrise had a strong 2013 with net profit of RM579.1 million for the financial year ended Dec 31, 2013, an increase of 29% from FY2012. The current unenthusiastic market conditions have led the developer to revise its sales target for this year to RM2 billion from RM3.2 billion. However, its unbilled sales remain healthy at RM3 billion.

The developer's Tranquillity Park homes located in the garden-themed East Ledang development in Johor won a merit award in the same category.

Climbing up three spots to fifth place was Gamuda Bhd's property arm, Gamuda Land. The developer of major townships such as Bandar Botanic in Klang and Horizon Hills achieved sales of RM1.85 billion as at end-July and has set a sales target of RM2 billion for next year. Gamuda Land has also allocated RM3 billion for land acquisition, of which RM1.7 billion has been spent.

Gamuda Land also took home *The Edge-PEPS Value Creation Excellence Award* in the Residential category for Phase 1B9 of The Golf East in Horizon Hills in Iskandar Malaysia, Johor. The terraced houses in Phase 1B9 have seen an average appreciation of 117% over three years, or an annual appreciation rate of 47%. The project was a JV with UEM Sunrise.

The developer also earned a merit award for Bandar Botanic's Caspia and Nouvo houses in the same category.

In sixth position and making its debut in the Top 10 list of developers was Tropica-

na Corp Bhd. Tropicana, formerly known as Dijaya Corp Bhd, has expanded aggressively since 2010 and has formed partnerships with Hong Kong-listed Agile Property Holdings Ltd and Singapore-based education group Lasallian Asia Partnership for International Schools in recent times.

The financial year ended Dec 31, 2013, was a record one for the company. It achieved sales of RM2.1 billion and saw record launches worth RM2.4 billion. Net profit surged 111% y-o-y to RM362.3 million.

Meanwhile, IGB Corp Bhd moved down two places to seventh position. The 50-year-old company is known today as an asset builder with property investments and hospitality businesses in Asia, Australia, the US and Europe.

It has domestic and international developments with a GDV of RM15 billion in the pipeline. Some of its new major projects include the 36-acre Southkey development, which is modelled after its hugely successful Mid Valley City, and the development in Blackfriars in London with a GDV of RM4.2 billion.

Eastern & Oriental Bhd (E&O) made a return to the Top 10 this year, coming in in eighth position. The group was last ranked in the Top 10 in 2009.

It is known for its range of luxury properties, such as the benchmark-setting Idamansara luxury bungalows and semi-detached houses in Damansara Heights, Kuala Lumpur, and the Seri Tanjung Pinang township in Penang.

E&O has set out a three-year plan to achieve a cumulative profit after tax (PAT) of RM450 million for financial years 2014 to 2016. Thus far, it

has achieved PAT of RM119.97 million, putting it on track to hit its target.

Moving up one spot to number nine was Mah Sing Group Bhd. The group has been a consistent name in the TPDA, placing among the top 10 since 2010 and in the top 30 since 2005. It has set a sales target of RM3.6 billion for FY2014, and recorded sales of RM1.55 billion in 1H2014, while net profit rose 21.2% y-o-y to RM168.8 million.

Rounding up the Top 10 was IOI Properties Group Bhd. It made a comeback to the Top 10 after being absent for three years. This year has been a busy one for the group — IOI was relisted on Bursa Malaysia in January and closed the first day of trading with a whopping market capitalisation of RM10.2 billion.

IOI has set a sales target of RM2.5 billion for the next three financial years. It posted revenue of RM1.45 billion and operating profit of RM1.1 billion for its financial year ended June 30, 2014.

There were two recipients for *The Edge Malaysia Notable Achievement Award 2014*, namely Eco World Development Group Bhd and Tropicana Corp Bhd.

Eco World has gained ground in the property industry in a short period of time. It set a sales target of RM5 billion in two years and announced in August that it had exceeded its sales target of RM2 billion for the financial year ending Oct 31, 2014.

Meanwhile, Tropicana was propelled into the major leagues as one of the largest property developers in the country following an amalgamation exercise, which led to an enlarged landbank size of 1,888 acres. Some 61% of its landbank is in Greater Kuala Lumpur, while

the rest are in Penang and Johor. The Greater Kuala Lumpur landbank has an expected GDV of RM24.5 billion.

The Edge Malaysia Outstanding Property Project Award 2014 went to YTL Land & Development Bhd, which transformed a 294-acre freehold parcel in Sentul into the modern townships of Sentul East and Sentul West.

Sunsuria Sdn Bhd won *The Edge-PEPS Value Creation Excellence Award 2014* in the Non-Residential category for The Core in Kota Damansara. The 10-acre development has a GDV of RM142.6 million and was completed in December 2012. The Core has seen a value appreciation of 84% over four years and an average annual appreciation of 21%.

IJM Land Bhd's The Arc at Bandar Rimbayu earned an honorary mention for *The Edge-PAM Green Excellence Award 2014*. Located in the heart of IJM's Bandar Rimbayu, the 2-storey centrepiece of about 10,000 sq m features a thematic garden, a full-size football field and a green roof deck.

Last but certainly not least is MKH Bhd, which was the inaugural recipient of *The Edge Malaysia Affordable Urban Housing Excellence Award 2014*. The company received the award for Phase 2A of the 168-acre Pelangi Semenyih 2 in Semenyih, Selangor. The development is notable for its quality, design, innovation, accessibility, liveability, maintenance, community interaction and affordability.

The results of the TPDA rankings and *The Edge-PEPS Value Creation Excellence Award* were audited by Deloitte Malaysia. Malayan Banking Bhd was the main sponsor and BlueScope Lysaght was the supporting sponsor for TEPEA. ■



Scenes from the gala night

1. Minister of Urban Wellbeing, Housing and Local Government Datuk Abdul Rahman Dahlan delivering his keynote address
2. *The Edge Malaysia* senior managing editor Azam Aris (left) with Eastern & Oriental Bhd chairman Datuk Azizan Abd Rahman
3. Sunway Bhd central region property development division executive director Ong Ghee Bin making a comment to UEM Sunrise COO Lum Tuck Ming. In the background is S P Setia Bhd executive vice-president Datuk Richard Ong.
4. Sunway Bhd joint managing director for property development division for Malaysia and Singapore Sarena Cheah engaging in light banter with Eco World Development Group Bhd president and CEO Datuk Chang Khim Wah
5. Tropicana Corp Bhd deputy group CEO Datuk Dickson Tan listening intently to YTL Land & Development Bhd executive director Datuk Yeoh Seok Kian
6. Abdul Rahman being escorted to the gala dinner by *The Edge Media Group* publisher and CEO Ho Kay Tat, Azam and Maybank head of community financial services Malaysia Hamirullah Boorhan
7. Abdul Rahman enjoying a good laugh with See Hoy Chan Holdings Group director Tan Sri Teo Chiang Kok and *The Edge Communications Sdn Bhd* managing director Au Foong Yee
8. Datuk Tan Chin Nam receiving *The Edge Malaysia* Outstanding Property Personality Award 2014 from Abdul Rahman as Au, Hamirullah and Ho look on
9. 'Let's take a selfie,' says Raine & Horne International Zaki + Partners Sdn Bhd director Michael Geh and AIBatha Bukit Kiara Holdings Sdn Bhd group managing director Datuk N K Tong obliges
10. Abdul Rahman holds court with property developers



PHOTOS BY HARIS HASSAN, MOHD IZWAN MOHD NAZAM, PATRICK GOH AND SHAHRIN YAHYA/THE EDGE



PLANTING A BELIEF

There was a time when life was simple,
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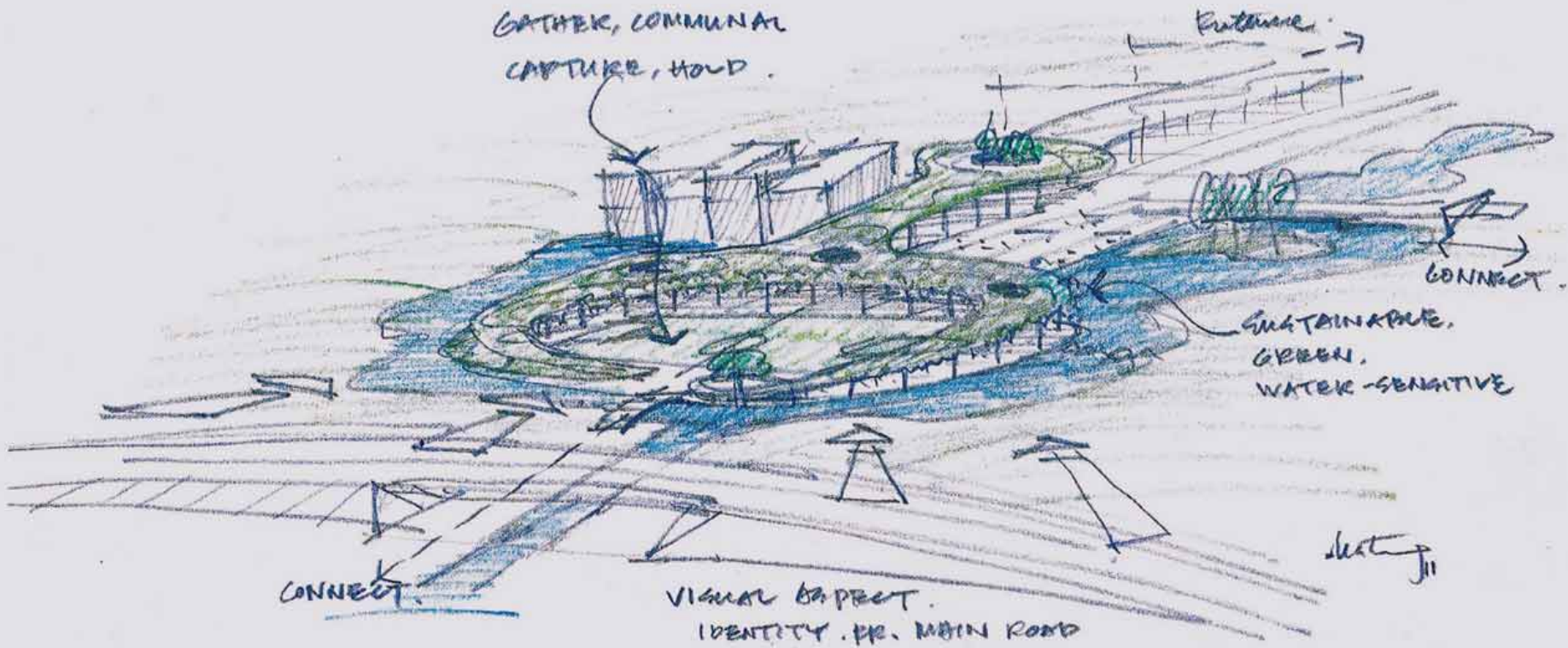


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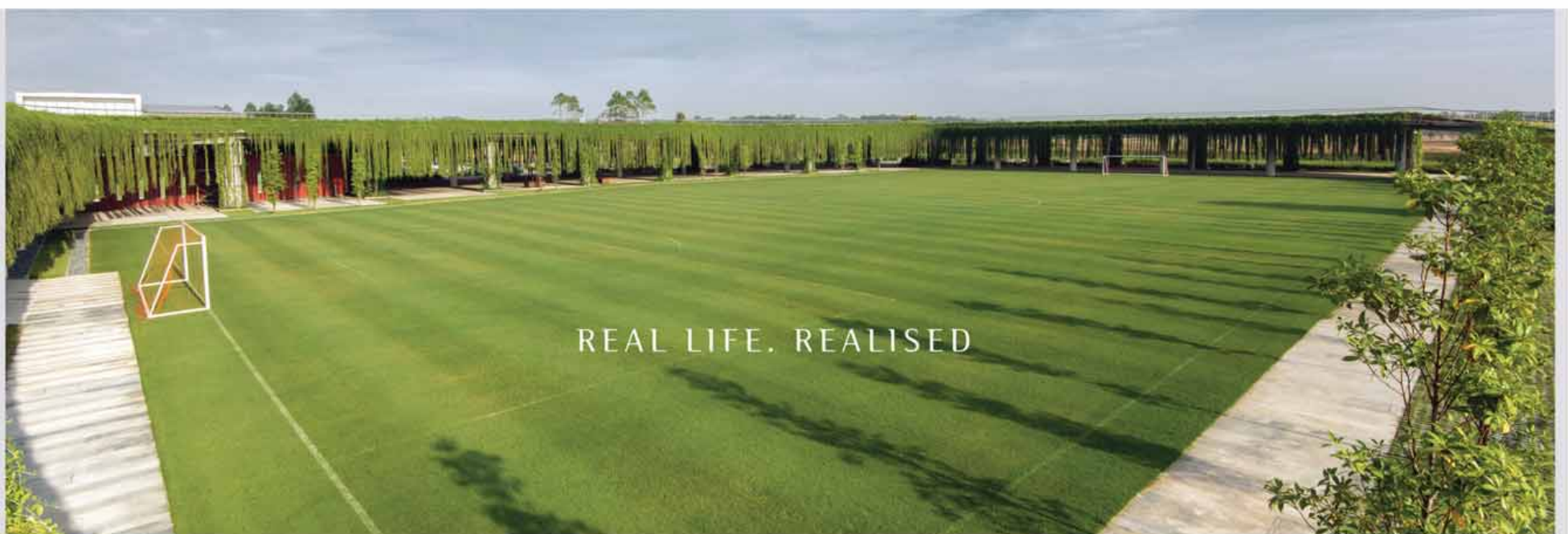
Then there is a premier township;
 inspired by this nostalgia, nourished by green features,
 setting root for the future.



Following highly successful launches for Phases 1 to 4, commercial workspaces, innovative retail, high-rise accommodation and Phase 5 are next on the horizon. Just like its iconic landmark, the green living hub of The ARC; Bandar Rimbayu promises an arrival like no other, a lifestyle full of wonder.

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The TPDA judges (from left): Rosalynn Poh, Ho Chin Soon, Tan Sri Eddy Chen, Datuk Alan Tong, Datuk Seri FD Iskandar, Datuk Jeffrey Ng, Kumar Tharmalingam, Datuk Seri Michael Yam, Tan Sri Teo Chiang Kok and Au Foong Yee.

Judges' remarks

Datuk Alan Tong Kok Mau

Tong is the first Malaysian to have held the post of Fiabci (International Real Estate Federation) world president and it was during his tenure in 2005/06 that Fiabci's Kuala Lumpur-based Asia Pacific Regional Secretariat, which he now chairs, was set up. He was president of Fiabci Malaysia from 1994 to 2000.

In 1968, Tong founded Sunrise Sdn Bhd, which was listed as Sunrise Bhd on the Main Board in 1995. Tong left the company in early 1997 and is now group chairman of Al Batha Bukit Kiara Holdings Sdn Bhd (better known as Bukit Kiara Properties). He was named Property Man of the Year in 2010 by Fiabci Malaysia and was awarded the Medal of Appreciation in recognition of his outstanding and long-term contribution to the Fiabci Prix d'Excellence Awards, one of the most prestigious international real-estate accolades.

"I would like to take this occasion to congratulate the Top 10 winners on a platform where they have been evaluated not just on their financial performance, but more prevalently, on their qualitative attributes. In the current environment, where costs continue to escalate, I hope these winners will take the lead in the industry and explore new frontiers in providing innovative developments. In order to meet the growing demands of a highly discerning market, value creation for property buyers remains one of the primary factors to consider. It is also my hope that developers who did not make the list, both public-listed and non-public-listed, aspire to emulate the successes of these winners. To the *The Edge* management and team, I would like to convey my congratulations for their efforts in making this award a benchmark for the property industry."

(Note: Tong abstained from voting for Al Batha Bukit Kiara Holdings)

Ho Chin Soon

Director of Ho Chin Soon Research, a property information company that specialises in land use and ownership maps, Ho often speaks at property investment forums and talks. He is a fellow of the Royal Institution of Surveyors Malaysia and a registered valuer with the Board of Valuers, Appraisers and Estate Agents Malaysia. He has a professional diploma from the UK's Royal Institution of Chartered Surveyors.

"We received several good submissions from developers. It was difficult to differentiate between the many excellent branded developers. Competition for this year's awards was stiff but healthy. Besides the opinion of judges, other criteria were taken into consideration, such as the developers' financials. I am pleased to note that despite a generally tough year for property developers, the branded developers continued to do reasonably well. Heartiest congratulations to the winners."

Tan Sri Eddy Chen

A patron and past president of Rehda Malaysia, Chen is group managing director of MKH Bhd. He has been in property development for nearly three decades and sits on various government-private sector committees that formulate policies governing the housing and real estate industry.

He is past president of Asean Association for Planning and Housing and the current deputy president of Eastern Regional Organisation for Planning and Housing Malaysia. He is also president of the Race Walkers' Association of Malaysia.

"My heartiest congratulations to all the top developers of the year. There were no big surprises as most of the top developers maintained their positions. As in the past, it was not easy for the judges. The race has always been tight as both old and new developers raise the bar to meet the challenges to stay ahead of the market. The next one to two years is going to be tough – the property industry will have to remain resilient in order to prosper and stay relevant. On top of the physical challenges, including land scarcity and sky-rocketing prices, there are financial and social-economic ones that may derail the industry's expectations. The delivery system also poses further obstacles. A skilled labour shortage will have an impact on timely and quality finishes.

Compounding this are the cooling measures that are beginning to bite. There will be some collateral damage unless some of these are unwound soon, what with some of the state governments jumping onto the bandwagon with their own set of measures, including restrictions on foreign purchasers."

(Note: Chen abstained from voting for MKH Bhd)

Kumar Tharmalingam

A past president of Fiabci Malaysia and a past board member of Fiabci International, Kumar is a registered real estate valuer and property consultant. He has been in the real estate industry for more than 35 years.

He was recently appointed senior advisor to Area Management Pte Ltd, a Singapore-based private equity fund that develops gated industrial and logistic parks in Malaysia and elsewhere.

He was CEO of MPI and executive director of Sunway Bhd in 2013. He has also served on the boards of Aseana Properties Ltd, Sime Darby Property Bhd and Fiabci in Paris.

"*The Edge* property rankings has become a barometer of public opinion on the performance of property developers in the country. Taken together with their financial performance, it's now much easier for investors to make informed decisions on real estate. A great and passionate effort by the *The Edge* team. Well done."

(Note: Kumar abstained from voting for Sunway Bhd)

Datuk Seri Fateh Iskandar Mohamed Mansor

FD Iskandar, as he is commonly known, is the president of the Real Estate And Housing Developers' Association (Rehda) Malaysia and the immediate past chairman of Rehda Selangor. He is the group managing director and CEO of Glomac Bhd.

A board member of Axis-REIT Managers Bhd, the first real estate investment trust to be listed on Bursa Malaysia, FD Iskandar is the co-chair of the Special Task Force to Facilitate Business (PEMUDAH) on Legal & Services. He is also a member of the PEMUDAH Selangor Group. He was a founding director of Malaysia Property Inc (MPI).

"The industry's top developers continue to strive to achieve better qualitative and quantitative attributes. The property industry is evolving with its credibility, innovation, value creation, branding and products. Today, the consumers demand better-quality products and services from property developers."

(Note: He abstained from voting for Glomac Bhd)

Datuk Seri Michael Yam

The immediate past president of Rehda Malaysia, Yam has more than 30 years of experience in the construction, real estate and corporate sectors. He was CEO of two public-listed companies before he stepped down to establish his own private equity, strategic and project management consultancy.

He is currently an independent non-executive director of Standard Chartered Bank Malaysia Bhd, Standard Chartered Saadiq Bhd, Paramount Corp Bhd, Sunway Bhd, Malaysia Airports Holdings Bhd and CLAB Bhd.

Yam also serves as a member of the City of Kuala Lumpur's advisory board and is chairman of InvestKL Corp and a director of the British Malaysian Chamber of Commerce.

"Competition for a placing in *The Edge's* Top Property Developers Awards – has been getting stiffer. It was no exception in 2014 as both the qualitative and quantitative submissions were of very high standards and the difference in scoring was smaller. Going forward, I encourage developers to be bold enough to come up with more revolutionary, innovative cutting-edge concepts, sustainable and green ideas, customer-centric services and packages, higher quality and lower-maintenance products, and accountable leadership, to improve their bottom line."

(Note: Yam abstained from voting for Sunway Bhd and Paramount Corp Bhd)

PATRICK GOH/THE EDGE



Datuk Jeffrey Ng Tiong Lip

Past president and patron of Rehda Malaysia, Ng has been involved in finance, corporate planning and executive management in the property and hotel industries in Malaysia and Australia for more than 28 years. He is also involved in boutique property development.

A fellow of the Institute of Chartered Accountants (Australia) and a member of the Malaysian Institute of Certified Public Accountants, he is CEO of Sunway REIT Management Sdn Bhd and a director of Urban Hallmark Properties Sdn Bhd.

"There are some lessons to be learnt from this year's Top 10 rankings. Firstly, reputable property developers with continuous new project or township launches and proactive media profiling on their projects scored higher rankings. On this note, syabas to Sunway for taking the No 1 spot, as well as to Tropicana, E&O and IOI Properties for their entry into the Top 10," says Ng.

"Secondly, human capital stability can never be taken for granted. House buyers see the loss of key management in organisations as adversely impacting the performance of projects in terms of delivery, quality and innovation. Thirdly, new property developers – even with a very experienced and capable management team – that want to achieve a higher ranking will still need to establish their track record of completed projects before they can earn the trust and confidence of house buyers. Finally, in a competitive environment, it is always more difficult to hold on to the Top 10 ranking than getting there in the first place. So, it is obvious what property developers need to do if they want an improved ranking in the future."

(Note: Ng abstained from voting for Sunway Bhd)

Rosalynn Poh

Poh is deputy editor of *City & Country*, the property pullout of *The Edge Malaysia*.

"We saw some significant changes in the Top 10 ranking this year. Was it expected or was it a surprise? Well, that is up to you to debate on. Sunway Bhd, for the first time, emerged as the No 1 Property Developer this year. Kudos to all! We have also seen new entries into the Top 10 this year, which is also interesting and clearly shows that making huge profits alone is not enough in the property market today. It will also be interesting to see how all these outstanding developers fare next year."

Tan Sri Teo Chiang Kok

Teo is a past president of Rehda and Fiabci Malaysia. He is currently deputy secretary-general and chairman of the Property and Construction Committee of the Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM).

He is a director in See Hoy Chan Holdings Group, which developed the Bandar Utama township in Petaling Jaya. Teo has more than 38 years of experience in property development and was the first to incorporate green initiatives and technology into the Bandar Utama development.

"The rankings for 2014 saw three new entrants and there were changes in ranking for practically all companies. This clearly demonstrate the cyclical nature of the property industry. The performance of this industry is very much dependent on the [nation's] economic cycle as well as the completion of the different phases of development within the year. All the companies achieved improved results and some had spectacular figures. This was boosted by the spike in launches and demand three and four years ago, sparked by the unprecedented low interest rate regime and the fear of hyper-inflation due to the global quantitative-easing programmes."

(Note: Teo abstained from voting for Bandar Utama City Corp Sdn Bhd, where he is a director)

Au Foong Yee

Au was an executive editor at *The Edge Malaysia* when she conceptualised *The Edge Malaysia Top Property Developers Awards*, which has since evolved into the anchor for *The Edge Malaysia Property Excellence Awards*. She is now managing director of The Edge Communications, which publishes *The Edge Malaysia*, *The Edge Financial Daily*, *Personal Money* and *haven*. Au is also managing director of The Edge Galerie Sdn Bhd and Pepper Events Sdn Bhd.

Market perception, rightly or wrongly, is a powerful thing. Raising a brand and sustaining it demands a lot of strategising and continued investment. Conversely, brand dilution or destruction comes easily.

While the latter may or may not be close to the truth, the peril of market perception lies in it being self-fulfilling after some time.

This is no different in the property development sector, as the results of this year's The Edge Malaysia Top Property Developers Awards (TPDA) attest to. Consumer perception of S P Setia Bhd suggests that the jury is still out on whether this multiple award-winning developer with a huge brand will continue to deliver in the days to come.

This stems from the exit of its former president and CEO Tan Sri Liew Kee Sin in April this year. Liew has since joined Eco World Development Group Bhd alongside a core team with familiar faces from S P Setia.

By the same token, the Eco World Development brand has been given a boost.

Having topped TPDA eight times, S P Setia has slipped two notches to third position in the 12th edition this year, making way for Sunway Bhd to climb to the top and Sime Darby Property to second place.

Sunway has done well this year, improving both in its quantitative and qualitative rankings. It is worth noting that while it maintained its pole position in the turnover sub-category in the quantitative ranking, the absolute numbers have gone up significantly.

However, to put things in perspective, S P Setia has achieved higher turnover for the period under scrutiny for this year's award. It is the same for Sime Darby Property.

What the results of the ranking confirm is that the bar has indeed been raised for property developers, both quantitatively and especially qualitatively.

Brand loyalty can no longer be taken for granted.



AWARDS METHODOLOGY

The Edge Malaysia Top Property Developers Awards is an exercise to rank Malaysia's top property players based on their quantitative and qualitative attributes – from the consumer's perspective. The ranking is published annually.

Introduced in 2003, it is based on the conviction that a developer's quantitative attributes alone are not sufficient to earn it the title of most outstanding player. A property developer is judged not only on how profitable the company is or how many homes it builds and sells each year but also on its qualitative attributes.

All companies listed on Bursa Malaysia's property sector are automatically considered for the awards while non-listed developers which are interested to be ranked need to submit entries. Advertisements calling for entries from privately owned companies and the property development arms of companies not listed on Bursa's property sector were published in *The Edge*.

Quantitative attributes

Four quantitative attributes, namely shareholders' funds, profit before tax, revenue and cash/net gearing make up 35% of the overall score. Net gearing is defined as the total of long and short-term loans minus cash divided by shareholders' funds.

All financial data considered for the 2014 awards was based on a developer's FY2013 results. The quantitative data of listed developers was derived from documents submitted to Bursa and compiled by Interactive Data Systems Sdn Bhd. Non-listed companies were required to submit copies of their audited accounts. Where signed audited financial statements were not available, data certified by the developer's external auditors was used. Eleven non-listed developers took part this year.

Qualitative attributes

Qualitative attributes contribute a greater weightage of 65%. The five attributes evaluated are product quality (finishing and timeliness), innovation and creativity (in the products and marketing), value creation for buyers (capital appreciation), image (includes credibility) and expertise (includes management and experience).

Points awarded

A maximum of 10 points are awarded for each qualitative and quantitative attribute. Points for quantitative attributes are based on the financial data of the company while points for qualitative attributes are awarded by a panel of judges comprising industry experts and veterans as well as *The Edge*.

This year's judges were Datuk Alan Tong, Datuk Seri FD Iskandar, Datuk Jeffrey Ng, Tan Sri Teo Chiang Kok, Kumar Tharmalingam, Tan Sri Eddy Chen, Datuk Seri Michael Yam and Ho Chin Soon. *The Edge* was represented by its managing director Au Foong Yee and *City & Country* deputy editor Rosalynn Poh.

Judges who abstained from the deliberation and judging of companies in which they had direct or indirect interests were Kumar for Sunway Bhd (he was an executive director), FD Iskandar for Glomac Bhd (managing director and CEO), Ng for Sunway Bhd (CEO of Sunway REIT Management Sdn Bhd), Chen for MKH Bhd (managing director), Tong for AlBatha Bukit Kiara Properties (chairman), Teo for Bandar Utama City Corp Sdn Bhd (director) and Yam for Paramount Corp Bhd and Sunway Bhd (director for both).

Results audited

The property developers were ranked according to their overall score. After the points for the quantitative and qualitative attributes were tabulated, the results were audited by Deloitte Malaysia.

HARIS HASSAN/THE EDGE



**Deloitte
Malaysia
auditors going
through the
results**



The Edge-PEPS Value Creation Excellence Award 2014 Judges' remarks



Datuk Siders Sittampalam

Managing director of
PPC International Sdn Bhd
President of PEPS

The Edge-PEPS Value Creation Excellence Award submissions are judged on capital appreciation, occupancy rates, master planning and sustainable value. Other considerations are the intelligent incorporation of technology, green building features, branding and developer reputation. In this way, capital appreciation from speculation is precluded from consideration by the judges. The brand value of a developer is derived from how well it offers a quality

product based on a development concept that creates a sustainable township.

The winner for the Residential Category is The Golf East – 1B9, Horizon Hills in Johor Baru. Besides experiencing capital appreciation, this development also gained points for its overall concept, design and commendable after-sales service for property maintenance and property management.

In the Non-Residential Category, The Core, Kota Damansara was selected for its value creation, and for its overall concept and project management.



James Wong

Managing director of
VPC Alliance (Malaysia) Sdn Bhd
Past president and current council member of PEPS

The winner for the Residential Category, Horizon Hills, developed by Gamuda Land, was outstanding. Apart from achieving the highest increase in property values, this township's green, gated community concept, extensive landscaping, and low density (just five units per acre) and distinctive residential precincts within Horizon Hills have attracted both Malaysian and Singaporean buyers. Of course, the Nusajaya address and its proximity to Singapore help.

I also congratulate Sunsuria Group for winning the Non-Residential Category. They saw a niche in developing a shop office development in an industrial area in Kota Damansara, which has turned out to be a success.



Foo Gee Jen

Managing director of
C H Williams, Talhar & Wong Sdn Bhd
Vice president of PEPS

The number of entries has continued to increase this year, reflecting the growing recognition of the awards in the industry. In the residential category there were 15 entries, distributed evenly among the Klang Valley, Penang and Johor, which are the current property hotspots nationwide.

The property sector has seen tremendous growth, especially in Penang and Johor, where many of the largest Klang Valley developers now offer products of the same highest quality as those found in the Klang Valley. Product quality has been boosted by increased competition among the major developers, which has in turn resulted in the value of houses seeing significant appreciation regionally.

Value appreciation has also been fuelled by major improvements in infrastructure and the influx of high foreign direct investment in Penang and Johor.

Golf East@Horizon Hills by Horizon Hills Development Sdn Bhd, a subsidiary of Gamuda Land, located in Nusajaya, Iskandar Malaysia, was launched just as Iskandar Malaysia was taking off in end-2010. In the past three to five years up to mid-2013, the 2-storey terraced houses have appreciated by more than 100%, a record for the Johor market.

In the non-residential category, The Core, Kota Damansara, developer Sunsuria Sdn Bhd opted for a commercial development in a heavily industrial area. While demonstrating business savvy in identifying a commercial need in the midst of industrial developments, Sunsuria opted for a low-density development on the 10-acre site comprising 2 and 4-storey shops and offices.

The company made an effort to effectively differentiate its product as "Contemporary – Office – Retail – Entertainment" (Core). As a result, The Core has achieved high occupancies and high rental yields. Over a three-year period, shops at The Core appreciated in value by almost 70%.

The committee also felt that the runners-up deserve special mention and merit awards.



Au Foong Yee

Managing director of The Edge Communications Sdn Bhd,
The Edge Galerie Sdn Bhd and Pepper Events Sdn Bhd

The winning trait that runs through both Horizon Hills Development Sdn Bhd (a Gamuda Bhd and UEM Sunrise Bhd joint-venture) and Sunsuria Sdn Bhd is no accident.

Clearly, the ability to create outstanding value for their respective buyers was a culmination of a strategic planning process that was followed through, despite its possible dent on immediate margins.

The winning developers must be lauded for their far-sightedness.

They understand very well that by enriching their buyers, they are in effect raising their respective brands. And, by extension, they build the all-important brand loyalty which is especially crucial now that the playing field is getting more and more crowded.

Not only are they willing to invest in concept and design but the winning developers also believe in investing in the upkeep of the project. For, like it or not, a real estate development is going to be around for a long time. It either speaks well or ill of the developer. There is no running away.

Congratulations to the winners!



Rosalynn Poh

Deputy editor of
City & Country, The Edge

Discerning homebuyers and investors look beyond typical brick and mortar. The property market is being flooded with developers big and small. How does one developer stand apart from another and gain the confidence of the potential homebuyer? Like the next person, buyers are on a lookout for the complete package with the best deal – a good product, and a well-managed development with impressive capital appreciation potential.

The Edge-PEPS Value Creation Excellence Award sets out to do just that – select the outstanding properties with a great track record in all these aspects. Submissions get more competitive each year, which is very encouraging and exciting for the judges. In fact, this year, we went as far as Johor for site visits.

The winners stood out for many reasons aside from the impressive capital appreciation of their developments, such as their reasons for their design and concept; for building what they did by going against the norm; the challenges they successfully faced; and their after-sales service. We hope to see even more quality entries next year. It only gets better!

The Core in Kota Damansara and The Golf East's Phase 1B9 win value creation excellence awards

The Golf East's Phase 1B9 in Horizon Hills by Horizon Hills Development Sdn Bhd, a joint-venture between UEM Sunrise Bhd and Gamuda Bhd is the winner of *The Edge-PEPS Value Creation Excellence Award 2014* in the Residential Category while Sunsuria Sdn Bhd's 2 and 3-storey shopoffices in The Core, Kota Damansara won in the Non-Residential Category.

Merit awards were given to Gamuda Land's Caspia and Nuovo homes in Ambang Botanic and UEM Sunrise's 2-storey twin villas in Tranquility Park in East Ledang, Johor for the Residential Category.

The award is a joint initiative of *The Edge*, the Association of Valuers, Property Managers, Estate Agents and Property Consultants (PEPS) to recognise property developments that have rewarded their purchasers in terms of capital appreciation in an outstanding way.

Read more on Pages 40,44, 96 and 98.

SHAHNIN YAHYA/THE EDGE



Judges visiting Horizon Hills in Johor



WINNER (NON-RESIDENTIAL)

The Core, Kota Damansara (2 and 3-storey shopoffices)

Company: **Sunsuria Sdn Bhd**



WINNER (RESIDENTIAL)

Phase 1B9, The Golf East, Horizon Hills

Company: **Horizon Hills Development Sdn Bhd (Gamuda Land)**

MERIT

Caspia and Nuovo at Ambang Botanic

Company: **Harum Intisari Sdn Bhd (Gamuda Land)**

MERIT

Tranquility Park at East Ledang (2-storey twin villas)

Company: **UEM Sunrise Bhd**

METHODOLOGY

The award is aimed at helping consumers find properties that have the greatest value creation in terms of capital appreciation and recognising the property developer whose properties have achieved the highest value creation.

Judging criteria:

- The average capital appreciation derived from the property developer's selling price and the actual transacted price or deemed market value of any subsequent sale of five properties.
- The average capital appreciation per year over a period of not more than five years, derived from the average capital appreciation as stated in the criteria above.
- Qualitative attributes based on the occupancy rate, master planning and the sustainability of value. Scores are tallied based on a weightage of 65% for criteria A, 15% for criteria B and 20% for criteria C. The five-member judging panel comprised three representatives from the Association of Valuers, Property Managers, Estate Agents & Property Consultants in Private Sector Malaysia (PEPS) and two from *The Edge*. The results are audited by Deloitte Malaysia.

**Congratulations to the groundbreakers
of The Edge Property Excellence Awards 2014**

Everyone looks up to you.

Brick by brick, plank by plank, you have sculpted the landscape and excelled at it. You have engineered your way to the top, but there is more to do, more to build and unique challenges ahead. This is when expert insight can make all the difference.

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The Edge-PAM Green Excellence Award 2014 Judges

PICTURES BY HARIS HASSAN/



From left: *The Edge City & Country* deputy editor Rosalynn Poh, Malaysia Green Building Confederation (MGBC) president and PAM council member (judging convener) Sarly Arde Sarkum, MGBC board and PAM council member Alice Leong Pek Lian, The Edge Communications Sdn Bhd managing director Au Foong Yee, PAM council member Sarizal Yusman Yusoff and PAM president Chan Seong Aun

METHODOLOGY

This award is open to all Malaysian property developers – both listed and unlisted – with projects in the country as well as corporate members of Malaysian Institute of Architects (PAM) with projects in Malaysia. The projects – of any size and type – must be completed.

One of the judging criteria for the green award is that the project must showcase innovation beyond the industry standard required by the Green Building Index, Leadership in Energy and Environmental Design, Singapore's Building and Construction Authority's Green Mark or other recognised green-building certification.

The five-member judging panel also deliberated on the design, sustainability, implementation, cost efficiency and relevance of the project to the community.

The judges comprised three representatives from PAM and two from *The Edge*.

JUDGES' CITATIONS

WINNER

The Banjaran Hot Springs Retreat

Company: **Sunway City (Ipoh) Sdn Bhd**

The retreat merges and blends in with nature. It will attract more people to the vicinity and is a growth catalyst for the surrounding area. This place could benefit the community by employing people from nearby areas and provide economic empowerment.

HONORARY MENTION

The Arc, Bandar Rimbau

Company: **Bandar Rimbau Sdn Bhd (IJM Land Bhd)**

The project befits its purpose of bringing society together for recreation and gatherings, which is lacking these days. The developer made a reverse decision of building for this community open spaces first as a catalyst to grow the commercial section later. It is very spacious and yet has an inclusive green design.

HONORARY MENTION

Sunway Rymba Hills

Company: **Sunway PKNS Sdn Bhd**

The development integrates with the area and is sensitive to the natural surroundings. It has a brave and innovative approach, making it non-conventional.

The Banjaran Hot Springs Retreat wins green excellence award

Sunway Bhd's The Banjaran Hot Springs Retreat is the winner of *The Edge-PAM Green Excellence Award 2014*. The 16.19-acre retreat features 25 garden and water villas surrounded by 260 million-year-old limestone hills, caves and verdant forest. The judges were won over by the development and how it was built around its beautiful and natural surroundings. Read more on Page 50 on The Banjaran Hot Springs Retreat and Pages 100 and 101 on The Arc in Bandar Rimbau and Sunway Rymba Hills respectively.



Judges looking through the submissions

Other awards and methodology

Since 2010, *The Edge Malaysia Top Property Developers Awards* has come under the banner of *The Edge Malaysia Property Excellence Awards* which also encompasses *The Edge-PEPS Value Creation Excellence Award* and *The Edge-PAM Green Excellence Award*. Several new awards were introduced in conjunction with the 10th year of *The Edge* property awards in 2012. This year, joining the prestigious awards is *The Edge Malaysia Affordable Urban Housing Excellence Award*. The new award and its inaugural winner, as well as the other awards and winners are listed below:



Best in Qualitative Attributes Award

The award recognises the developer that ranked the highest

for its qualitative attributes in *The Edge Malaysia Top Property Developers Awards* ranking. This year's winner is **Sunway Bhd**.

The Edge Malaysia Outstanding Property Personality Award

The award is given to an industry captain who has made significant contribution to the development of his company as well as the

property industry in Malaysia overall. The recipient of the award is selected by *The Edge*. The award was presented to the **founder of Tan & Tan Developments Bhd Datuk Tan Chin Nam**.



The Edge Malaysia Notable Achievement Award

The Award recognises

the developer that has in recent times made significant success in raising its profile and reputation through its products and branding as a leading developer in the country. There are two winners this year – **Eco World Development Group** and **Tropicana Corp Bhd**. The recipients of the award are chosen by *The Edge*.



The Edge Malaysia Outstanding Property Project Award

The award is in

recognition of completed projects that have made an impact through its design and concept; that has been a catalyst for growth and continues to contribute to the vibrancy of the area

they are located in. The 2014 award was presented to **YTL Land & Development Bhd for its re-development of Sentul**. The winner is chosen by *The Edge*.



The Edge Malaysia Affordable Urban Housing Excellence Award (NEW)

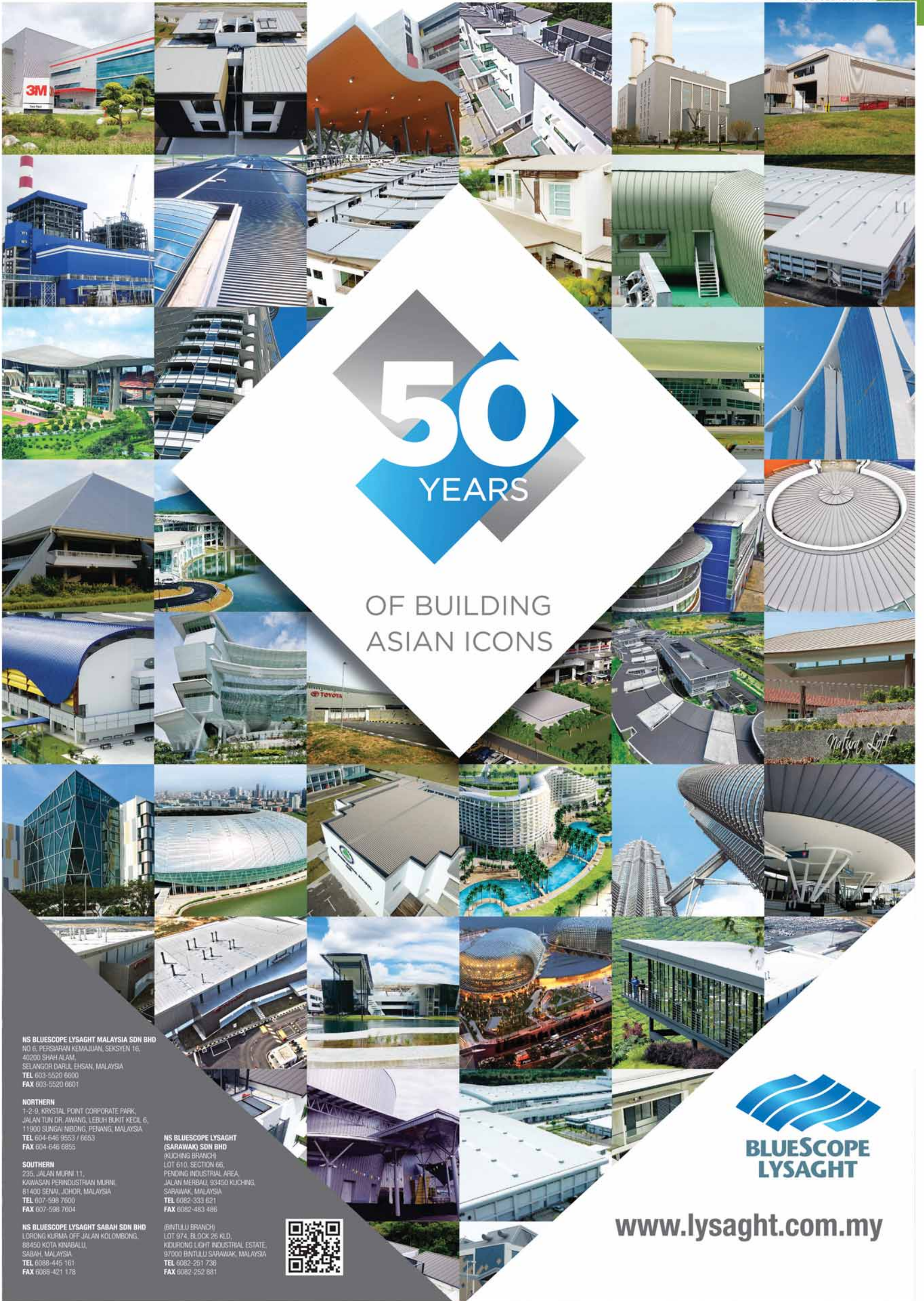
The Award is a new

component under *The Edge Malaysia Property Excellence Awards*. The award seeks to identify and encourage the private sector to provide more and better quality affordable housing. Only projects undertaken wholly by private sector developers who receive no aid or participation, direct or indirect, from the government are eligible.

The project must be located in Malaysia and have a development size of at least 100 units. The units must be priced at RM500,000 or less (before any discounts or rebates, whether in cash or in kind).

Judging criteria include quality of development, design and innovation, accessibility and connectivity, liveability, community interaction (public and shared-use space, safe and secure access) and location. The winner of the award is selected by *The Edge*.

The inaugural winner for this award is **MKH Bhd's Pelangi Semenyih Phase 2A**.



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NO. 1 - SUNWAY BHD & BEST IN QUALITATIVE ATTRIBUTES

Creating progressive communities

BY E JACQUI CHAN

Sunway Bhd takes number one spot in *The Edge* Top Property Developers Awards this year, for the first time. It also won the Best in Qualitative Attributes Award.

Despite a slowdown in the property market, Sunway has had a strong 2013, posting a net profit of RM1.50 billion for its financial year ended Dec 31, 2013, an impressive increase from the RM438.83 million posted in the previous financial year.

Sunway's first-half financial year 2014 ended June 30, net profit grew by 9.82% to RM286.52 million from RM260.9 million a year ago on the back of RM2.23 billion revenue.

The company recorded sales of RM628 million in 1H2014, an increase of 28% y-o-y, with unbilled sales of RM2.4 billion. This puts Sunway on track to achieve its sales target of RM1.8 billion this financial year ending Dec 31, 2014.

Its launches in the past 12 months have done well. The Citrine office suites, in the 1,800-acre Sunway Iskandar development in Johor, have sold out despite declining buyer sentiment for the Iskandar region due to concerns about oversupply. Citrine has a gross development value of RM73 million, while Sunway Iskandar has a GDV of RM30 billion.

Sunway has 3,400 acres of undeveloped landbank with an estimated GDV of RM50 billion. Sixty-one percent of its landbank is in Johor, 21% in the Klang Valley, 7% in Penang, 4% in Singapore and 3% in China.

Sunway also has a property investment portfolio. Its most recent completion is the 600,000 sq ft The Pinnacle in Sunway Resort City, which is projected to be 80% tenanted by year-end. In the pipeline are the RM500 million Sunway Pyramid 3 hotel and mall extension and the RM1.6 billion Sunway Velocity shopping mall in Cheras, among others. Both developments are scheduled to be completed next year.

Joint managing directors of Sunway Bhd's property division, Sarena Cheah and Ong Pang Yen, tell *The Edge* that the company is a unique developer with a 'Build, Own, Manage' business model and a property-construction collaboration. Describing Sunway as a 'master community builder', Cheah believes

Sunway Bhd

	2014	2013
Overall	1	2
Quantitative	6	8
Qualitative	1	2

the company has correctly positioned itself in today's crowded market. It has the expertise and experience to provide contemporary buyers a holistic package rather than a mere building.

Cheah and Ong share their thoughts on how Sunway differentiates itself from the competition to stay ahead.

The Edge: What have the past 12 months been like for Sunway and what are its priorities now?

Sarena Cheah: It's been an interesting period, with [Bank Negara introducing] cooling measures due to the overall concern over rising household debt, but it's been quite a good year for Sunway due to our strong foundation and our people. All three of our business regions (central, north, south) achieved something in the tougher business environment. The central region had average sales figures of close to 80% for launches. In Ipoh, our bungalows Lakeside Mansions achieved a benchmark price of close to RM4 million. In Sunway Iskandar, Johor, we sold out our maiden launch of Citrine office suites.

Ong Pang Yen: Since Cheah and I took over as joint managing directors more than a year ago, we have fine-tuned the property-construction (prop-con) collaboration model and successfully implemented the 'three gates and two audits' system to deliver customer-centric, quality products and to ensure minimum wastage.

The 'three gates' relate to a design process not unlike that of Mitsui Fudosan Co Ltd, one of Japan's leading property developers. Design efficiency ensures we can meet the increasing requirements of ever-more demanding customers.

Since January this year, we have embarked on two quality audits. One audit benchmarks quality standards such as Singapore's Construction Quality Assessment System (Conquas); the other audit is on safety. We are also ISO 14000 certified. So, the 'three gates, two



Cheah (left) and Ong

Sunway has built a very strong brand as a master community builder to differentiate itself in an increasingly crowded market.

- Cheah

audits' system takes a leaf from *The Edge* Top Property Developers Awards' five criteria.

What are your priorities now?

Cheah: One very important priority is to get the company Goods and Services Tax (GST)-ready ahead of its implementation next year.

Sunway has built a very strong brand as a master community builder to differentiate itself in an increasingly crowded market. We have different types of expertise in our group, from construction and property development to investment and real estate

investment trusts (REIT). This strong foundation enables us to do a diverse yet integrated range of businesses.

We're seeking landbank on which to build more flagship towns and communities, and complement these with standalone projects. New and ongoing infrastructure projects [by the government] will open up new locations. That's something to explore as well.

In every region, we want to leave a mark in the communities we are building. There will be a flagship property project each in Penang and in Johor, to fuel our growth in this segment.

Internally, because of the impending implementation of GST, we have to be more lean and efficient. Most developers will be affected by the rising cost of construction. It's key that we drive efficiency.

Ong: In the long run, our focus is to differentiate ourselves in the market to keep ahead of the competition. We've partnered with Mitsui Fudosan, the number one quality developer in Japan, from whom we can learn a lot. For innovation and creativity, we have tied-up with Japan's Daiwa

House Industry Co Ltd to build prefabricated (prefab) homes.

The advantage of prefab homes is currently not great because labour is still cheap, but their benefits will show in the long run. Given a build-then-sell business model, the prefab system is the best because we can deliver homes in six months. It will ease our holding cost and fit in nicely with the country's future housing policies. Innovation in the use of alternative materials and in design can lower costs, the savings from which are passed on to buyers.

Some developers have reported slower sales in the current economic environment. What has contributed to Sunway's strong performance in the past year?

Cheah: The environment is tough but our products have done well overall. The locations and integration of our products make them attractive to consumers; community and infrastructure play a role in the success of our developments. People are comforted to know what they bought has more to offer than just a product. Sunway Geo, for example, has done very well [because] it

An artist's impression of Sunway Velocity



will have the elevated bus rapid transit (BRT) service and the commercial components of Sunway Resort City (where it is located), such as hospitals, shopping centre and educational institutions, among others. Our customers buy into a product in a growing location.

With our range of expertise, it only makes sense for us to build more communities, which provide the holistic experience of home that people want, where the family can grow together. As a developer, we grow together with the consumer and the community.

The consumer sales target for this year is RM1.8 billion in revenue. We are constructing investment properties worth another RM3 billion in GDV. We have the best of both worlds: we sell products, and we build products to serve the consumer. Investment products have the potential to be put into a REIT. When you add it all up, Sunway commands a strong market presence.

What is your long-term vision for the company?

Cheah: We should be known regionally as the true master community developer. We already have the key expertise to develop communities. Sustainability is on people's minds. We build communities but how the community will be sustainable in the longer term lies in how people live within it. We can offer services that allow them to live more sustainably.

Ong: Our legacy and biggest contribution as a township developer is in making townships livable. Unlike green buildings, townships are more encompassing. The Economist Intelligence Unit's criteria for a green township considers its stability, crime rate, infrastructure, walkability, employment opportunities, and whether cultural, social, recreational, medical and educational needs are met. If provided, they make the township more livable. That's the key difference with Sunway; we build communities and a livable environment.

What are some of the measures being taken to make Sunway's developments more sustainable?

Cheah: In Sunway South Quay, where we pump water from the lake every day, we are investing in a water treatment plant that will allow us to supply our own water to all the commercial precincts. This will enable us to be self-sustaining. The next big thing could be recycling waste from the township. We already incorporate passive green design into our architecture, and now want to take sustainability to the next level.

Ong: It's a very competitive market but the concept of livability is seeping through to people. The property market can go up and down; what's important is how we differentiate ourselves — and that people see value in it. So even if the market is down, hopefully our market share rises because people appreciate the value in our differentiation.

Is the Sunway brand and business currently at the level you envision, regionally?

Cheah: No, we're not there yet. The contribution from overseas business to the property segment is very small.

Singapore and China are a start and, for now, our focus, until we gain a better foothold there. Opportunities will always present themselves. We've done relatively well in Singapore, where we have a minority stake in projects there, and interests in trading and manufacturing as well. Singapore continues to be on our radar but it will be an opportunistic property play because it is an island state.

On the other hand, we have to continue to deliver in China where we have two developments. The China market, like Singapore and Malaysia, is softening; but in every cycle, there will be opportunities.

What are some of Sunway's upcoming projects?

Cheah: We recently launched our serviced apartments in Sunway Velocity in Cheras (V Residence 2), which was very well taken up. We'll launch the next phase soon.

Our future launches will still be within our existing townships, but we will consider developing more investment properties, such as the mall in Sunway Velocity that will be completed by end of next year, and the medical centre in another one or two.

In the Klang Valley, the main hubs of business include Sunway Velocity, Sunway Damansara and Sunway Nexus. After Sunway Giza and Sunway Nexus, we have 15 acres of another integrated development to be built.

In Penang, the hubs will be Sunway Wellesley in Bukit Mertajam and the launch of a project on the 24.46-acre land for which we acquired in December last year. We're also building a hospital in Seberang Jaya where the Sunway Carnival Mall and Sunway Hotel Seberang Jaya are located. These will complete, integrate and enhance the two developments.

Ipoh will be exciting as we will launch an outlet mall, and superlink and courtyard homes.

As for Johor, we'll be making some announcements soon.

We'll be launching something in Mont'Kiara, and continue developing our projects in Ampang and Serdang.

What do you see as the challenges for the property market in the coming year and how will Sunway address them?

Cheah: The National Property Information Centre report of 2011 to 2012 shows that the volume of transactions has declined while its value has increased. The new supply of homes in the residential segment has shrunk; the property market closely tracks the level of consumer confidence around the country.

If the country grows at a projected 5.5 to 6%, private investment and employment will grow. The issue then is the affordability of property, be-

Sunway Bhd

FINANCIAL YEAR-END DEC 31 (RM MIL)	2013	2012	2011	2010	2009
Revenue	4,721	4,129	3,692	3,102	NA
Pre-tax profit	1,900	840	499	716	NA
Paid-up share capital	1,724	1,293	1,293	*	NA
Shareholders' funds	5,328	3,215	3,017	3,518	NA
Profit attributable to shareholders	1,490	439	388	684	NA
Dividend payout ratio (%)	12%	18%	NA	NA	NA

* Representing 2 ordinary shares of RM1.00 each amounting to RM 2

COMPLETED PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM MIL)	LAUNCH DATE	TAKE-UP (%)
Sunway Palazzio	Condo	160	484	2007	98
Sunway Rymba Hills	Zero-lot bungalow	80	308	2010	92
Sunway A' Marine @ SSQ	Condo	242	217	2010	100
Sunway Rydgeway	Semidee	30	196	Feb 2009	90
	Zero lot bungalow	40			
Arc @ Tampines, Singapore	Executive condo	574	1,200 (S\$493)	Sept 2011	100

ONGOING PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM MIL)	LAUNCH PERIOD	TAKE-UP (%)
Sunway Velocity @ KL	Serviced residence	598	1,100	3Q2011	100
				3Q2013	88
	Shop & office	487		3Q2011	100
				3Q2012	100
				3Q2013	80
Sunway Geo Phase 1 @ SSQ	Retail and office	259	1,000	2012	90
Sunway Geo Phase 2 @ SSQ	Retail and office	265		2013	
Sunway Geo Residences 2 @ SSQ	Serviced apartment	318		July 2014	
Sunway Lenang Heights @ Taman Molek, Johor	Semidee & bungalow	112	233	3Q2013	60
Sunway Montana @ Desa Melawati (Phase 1)	Landed residential: Courtyard villa and semi-dee	107	277	4Q2011	100
(Phase 2)	Townhouse	158	236	4Q2012	85
(Phase 3)	Courtyard villa & townhouse	50	82	2Q2014	25
Royal Square @ Novena, Singapore	Medical suites	171	1,900 (S\$559)	3Q2014	55
	Retail	51	550 (S\$220)		53
	Hotel	250 rooms	515 (S\$206)		hotel to be sold upon completion

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM MIL)	EXPECTED LAUNCH
Sunway Geo Residences 3 @ SSQ	Condo	464	524	2Q2015
Citrine, Sunway Iskandar	Serviced residence	328	223	4Q2014
Sky Villa @ Sunway Wellesley, Bukit Mertajam, Penang	Condominium	152	66	1Q2015
Serene Villas @ Sunway City Ipoh	Villa	88	222	1Q2015
		1st block of serviced apartment	252	
Mount Sophia, Singapore	Condominium	493	2,000 (S\$820)	4Q2014

cause of fiscal tightening measures. Developers will reduce the number of launches, so there will be some pent-up market demand over the next two to three years. Then we have to look at catching the cycle again. I personally don't think there will be a crash; developers are launching projects of different levels of affordability.

As for Sunway, 80% of our launches this year are priced at less than RM1

million. We will ride the market, and this is where our investment portfolio comes in very handy. Property development and investment, and construction, contribute about 85% to our group earnings. If the market slows down, we will drive our investment property portfolio.

There's no point launching many retail products during a soft market. Even if the market does badly, it won't

hit us so badly because of our diverse earnings profile. Then there's the option of transferring our investment properties into our REIT, which is similar to a sale for us.

Ong: There's a time for everything. We have the expertise, and quality is our focus. Today, Sunway is on top in terms of quality and customer satisfaction. **E**

THE EDGE
MALAYSIA
**Outstanding Property
Personality Award 2014**

WINNER

DATUK TAN CHIN NAM, FOUNDER TAN & TAN DEVELOPMENTS BHD AND IGB CORP BHD

A man for all seasons

BY **WONG KING WAI**

Much of what we now know as property industry practice has to do with Datuk Tan Chin Nam. His efforts made him the worthy recipient of this year's *The Edge Malaysia's* Outstanding Property Personality Award.

He and his late brother, Kim Yeow, founded Tan & Tan Developments Bhd in 1971 and IGB Corp Bhd. In 2002, Tan & Tan was acquired by IGB to consolidate its position in the property development industry.

Today, IGB is known for the 50-acre Mid Valley City development which comprises Mid Valley Megamall, The Gardens Mall, office towers, hotels and serviced residences. It also invests in and manages a diverse portfolio of long-term commercial, retail, residential and hospitality assets in Asia, Australia, the US and Europe.

Chin Nam has left an indelible mark on Malaysia's property industry, having pioneered a number of firsts. Desa Kudalari in Kuala Lumpur was the first condominium in the country, and Sierramas in Sungai Buloh, the first gated development. At the other end of the spectrum, Chin Nam built Kampung Kongo in Cheras, Malaysia's first low-cost housing development. He also oversaw the development of the iconic Mid Valley City, built Renaissance Hotel and Gleneagles Hospital, all in Kuala Lumpur. In Australia, he had a hand in the restoration and redevelopment projects of Queen Victoria Building and Capitol Theatre in Sydney, and the Como Hotel in Melbourne.

Some of his other contributions to the country's property development industry include his role in forming

the Housing Developers Association (HDA) in the 1970s, which in 2000 was renamed the Real Estate and Housing Developers' Association (Rehda). He was president of the HDA from 1974 to 1978.

Chin Nam also introduced Fiabci, the International Real Estate Federation, to Malaysia, using it as a vehicle to gather building industry professionals such as architects, surveyors and engineers, to raise professional standards.

He retired from active involvement in the family business at 70. He kept himself busy with chess and horse racing. His love for "the royal game" started in his youth and he found it to be good exercise for the development of mind and character. Chin Nam was also involved in promoting the game in Malaysia.

His other love, horse racing, started with a win at the races in 1948. The appeal? Trying to beat the odds. He eventually teamed up with renowned Australian horse trainer Bart Cummings and they won four Melbourne Cup's, Australia's premier horse racing event.

His property business legacy, meanwhile, remains in the family. His daughter, Tan Lei Cheng, heads Goldis Bhd and nephew, Datuk Seri Robert Tan, leads IGB.

Now 88, Chin Nam enjoys meeting with friends and associates while keeping abreast of goings-on in the world. Despite Parkinson's disease, his wit and affability shine through as he speaks to *The Edge* about his vocation.

"Failure is more common"

Born on March 18, 1926 in Kuala Lumpur, he was the sixth of 12 children. He attributes much of who he is today to his mother, Choo Moh Hooi, who sent him to Victoria Institution to learn English. He became the first in his



PICTURES BY GOLDIS



“You should not talk about your successes. You fail more than you succeed. – Chin Nam”

Desa Kudalari in Kuala Lumpur was the first condominium in the country

family to do so and credits his ability to converse and write in English as one of the reasons for his success.

As someone who has achieved a lifetime's work, he is the first to point out his failures, which he regards as the mother of success. Each defeat is a lesson and the man who perseveres wins in the end, he says.

"You should not talk about your successes. You fail more than you succeed," he instructs.

He recalls a childhood of struggle albeit a relatively happy one. Financial constraints precluded the completion of his studies at Victoria Institution and he soon embarked on a career as a trader of perishable and other goods.

His ability to relate to people from all walks of life throughout his career would lay the foundations of his future vocation. Chin Nam would remember people's names and details by making it a habit to jot on their business cards when, where and why he met them, plus any other observations he may have had. Business is based on human relations, he says, "so if a business person seeks to be successful, he or she must master the art of building strong relations with people."

Dealing with the ebb and flow of humanity has made him a strong believer in the use of common sense, of which he says there are two distinct but crucially related stages: "Understanding reality rightly, and then acting correctly. This usually means obtaining the relevant information and working hard."

It was in 1959 that he first had the chance to be involved in property development. He invested in a project called Petaling Garden. It was also when Tan became a campradore at Bangkok Bank, acting as middleman between the bank and the Chinese business community, personally guaranteeing loan transactions and foreign exchange deals in return for a commission.

However, he soon realised that while he could make a lot of money from his role, he stood to lose a lot too. After nearly 10 years, at the tail-end of his career with Bangkok Bank, an opportunity arose that would lead him down the path to become a property developer.

Finding Shangri-La

In 1968, Chin Nam and his business

CONTINUES ON PAGE 38



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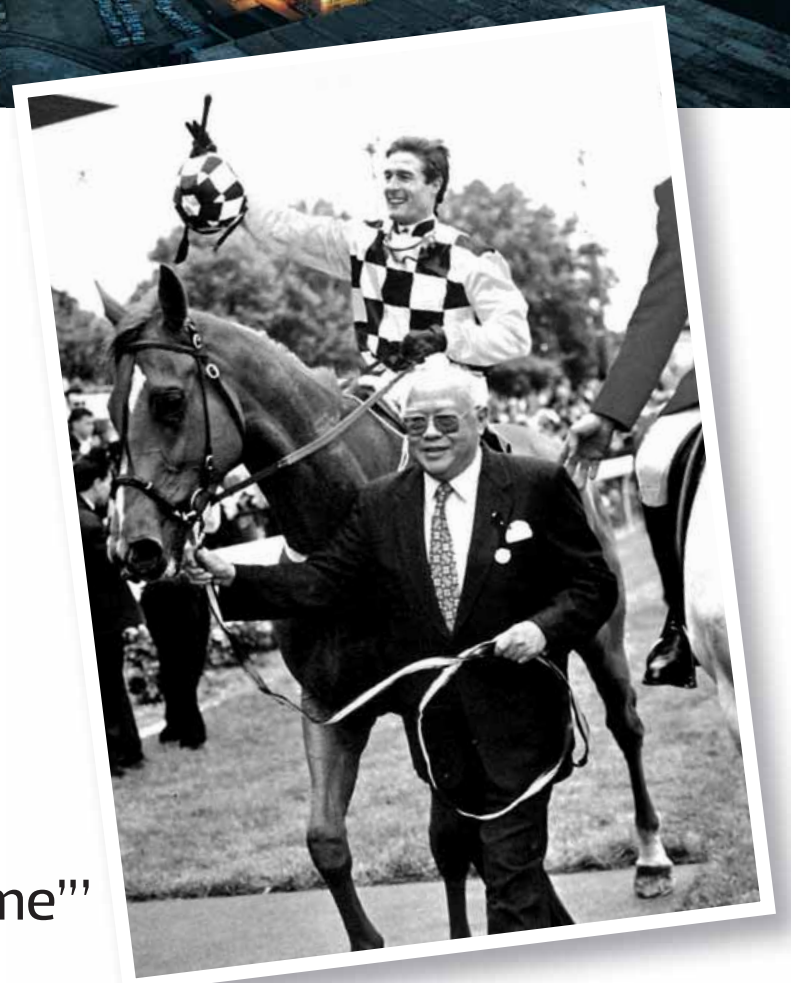
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Clock wise from below: Menara Tan & Tan on Jalan Tun Razak, Kuala Lumpur ; Mid Valley City at dusk; An old photograph of Tan winning his third Melbourne Cup in 1996 with his horse Saintly; The first gated development in the country, Sierramas, Sungai Buloh.



Never assume – “it makes an ‘ass’ out of ‘u’ and ‘me’”

FROM PAGE 36

partners bought a piece of land in Singapore to develop the Shangri-La Hotel. Initially, the plan was to build rental properties or a standard development of the time. However, Singapore architect Heah Hock Heng, suggested the building of a modern five-star hotel instead. The idea caught on.

Chin Nam and his team, which included Robert Kuok, flew to the US to meet the chairman and CEO of Westin Hotels at the time, Edward “Eddie” Carlson. They negotiated an agreement to build the Shangri-La in Singapore.

It was during the construction period that he learnt the intricacies of property development and how detailed it can be. “The architect is one-twentieth of the whole process,” he says. “By right, you need to design the whole scheme first, not the envelope. I was the first to employ a landscape consultant and many other consultants and engineers.”

Consultants? He explains that if expertise is required for the job, then it should be used. Trust the expert to do his or her job to the best of their ability. The money that Chin Nam has invested in this way has been

returned to him many-fold.

Chin Nam credits Bill Keithen, who was involved in the Shangri-La development, as one of the men who guided him in the essentials of building a hotel. Keithen, who was with Westin Hotels and later became Dean of the Cornell School of Hotel Administration, would become a good friend.

Building a brand

Building a five-star hotel would equip Chin Nam to build the first condominium in Kuala Lumpur, Desa Kudalari. The condo, completed in 1983, had many people questioning its reason for being in the early days. Was Chin Nam ahead of his time?

Back in the day, people were used to living in houses with plenty of land. Ironically, it was for this very reason that Chin Nam decided to build a condominium. The landed gentry in the tropics were finding it a bother to take care of the garden, manage staff and deal with mosquitoes. Moreover, there was security to consider.

He thought, if he had these problems, there would also be others in the same predicament. Moreover, his travels to Hawaii had revealed

to him that city dwellers will pay for the conveniences a condo provides — the swimming pool, gymnasium, tennis courts and landscaped spaces. Not least, they would pay for security.

“Using the knowledge I had acquired, I persevered along with my late brother, Kim Yeow,” Chin Nam recalls. “It was difficult because there were no laws on condominiums then; there was no landscaping industry, there were no building management companies. So I ended up having to create something that didn’t exist.”

At the time, Chin Nam had wanted to use facing bricks, which have aesthetic features, for Desa Kudalari. However, nobody made them locally, and importing them was prohibitive because they were highly taxed. Solution? He worked with local brick manufacturers to make some.

If he was unable to find someone to make what he wanted, he would start a company to build what he needed. Something as simple as a fitted kitchen, now commonplace, then did not exist. To get a white fridge was near impossible, he recalls.

But building the Shangri-La in Singapore had taught him well. Chin

Nam created a private Garden of Eden for Desa Kudalari that nobody had seen in apartments before. Today, buyers expect their condos to come with lush, open spaces.

From building the country’s first condominium, Tan & Tan established a brand for providing a holistic ownership experience, complete with good security, landscaping and after-sales management. The attention to these seemingly unimportant details — the ‘soft’ infrastructure — would become integral to Chin Nam’s philosophy on property development, ever raising the bar higher.

Playing to lose

Much of Chin Nam’s exploits, successes and failures are well documented in his memoir, *Never Say I Assume*, published in 2006. The title is his favourite refrain because “it makes an ‘ass’ out of ‘u’ and ‘me’,” he offers.

“I always say, don’t assume. Research and hard work are what you need. And being able to foresee the future as much as you can,” he says.

He writes in his book how, in 1948, he had imported the region’s first electric laundry machine assuming that hotels would welcome this service. They didn’t. A simple call or a casual dinner chat, he says, would have disabused him of his assumption. Laziness was the reason for that bad investment, he adds.

Despite his now limited mobility, Chin Nam has never stopped enjoying learning and constantly wants to better himself.

“I respect those who are better than me,” he says. “I like to lose, I like competition. I like to learn from people who are better than me.” In chess, a particular passion, “I play with people who can beat me.”

Regrets? “I would have liked to have continued working to improve and develop a strong framework of development to raise the industry higher.”

He drops this priceless, commonsensical pearl of wisdom for the new generation of developers: “Never assume, don’t borrow short term and don’t overestimate the demand.” ■



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WINNER

THE CORE, KOTA DAMANSARA – SUNSURIA SDN BHD

Little things that mean a lot



The Core comprises seven blocks of 2 and 3-storey shopoffices and a block of 4-storey shops

BY CHAI YEE HOONG

Global economic crisis or no, 2009 was a breakthrough year for Sunsuria Sdn Bhd. That's when it launched The Core in Kota Damansara, a joint venture development with landowner the Selangor State Development Corporation (PKNS).

The development, situated in a high-end industrial park, won *The Edge*-PEPS Value Creation Excellence Award 2014 in the Non-Residential category.

Kota Damansara was already a mature neighbourhood in 2009, but it needed a commercial development such as The Core, says Sunsuria executive chairman Datuk Ter Leong Yap.

The Core is a self-contained meeting place for both business and leisure, he adds.

"We are delighted and honoured to win this prestigious award," he says proudly. "This reaffirms Sunsuria's goal to create value for our customers."

According to Ter, the business is built on integrity and reliability. "We know that for most people, buying a property is a lifelong commitment using life savings, which places huge responsibility on property developers to offer something of lasting investment value," he explains.



The RM142.6 million development was completed in December 2012 and currently enjoys a 70% occupancy

"We strive to develop projects that contribute to our customers' success because it adds to our own. We keep this in mind from the initial planning stages and it is part of our core philosophy."

Ter founded the Sunsuria Group in 1989, when it began developing residential, commercial and industrial projects in the Klang Valley. It now boasts a track record of innovative, high-value projects.

The Core is an acronym for "Contemporary Office Retail Entertainment

Centre". It comprises seven blocks of 2 and 3-storey shopoffices and a block of 4-storey shops. It sits on 10 acres and has a gross development value of RM142.6 million. It was completed in December 2012.

The award is based, among others, on the value of five first floor units of the 2-storey shopoffices, which have built-ups of between 720 and 850 sq ft. The five units were sold by Sunsuria for between RM182,000 and RM221,340 in 2010.

CONTINUES ON PAGE 42



Ter: We strive to develop projects that contribute to our customers' success because it adds to our own



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THE ions

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Located in Sunsuria Medini at the heart of Johor's burgeoning Iskandar district, The IONS (Integrated Office Niche Shops) present individual - strata landed shop offices in one of the most promising developments in the country. Enviously located, this tax haven with RPGT exemptions, 10-year corporate tax exemption and relaxed rulings on foreign direct investments are key incentives to attract foreign businesses and change both the lives and the skyline of the nation for years to come.

PICTURES BY SUNSURIA



SHAHRIIN YAHYA/THE EDGE



At The Core (clockwise from top left):
The 3-storey corner units were sold en bloc; the 4-storey shops; and the availability of adequate parking lots makes the place more conducive for business

Success attributed to leasing and management services

FROM PAGE 40

In 2013, these units were transacted on the secondary market at between RM300,000 and RM450,000. This represents an average appreciation rate of 84% over four years. The average appreciation rate per annum is 21%.

The burgeoning Kota Damansara area is accessible via multiple points, including the New Klang Valley Expressway, Damansara-Puchong Expressway, Penchala Link, Middle Ring Road 2 and the Guthrie Corridor Expressway.

It is linked to numerous residential areas and is in close proximity to many malls such as 1Utama, The Curve, Ikano Power Centre, Giant Hypermarket, AEON Big, Tesco, and Sunway Giza. It is also close to The Strand, Tropicana Medical Centre, Seri Selangor Golf Course, Tropicana Golf & Country Resort and educational institutions such as Sri KDU Smart Schools and SEGi University.

Connectivity is of utmost importance to success, says Ter, because it

catalyses the appearance of vibrant and, eventually, mature communities in the area.

Sunsuria could have sold The Core with a higher plot ratio, but instead decided to “optimise” this figure. The current plot ratio, according to Ter, ensures the availability of adequate parking lots, which makes the place more conducive for business.

A high plot ratio would also have led to more unoccupied lots and reduced the commercial sustainability of the development, he says.

The Core has a contemporary façade design as reflected in the choice of lively colours by the developer, while its interior allows for future expansion. Feedback from customers showed preference for a larger entrance and a space unobstructed by columns.

“These little things contributed to a higher take-up rate compared with our competitors,” Ter says.

The developer also decided to split the first floors of the 2-storey

units into front and back offices, making the units easier to rent out. The rent per annum of the front and back offices is RM16,800 and RM15,000 respectively, while the average rental yield per annum is 7.9% based on the original selling prices.

Leasing services

The 244-unit development has had an occupancy of 70% since January 2013. The remaining 30% are not tenanted due to owners being selective about the type of tenants or asking for high rents and some of them keeping the units for their own use.

Apart from The Core’s location, concept and price, the developer attributes its success to its property leasing and management services, which include building management and a concierge. Leasing services are offered to owners with no service fee. The developer’s familiarity with the area allows it to market the property, control rental rates and ensure the right tenant mix.

Ter believes this has led to repeat purchasers who are loyal supporters of Sunsuria projects.

MRT to add value

Ter observes that Kota Damansara is almost 90% completed with the exception of some brownfield land. Kota Damansara, also known as Petaling Jaya Utara, can be considered a new area of Petaling Jaya. The commercial areas there do well and are alternatives to places like SS2, he reckons.

The Sungai Buloh-Kajang mass rapid transit line is expected to have a provisional station located adjacent to The Core, adding to its value. The line is expected to be completed by end-2015 or 2016.

Ter foresees more commercial projects in the area and an appreciation in property values as Kota Damansara continues to mature. He remains optimistic the area will prosper over time.

Sunsuria has another development in Kota Damansara, namely Sunsuria Avenue, which is a 7.25-acre commer-

cial hub comprising an 8-storey commercial tower, a boutique hotel, and a sports and recreational complex. It is also the location for Sunsuria’s corporate office and main sales gallery.

The company is considering adding a residential component to the development to cater for the growing segment of buyers who prefer to live, work and play at one address.

Some of Sunsuria’s past developments include Sunsuria Seventh Avenue in Setia Alam, and Suria Jelutong and TRIVO in Bukit Jelutong. The developer’s current developments are Suria Hills in Setia Alam, Suria Residence in Bukit Jelutong and The IONS in Sunsuria Medini.

After Kota Damansara, where next for Sunsuria?

“You will see significant improvements when we roll out our next projects — Xiamen University Malaysia Township in Salak Tinggi and The Forum, another people-meeting place that we are going to develop in the growing Setia Alam township,” says Ter.



INNOVATING DEVELOPMENTS



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THE EDGE Top Property Developers Awards 2012-2014



PHASE 1B9, THE GOLF EAST, HORIZON HILLS – HORIZON HILLS DEVELOPMENT SDN BHD

A luxuriously green address

BY CHAI YEE HOONG

Houses in Phase 1B9 of The Golf East (The Golf East-1B9) in Horizon Hills, Johor, have won *The Edge-PEPS Value Creation Excellence Award* in the Residential category this year.

Situated in Nusajaya in Iskandar Malaysia, Horizon Hills is an integrated gated residential township that spans 1,200 acres and has a gross development value (GDV) of RM6 billion. The freehold development comprises 5,700 units of link houses, cluster homes, semi-detached houses and bungalows. It is located 25km from Johor Baru City Centre and the Causeway, and 20km from the Second Link in Tuas.

Set in a manicured landscape in a resort-style environment, the township offers generous open spaces for recreation such as gardens, parks, lakes and a 30km cycling path.

Developed by Horizon Hills Development Sdn Bhd, a joint venture between Gamuda Land Sdn Bhd and UEM Sunrise Bhd, the township also boasts an award-winning 200-acre 18-hole designer golf course and a resort club, which has facilities such as a gymnasium, tennis courts, a swimming pool, a dance studio, restaurants and lounges.

“We are very glad to have *The Edge* endorse us as a value creating developer and will keep creating value for our purchasers so that they will continue to have confidence in us,” says Gamuda Land managing director Chow Chee Wah. Gamuda Land is the property arm of Gamuda Bhd.

Prize-winning values

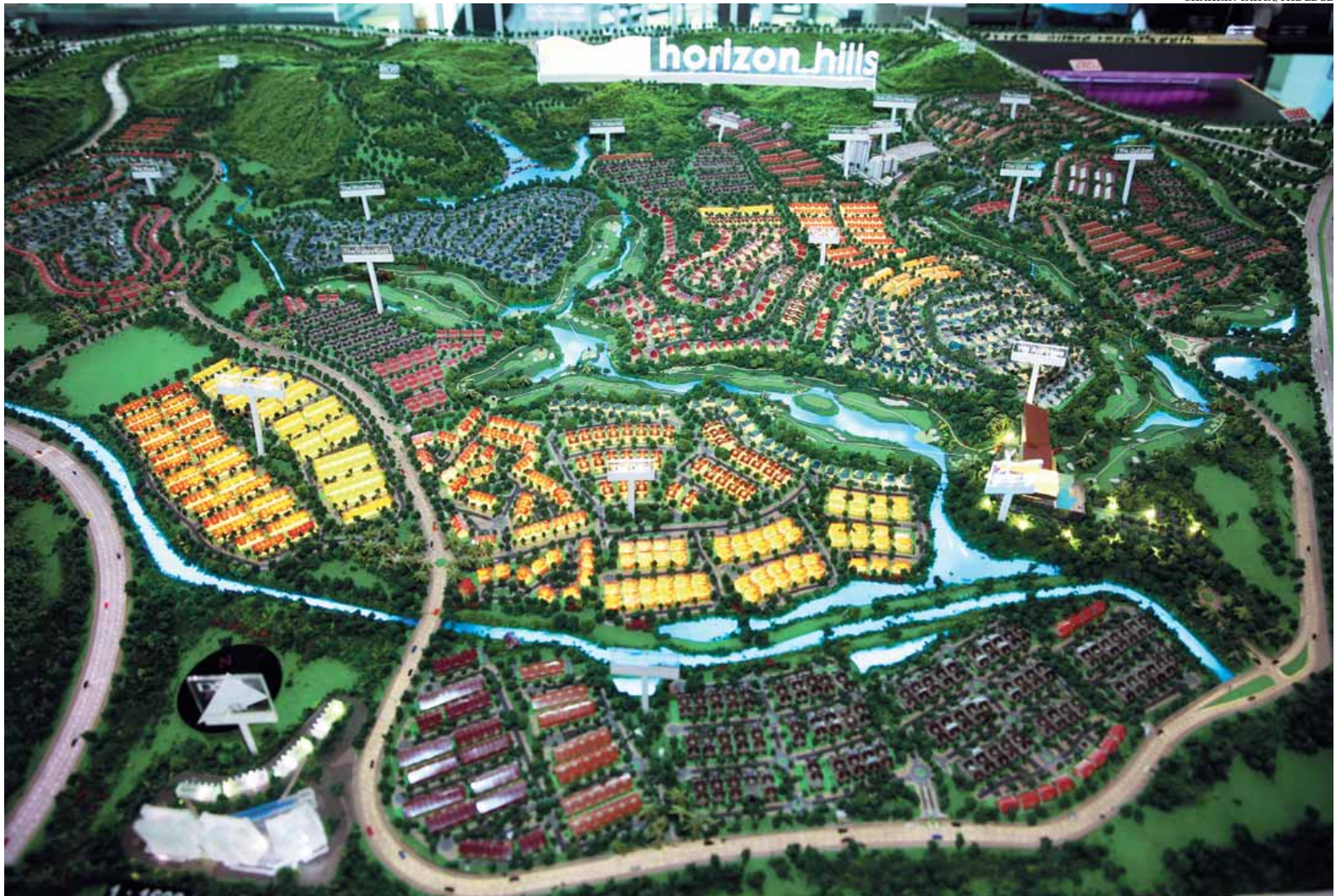
Enfolded in fairways and greens, The Golf East-1B9 is part of The Golf precinct in Horizon Hills. The other precincts in Horizon Hills are The Gateway, The Hills, The Green & The Woodlands, The Peak, The Cove, The Waterfall, The Valley, The Canal Garden, The Canal and The Heart.

The Golf precinct comprises the 36-acre The Golf East and the seven-acre The Golf West. The Golf East offers 606 units of 2-storey terraced houses and cluster homes, while The Golf West offers 47 units of semi-dees and bungalows.

The Golf East-1B9, which has a GDV of RM47 million, consists of 105 units of 24ft by 75ft 2-storey terraced houses with a built-up of 2,556 sq ft. The units were launched in May 2010 and completed two years later.

Five 2-storey terraced house submitted for this year’s competition were sold by the developer at RM439,800 to RM611,800 in 2010. They were later sold on the secondary market at RM899,000 to RM1.35 million in 2013 — an average appreciation of 117% over three years, or an annual appreciation rate of 47%.

“We priced ourselves 15% to 20% higher than our competitors when we first started and that did not set our sales back,” Chow says, adding that he believes the buyers of properties



Horizon Hills is an integrated gated residential township that spans 1,200 acres and comprises 5,700 units of link houses, cluster homes, semi-detached houses and bungalows



Chow: We are very glad to have *The Edge* endorse us as a value creating developer and will keep creating value for our purchasers so that they will continue to have confidence in us

in Horizon Hills are not just looking for “a roof over their heads”.

He believes secondary purchasers are willing to buy at an appreciated price as they are confident that the property’s value will continue to rise. “Primary purchasers would have to take our word for it. However, secondary purchasers would be able to see that the property’s value is sustainable and will continue to appreciate.”

The Golf precinct currently enjoys a healthy occupancy rate of 79%, of whom 82% comprise Malaysians, and 18% Singaporeans and others. Chow says value is added to residential townships when properties are owner-occupied or tenanted.

According to Chow, there were more foreign buyers than locals initially, but over time, the number of locals increased. He says a third were Singaporeans and two thirds were Malaysians.

Horizon Hills attracted Singaporean buyers because of its safe environment, with its security infrastructure, spacious and green surroundings, and low-density, he adds.

The township has also managed to attract people from Tebrau who were initially reluctant to move there.

“This proves that Horizon Hills is the preferred location and we are proud to be the preferred developer. We feel appreciated for the efforts we have put into crafting this township with the address that puts people in a different class,” says Chow.

A tastefully crafted township

Chow attributes the success of The Golf East-1B9 to it being a part of The Golf precinct within the master-planned community. But further value creation will depend on the community, he says.

“We can only get the integration right. We have already delivered in crafting the master plan for the township.”

For instance, the houses were built in clusters in order to encourage community interaction, he points out. “We don’t want the various types of properties within the precinct to be segregated from each other as each property is part of The Golf precinct community.”

The houses were built to suit the contours of the land. Due to the hilly terrain, one may find a 3-storey house next to a 2-storey one, but their roofs would align.

“We also added a personal touch for privacy by aligning the windows of each unit differently, so that they do not look directly into one another,” he says.

According to Chow, the developer also places great emphasis on the planning of outdoor spaces.

“The space between the link houses, the pockets of land and greens, and the connectivity of the jogging and walking paths in front of the link houses are all well thought out. This is what distinguishes this township from others,” he says. “The houses are

CONTINUES ON PAGE 46



INNOVATING DEVELOPMENTS



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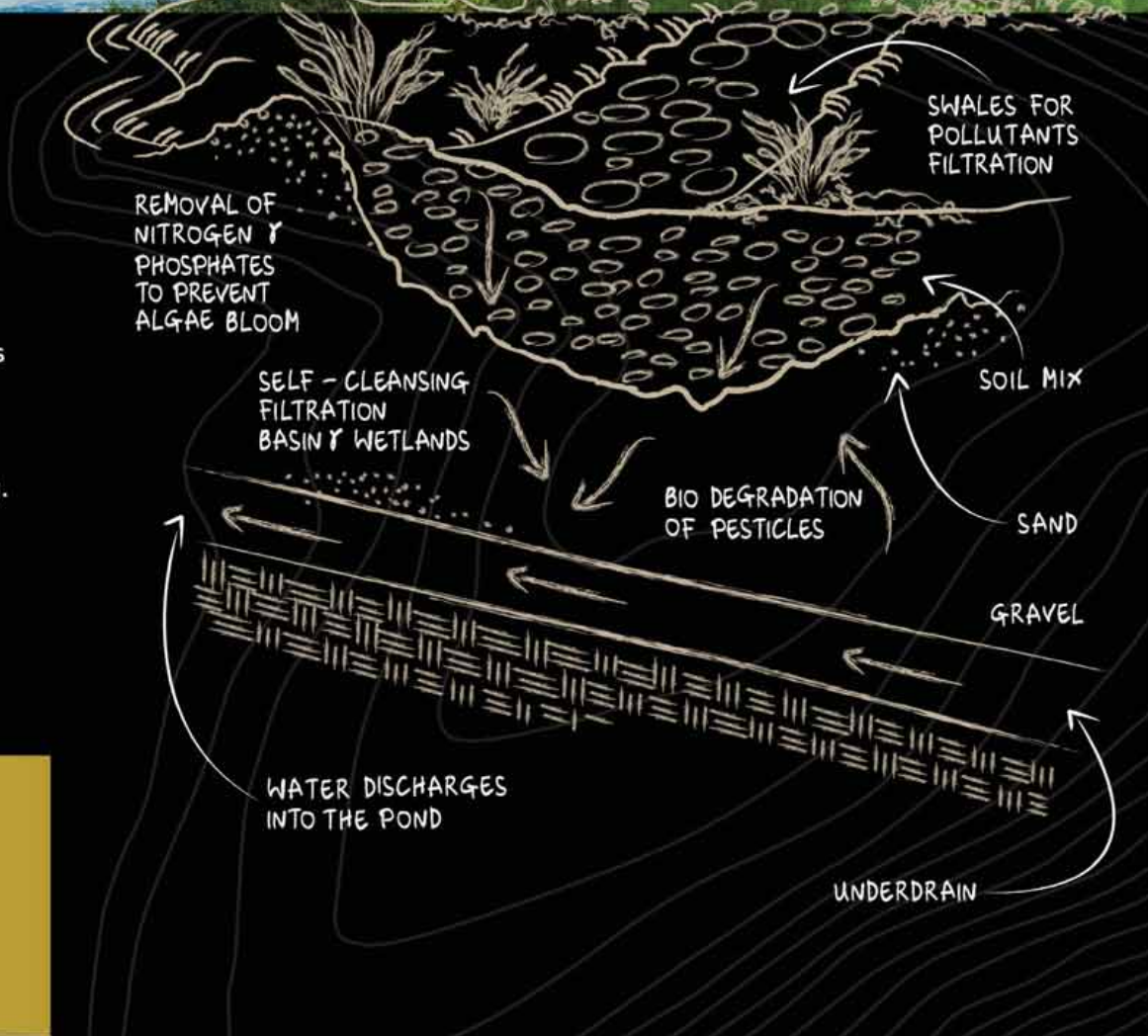
SOIL BIOENGINEERING FOR CLOSE ACCESS TO WATER EDGE

Celadon City, Vietnam

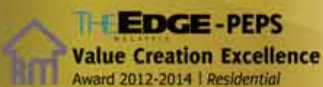
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The Golf precinct is enfolded in fairways and greens, where the houses are built in clusters and to match the green environment

Building a township with distinction

SHAHNIN YAHYA/THE EDGE

FROM PAGE 44

built to match the green environment and not the other way around. We want purchasers to enjoy and benefit from living in the green environment.”

During a site visit to Phase 1B9's 2-storey terraced homes, the judges commented that the structures have “very clean and neat lines”.

As quality of work is also an important value-adding factor, the development adheres to the Building and Construction Authority of Singapore's Construction Quality Assessment System standards.

Other features include 24-hour security, wide roads for pedestrian safety and cul-de-sacs to keep traffic from residential precincts, as well as having covered underground utilities.

According to Chow, the value of property is viewed from the perspective of the purchasers in terms of their day-to-day enjoyment of the property with their family, the lifestyle the township offers and the interaction of the township's community.

He says value lies in the sustainability of the township and rises as the township matures with time. Buyers should be rewarded with higher returns and better value than what the developer profits from the sale of the properties, he adds.

Value creation, according to Chow, can be derived from the distinctive character of the township based on its master plan. “When we craft a township development, we aim to create an address and location that people want to live in, talk about and appreciate.”



The 2-storey terraced houses at The Golf East-1B9, which saw an average price appreciation of 117% between 2010 and 2013

Hence, a well-maintained township will ensure its sustainability and value, he says. Things such as the township's landscape and maintenance can affect the overall character of the place, which in turn affects its value.

As the township was created based on the developer's vision, it has taken it upon itself to maintain the overall character and landscape by setting up its own maintenance department,

rather than relying on subcontractors or residents who may not share its vision.

“The value of a property is often affected by a lack of maintenance, which is a critical factor,” says Chow.

Sustaining consumers' expectation

Chow remains optimistic about Horizon Hills, although he admits that the market has softened and is see-

ing an oversupply in certain areas.

“The market may not be as bullish as before because many policies are still uncertain in Johor and people are taking a wait-and-see approach. Once the policies are more certain, people will continue to invest in landed properties, especially well-planned ones,” he says, noting that a majority of new developments in Nusajaya and Iskandar Malaysia are high-rises.

“For every township we develop, we must be able to create a distinction and must always have an enhanced concept compared with previous projects. This is because lifestyles keep changing and the community will always have a higher expectation of quality of life. We must be able to craft something that can sustain those expectations as we are designing for the future, not for yesterday or today.”



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Opposite image: Ling Long, Hong Kong

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The opposite visual representation portrays an artistic impression of the 8 Conlay development only and remains subject to modifications as may be required by the developer and/or the relevant authorities.

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THE BANJARAN HOTSPRINGS RETREAT – SUNWAY CITY (IPOH) SDN BHD

Coexisting with nature

BY **WONG KING WAI**

Normally, one would avoid getting into hot water, but not Sunway Bhd. It gladly plunged into it. A hot spring discovered on the site of its RM1.5 billion development, Sunway City Ipoh, in Tambun, Perak, inspired its chairman Tan Sri Jeffrey Cheah to build a spa retreat there. Not just any retreat but one built sustainably without damaging the environment. The effort has resulted in The Banjaran Hot Springs Retreat winning this year's *The Edge*-PAM Green Excellence Award.

"Our chairman had this vision of building an iconic development in Perak to wow the hospitality and spa sector," says managing director of property investment Datuk Ngeow Voon Yean on how the retreat came to be. The Banjaran was developed by Sunway City (Ipoh) Sdn Bhd as subsidiary of Sunway.

Since opening its doors in 2010, the luxury five-star wellness retreat has garnered many accolades, including the prestigious international Fiabci Prix d'Excellence Awards for Best Resort in 2012.

The 16.19-acre retreat is only a 15-minute drive from Ipoh and about two hours from Kuala Lumpur.

Built at a cost of RM73.4 million, The Banjaran features 25 garden and water villas surrounded by 260 million-year-old limestone hills, caves and verdant forest.

From the start, one of the priorities of the developer was to build the retreat as sustainably and environmentally friendly as possible. "The Banjaran was built with the aim of preserving nature, not destroying it, and most importantly, coexisting with nature," explains Ngeow.

"It was not easy to build the retreat. Many questioned our ability to balance our ambitious aim for sustainability with profitability, but as we did with Sunway Resort City, we viewed building a sustainable iconic product as a sound corporate strategy rather than something that we had to trade off against profitability."

First, Sunway gathered a team of experts to ensure that building on the site was done sustainably and that nothing disrupted the flow of the hot spring. "A lot of effort was needed to ensure we capitalised on the terrain and the flora and fauna," Ngeow says. "Much research was done by our technical business team into designing and building what we have today. The key to this was that we were mindful of achieving a sustainable development. So when we were designing the whole retreat, all the consultants and thermal experts were very careful to ensure the source of the geothermal spring was not blocked.

"After the spring's source and route had been identified, we adopted mainly raft foundations instead of piled foundations in our construction," Ngeow says. In places where there was no disruption to the water flow, the normal



Ngeow: A lot of effort was needed to ensure we capitalised on the terrain and the flora and fauna

MOHD IZWAN MOHD NAZAM/THE EDGE



The Banjaran Hot Springs Retreat surrounded by 260 million-year old limestone hills, caves and verdant forest



A garden villa at The Banjaran

piling method was used.

"Within the caves, we worked around the stalactites and stalagmites."

There are four caves that guests can visit. There is the thermal steam cave, the meditation cave, the crystal cave and the wine cellar called Jeff's Cellar.

The thermal steam cave has a plat-

form built over a hot spring so guests can sweat it out. As their names suggest, the meditation cave and crystal cave, which has crystals fitted into it, are for meditative purposes, while one can sip a good glass of wine among the natural rock formations at Jeff's Cellar.

Indeed, one of the challenges was building inside the caves. "We were

challenged from the very start as we wondered how we could collect information on space planning for our designers," Ngeow recalls. "We learnt that in another cave development in Gopeng (also in Perak), the developer engaged a foreign consultant to carry out 3D surveys — a costly and time-consuming exercise. As a result,

we tried to innovatively capture 3D information in 2D form."

Moreover, due to the nature of the site, Ngeow says much of the work was manual. There just wasn't enough space for vehicles and machinery to move around freely. As a result, the plan to have The Banjaran completed in 15 months ended up taking 30 months.

PICTURES BY SUNWAY BHD



Sweat it out in the thermal steam cave

Green features and initiatives

- Passive cooling through the resort's open and clustered layout, thus reducing the need for air-conditioning
- Architectural elements such as louvres that promote natural ventilation and roof canopies and pergolas that help minimise thermal gain
- The use of recycled wood, deadwood and driftwood in the interior decoration
- Hot-spring water pumped through pipes throughout the retreat. As the water cools naturally as it travels from the source, there is no need for a cooling system
- LED lights used to reduce electricity consumption
- PPR pipes that are known to retain heat used in the hot water systems
- Recyclable waste is separated while non-recyclable items are treated accordingly
- Minimal walls erected, thus increasing cross-ventilation, as seen in the reception area. Verandas serve this purpose in the villas.
- Additional greenery planted around the retreat. Lemongrass, which grows naturally in the area, helps keep the mosquitos away
- Electric buggies are used as a mode of transport for guests
- Use of geothermal water for Jacuzzis in the villas, dipping pools, swimming pool and manual irrigation system for the landscape
- Locally made natural skincare range used in the spa treatments (free from artificial perfumes, colouring, preservatives or harmful chemicals)
- Use of ceramic containers instead of plastic for personal care items
- Use of eco-labelled printing paper and recycled paper



The scenic view from the water villas

While natural surroundings play a big role in the eco-friendly nature of the resort, Sunway also incorporated plenty of green building technology into it.

The Banjaran was constructed using an open and clustered planning concept. As the area is naturally breezy, louvres that promote ven-

tilation and roofs that channel air into the units were included in the architecture of the retreat, reducing the need for air-conditioning.

The water and garden villas were all constructed using recycled materials. Decorative items were created out of deadwood and driftwood. No plastic was used. Even the hand items

for guests in the villas are made from ceramic.

Hot-spring water is piped into the units for usage without the need to cool it down because it is a constant 70°C from the source — the heat dissipates along the way.

No filtration system is used for the thermal water as it flows naturally.

Thus, its quality is constant. The water gushes out at a rate of three million litres per day or about 2,000 litres per minute from the ground below.

Furthermore, "during The Banjaran's construction, no trees were harmed. If a tree was in the way, it was relocated," Ngeow says. "The priority was always to conserve the flora and fauna."

There are electric buggies for customers to get around, so there are no CO2 emissions. The retreat's other green practices include growing its own herbs and the use of local food produce.

"We use local products at the retreat and food is no exception," says Ngeow, adding that they have a Michelin-star chef with over 35 years of experience. Chef Felix Eppisser takes care of the culinary and bespoke events at the retreat while his wife Lucia Franziska is the general manager.

Franziska says The Banjaran fully supports local farmers, sourcing organic vegetables from Cameron Highlands. "Food is part of wellness and contributes to health."

Although The Banjaran accounts for only about 10% of the gross de-

velopment value of the integrated Sunway City Ipoh, it has elevated the township to international status, says Ngeow, adding that the expected rate of return is about 12% and estimated payback period about 10 years.

He also discloses that Phase 2 of the retreat, which will cover 30.49 acres, will enable more people to enjoy its offerings. However, the expansion is still in the planning stage.

Since it started operating, The Banjaran has come into its own and is promoting a healthy ecosystem. For example, says Ngeow, there has been a proliferation of the majestic Rajah Brooke butterflies in the area.

"I remember during my Boy Scout days, if you saw one or two Rajah Brooke, it made your day," he says. "But at The Banjaran, we can see them multiplying, which augurs well for the retreat because we are bringing back a part of nature that everyone can enjoy."

Ngeow admits that it is hard to achieve economies of scale in a boutique development like The Banjaran, but then Sunway's focus has always been to build structures that give a lasting impression. **E**

ECO WORLD DEVELOPMENT GROUP BHD

Going all out to be different

BY **E JACQUI CHAN**

Since it bursts onto the scene just over a year ago, Eco World Development Group Bhd has created a strong brand and achieved impressive sales under the leadership of group president and CEO, Datuk Chang Khim Wah.

“Our first launch, EcoBotanic in Nusajaya, Johor, was on Sept 22 last year ... we’re a little more than a year old,” says Chang.

Eco World is one of two recipients of *The Edge Malaysia* Notable Achievement Award 2014. Recipients are selected based on significant recent achievements that have raised their profile as a leading Malaysian developer.

In August, Eco World announced that it has exceeded its sales target of RM2 billion for its financial year ending Oct 31, 2014. As at July 31, it had generated sales of RM2.015 billion.

The developer has an ambitious sales target of RM5 billion in two years, with RM3 billion projected for 2015 to add to the RM2 billion of 2014.

“We have grown somewhat,” says Chang laconically. “We’ve launched six projects since September last year in the Klang Valley and Nusajaya, Johor, and have been quite fortunate that our first-phase launches were very well received. That’s not bad for the first year’s work.”

Aside from EcoBotanic, the other projects are EcoSky in Jalan Ipoh, EcoMajestic in Semenyih, and EcoSpring, EcoSummer and Eco Business Park 1 in Johor. The projects have an estimated combined gross development value (GDV) of more than RM25 billion.

Eco World also has an ongoing project in Iskandar Malaysia - Kota Masai township, which has 991.6-acre of remaining landbank. The developer recently revises the masterplan to create two separate developments - EcoTropics township and Eco Business Park III.

While Eco World is a new property player, the senior team leading the company comprises old hands in the



PATRICK GOH/THE EDGE

Chang: It’s a new brand that’s growing very fast as everyone knows we have the advantage of an experienced team

business; the same team that made S P Setia Bhd one of the biggest property developers in Malaysia.

The team crossed over to Eco World in stages following Permodalan Nasional Bhd’s takeover of S P Setia in 2012.

Aside from Chang, its key management team includes former S P Setia president and CEO, Tan Sri Liew Kee Sin; Datuk Teow Leong Seng; Datuk Leong Kok Wah; Datuk S Rajoo; Liew’s son, Liew Tian Xiong; and Heah Kok Boon.

Since the end of the previous financial year, Eco World has entered into

several major acquisitions. This will increase its landbank from 991 acres to approximately 4,926 acres and grow its GDV to RM47 billion.

Creating something different

Some have attributed Eco World’s success to the strong confidence in the track record and reputation of the team, allowing Eco World to create a strong brand in a short time.

Chang does not deny that the team’s track record and reputation have played a role in Eco World’s success. However, this has also led people to question if



Eco World will launch Phase 4 of EcoMajestic in Semenyih by end of 2014

Eco World will replicate what they did in their previous company.

“In the beginning, at every media interview, we were asked whether we were going to repeat [ourselves]. While we have used the foundation we built, we’ve made it a point to create something different and a new experience for our customers.

“I believe what we have done looks and feels new and fresh from those of other developers. We can’t say that we give the best service or product but we have really gone all out, right down to the last detail, so that buyers feel spe-

cial when they buy from us, and see the difference in what we offer. Our efforts have paid off; you feel this difference when you visit our sales gallery. So, we encourage everyone to come to our sales gallery,” says Chang with a laugh.

The Eco World brand stands on solid footing, which Chang is pleased about.

“It’s a new brand that’s growing very fast as everyone knows we have the advantage of an experienced team. I think Eco World is definitely a brand in its own right now.

“No doubt people will still compare us with other developers [and



Eco World’s first development, EcoBotanic was launched on Sept 22, 2013



The crowd at the launch of EcoMajestic, Semenyih in May

PICTURES BY ECO WORLD DEVELOPMENT GROUP



Eco World's upcoming launches

PROJECT NAME	PHASE/PRECINCT	LOCATION	TYPE	NO. OF UNITS	EXPECTED LAUNCH DATE
EcoTerraces	Entire project	Ayer Itam, Penang	Link villa	47	Jan 2015
			Semi-dee	12	
			Condominium	224	
EcoMajestic	Phase 4 - Merrydale	Semenyih	Terrace	586	Dec 2014
			Type 8A - 20x70		
			Type 8B - 20x75		
			Type 8C - 22x70 Type 8D - 22x75		
EcoSummer	North Gardens	Tebrau, Johor	Terraced	796	Oct 2014
EcoTropics	Maplewood	Masai	Terraced	101	Nov 2014
EcoTropics	Rainforest	Masai	Cluster	144	Dec 2014

sign make sense? Are the walkways connected throughout the entire development so that the residents can walk, cycle and jog safely?

"We have gone into detail for every aspect of quality. We believe that is what makes us different. We have master plans for everything; walkways, security and so forth," says Chang.

A unique aspect of Eco World is that all its landed developments will be strata-titled regardless of location.

"EcoMajestic is all landed strata, I don't think many developers dare to do over 1,000 acres of landed strata in Iskandar. We made a decision to have strata titles for all our landed developments because we believe strongly in building community. It means residents have power over their community and in the future, can control the collection of fees and the quality of maintenance. This way they can integrate better and see the value of the property," says Chang.

More to come

With Eco World completing what Chang calls "the first phase of its growth", the developer is looking to expand internationally as well as locally.

"We are already in different property segments and will expand, whether to mass housing or high-end. Liew and Teow are reviewing potential international projects. We have been given a lot of offers," says Chang.

their products] but developments are mostly the same; it's a matter of whether buyers feel excited and want to own a product or find out more about it. Curiosity aroused, curiosity satisfied," he explains.

"Again, it comes down to the ability to create something new and different. I think those questions are answered by our sales figures," adds Chang.

However, he acknowledges areas for improvement. "We don't have the [market] reach yet. It's just the beginning for us. We have new team members joining us, so we will have new

ideas and improvement of old ones," says Chang.

Eco World has emphasised product quality from the very beginning, which Chang believes can differentiate the company. This is more than just ensuring the roofs don't leak or the wall plastering is smooth.

"There are two layers to product quality. One is the minimising of defects, and the other is more holistic. We look at things like whether space usage is efficient, practical and suits lifestyles today. Are the doors in the right place? Does the bathroom de-



An artist's impression of EcoSky in Jalan Ipoh

Teow was the chief financial officer in S P Setia. He is currently CEO, International Business in Eco World.

"Now that we are in the second phase of our growth, we have the pleasure of constructing what we have sold. Improvements are being put in place so that when the product is handed over, these will make a difference — from the quality of service and products to the company's growth," says Chang.

Eco World will build its revenue and profit stream from the sales it has made, while sourcing for landbank in good locations.

There is also the recently launched Eco World Foundation, which serves as the developer's corporate social responsibility platform. The foundation will focus on education, which will be channelled through its Eco World Student Aid Programme, to provide financial assistance to 3,000 underprivileged students.

"We will start fundraising in October. The foundation is a very important part of our structure as we must be able to give back to society. We are very happy to be able to do this so fast. We plan to raise RM4.5 million from

our partners, associates and, of course, ourselves. We hope to exceed the target," says Chang.

Meanwhile, Eco World is gearing up to launch the 12.8-acre EcoTerraces in Penang early next year and Phase 4 of the 1,073-acre EcoMajestic by the end of 2014. It is also looking to launch EcoTropics in Iskandar and EcoBusiness Park III in Iskandar by year-end.

The EcoMajestic show village will be ready by December, while the EcoTerraces sales gallery should be ready by March or April next year. "So there will be quite a few milestones in the coming six to nine months," says Chang.

As for the current market slowdown, Chang hopes for no more regulatory changes, and thinks that the measures to cool the market, "especially the investment part of it", currently suffice.

"In the long term, it will be good for the market, which I think is finding its balance at the moment," he adds. Eco World has seen many retail as well as investment buying of its products. "If there are not many jolts to the global and Malaysian economies, we think the market will be fine," says Chang.



An artist's impression of EcoSpring in Johor



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12.04.2016 • Advertising & Sales Permit No: 11606-1/04-2016/167 • Validity Period: 14.04.2011 - 12.04.2016 • Advertisement & Sales Permit No: 11606-1/05-2015/01842/9 • Validity Date: 29.05.2014 - 28.05.2015 • Land Tenure: Freehold • Approving Authority: Dewan Bandaraya Kuala Lumpur • Building Plan Approval No: BP T2 OSC 2012 3471 • Expected Date of Completion: July 2014 • Encumbrance: CIMB Islamic Bank • Selling Price: RM 1,131,880 (Min) RM 8,443,580 (Max) • Bump-up Discount of 5% • Total Balance Units: 112 • No. of Carpark Units (Icon 1 & 2) 1 & 1+1 Bedroom: 1 Unit; 2 & 1+1 Bedroom: 2 Units; 4+1 Bedroom: 3 Units; Icon 2) 1, 1+1, 2 & 2+1 Bedroom: 1 Unit; 3+1 Bedroom: 3 Units; 4+1 Bedroom: 2 Units; 4+1 Bedroom: 1 Unit • **Kinrara Residence** • Legans Grand Development Sdn Bhd (674264-T) (A wholly owned subsidiary of Mah Sing Group Berhad) Head Office: Wisma Mah Sing, Penthouse Suite 2, No. 163, Jalan Sungai Besi, 57100 Kuala Lumpur, Tel: 03-9221 6888 (Hunting Line) Fax: 03-9221 8998 • Developer License No: 10264-3/03-2015/01550 (L) • Validity Period: 31/03/2014 - 30/03/2015 • Advertising & Sales Permit No: 10264-3/03-2015/01550/9 • Validity Period: 31/03/2014 - 30/03/2015 • Approving Authority: Majlis Perbandaran Subang Jaya • Building Plan Reference No: MPSJ/BDK/04/043 • Expected Date of Completion: March 2015 • Land Tenure: 99 years Leasehold (Expiring on 12 April 2111) • Land Encumbrances: Public Bank Berhad • 3 Storey Banglows (Type A) • Total Units: 56 Units • Selling Price: RM4,300,800 (Min) - RM4,844,800 (Max) • 3 Storey Banglows (Type B) • Total Units: 14 Units • Selling Price: RM1,185,800 (Min) - RM1,493,800 (Max) • 3 Storey Banglows (Type C) • Total Units: 8 Units • Selling Price: RM4,016,800 (Min) - RM4,343,800 (Max) • 3 Storey Semi-D • Total Units: 66 Units • Selling Price: RM2,781,800 (Min) - RM3,304,800 (Max) • Total Units: 145 Units • Discount 7% for Bumiputera • **Lakeville Residence** • Enchanting Heights Sdn Bhd (1040958-P) License No: 13048-1/06-2016/0568 (L) • Validity Period: 12/06/2014 - 11/06/2018 • Advertising & Sales Permit No: 13048-1/06-2016/0568 (P) • Validity Period: 12/06/2014 - 11/06/2018 • Approving Authority: DBKL • Building Plan Reference No: BP-U1 OSC 2014 0204 • Expected Date of Completion: June 2015 • Land Tenure: Leasehold (14/6/2113) • Land Encumbrances: Mortgage (RHB Islamic) • Total Units (Tower A): 290 • Total Units (Tower B): 327 • Built-up (Tower A): 97861 • Built-up (Tower B): 97861 • 1350sqft • Built-up (Tower C): 1350sqft • Tower A • Min Price: RM 1,000,040 • Tower B • Min Price: RM709,540 • Max Price: RM 1,194,640 • **M City** • Type of Property: Serviced Apartment • Developer's License: 11723-1/10-2014/01173/L • Validity Period: 22/10/2013 - 21/10/2014 • Advertising & Sales Permit No: 11723-1/10-2014/01173/P • Validity Period: 22/10/2013 - 21/10/2014 • Land Tenure: Freehold • Land Encumbrances: OCBC Bank (Malaysia) Berhad • Approving Authority: Dewan Bandaraya Kuala Lumpur • Approved Building Plan No: BP U3 OSC 2012 2880 • Expected Completion Date: June 2015 • Balance Unit: Serviced Apartment: 621 units • No. of car park: Type A, B, C, D, E - 1 unit, Type D & DC - 2 units, Type D & E - 3 units • Price: RM799,140 - RM8,158,700 • **M-Residence** • Major Land Development Sdn Bhd (950737-K) (A wholly-owned subsidiary of Mah Sing Group Berhad) Wisma Mah Sing, Penthouse Suite 2 (Level 2), No. 163, Jalan Sungai Besi, 57100 Kuala Lumpur, Malaysia Tel: +603-9221 6888 Fax: +603-9221 8998 • Developer's License No: 13262-1/11-2015/0559/9 • Validity Period: 14.11.2013-13.11.2015 • Advertising & Sales Permit No: 13262-1/11-2015/0559/9 • Validity Period: 14.11.2013-13.11.2015 • Approving Authority: Majlis Perbandaran Belayang • Building Plan Approval No: MP/32-1371/1547/OSC/CP/A/11 • Expected Date of Completion: Sept 2016 • Land Tenure: Leasehold 99 years (expiring on 15.02.2104) • Land Encumbrances: Public Bank Berhad • Type C1 3-storey cluster home, Selling Price: RM794,880 (min), RM1,205,280 (max), Total units: 196 • Type 2-storey semi-D, Selling Price: RM1,253,890 (min), RM1,653,890 (max), Total units: 24 • Restrictions in interest: This land can be transferred, leased or charged to the approval of the state authorities • Bump-up Discount of 7% • **Meridin Medini** • The Meridin @ Medini Tropics sdn bhd Development Sdn Bhd (064692-WJA) wholly-owned subsidiary of Mah Sing Group Berhad • Developer License No: 13078-1/06-2015/0281 (L) • Validity Period: 28/6/2013 - 28/6/2015 • Advertising & Sales Permit No: 13078-1/06-2015/0281/9 • Validity Period: 29/6/2013 - 28/6/2015 • Approving Authority: Majlis Perbandaran Johor Bahru Tengah (MPJBT), Building Plan Approval No: MPJBT/UB/19/94/4/2013 • Land Tenure: Freehold with registered lease for 99 years to developer expiring in 14/4/2112 • Encumbrance: RHB Bank Berhad • Expected Completion: August 2017 • Type: Condominium • Block A - Price: RM14,000 (Min) RM1,833,000 (Max) • Total Units: 400 • Block B - Price: RM917,000 (Min) RM1,563,000 (Max) • Total Units: 191 • Block C - Price: RM483,000 (Min) RM1,132,000 (Max) • Total Units: 105 • **Sutera Avenue** • Capitol Avenue Development Sdn Bhd (833913-A) (A wholly-owned subsidiary of Mah Sing Group Berhad) Lot No. 23 & 23A, Ground Floor, Block D, KK Times Squares, Phase 1, 98100 Kota Kinabalu, Sabah, Tel: +608-488 398 Fax: +608-488 008 • Developer License No: (100-24/11/17/112)-2016/04122 • Validity Date: 03.12.2013 to 02.12.2016 • Approving Authority: Dewan Bandaraya Kota Kinabalu • Building Plan Approval No: BP/130206-13/04/03/A/10 • Land Tenure: 99 years • Total Units: 200 • Type of House: Serviced Apartment • Expected Completion Period: 40 months from date of SPA • Built-up Areas: 7266sqft - 1,225sqft • Selling Price (Min) RM600,000 (Max) RM979,000 • 30% Reserved For Bumiputera • 5% Discount For Bumiputera • All Purchase price including deposit/booking fee must be paid into H.D.A Account No: 2141290202402 with RHB Bank Berhad • **The Loft@Southbay City** • Vienna View Development Sdn Bhd (728444-HJA) wholly-owned subsidiary of Mah Sing Group Berhad Lot 1, Southbay City, Jalan Permatang Damar Laut, 11900 Bayan Lepas, Penang, Tel: +604-628 8188 Fax: +604-628 8100 • Developer's License No: 12029-1/06-2015/01872/9 • Validity Period: 01.07.2014 - 30.06.2015 • Advertising & Sales Permit No: 12029-1/06-2015/01872/9 • Validity Period: 01.07.2014 - 30.06.2015 • Approving Authority: Majlis Perbandaran Pulau Pinang • Building Plan Approval No: MPPP/OSC/PB(8177)/13(LB) • Type of Property: Serviced Apartment • Wharving Units: 111 • Land Encumbrances: Hong Leong Investment Bank Berhad • Expected Date of Completion: Dec 2017 • Land Tenure: Freehold • Selling Price: RM 1,892,540 (Min) RM 1,834,840 (Max) • Disclaimer: The information contained in this material is subject to change and cannot form part of an offer or contract. All readings are artist's impressions only. All measurements are approximate. While every reasonable care has been taken in preparing this material, the developer cannot be held responsible for any inaccuracy. All the above terms are subject to variations, modifications & substitutions as may be required by the Authorities or recommended by the Architect or Engineer.

TROPICANA CORP BHD

Building on its pedigree

BY LAM JIAN WYN

Tropicana Corp Bhd has undoubtedly had a good run this year, winning award after award lauding its prowess as a real estate player.

For its successful transformation from a mid-tier developer into one of the biggest in the industry, Tropicana in August earned *The Edge* Billion Ringgit Club Award 2014 for recording the highest profit growth under the Property and REIT category.

Now, it can add *The Edge Malaysia* Notable Achievement Award and the distinction of being ranked among the Top 10 developers in *The Edge Malaysia* Top Property Developers Awards 2014 to its list of accolades. The former recognises property developers that have significantly raised their profile as a leading developer in the country through their projects, branding and overall presence in the industry. Tropicana, previously known as Dijaya Corp, has achieved all of the above on the back of a property boom and its founder Tan Sri Danny Tan injecting RM1.1 billion of his own assets into the listed company. With more land in Penang, Kuala Lumpur and Johor, the group rode the property upcycle, doubling its profit every year from FY2010 to FY2013 ended Dec 31.

In addition to the asset injection, the group also changed its name to capitalise on the market's familiarity with its flagship Tropicana Golf & Country Resort (TGCR) in Petaling Jaya. However, this is not merely to celebrate its past success, but also to guide its future moves.

According to group CEO Datuk Yau Kok Seng, Tropicana's strategy of drawing buyers by including well-planned and well-executed landmarks in its developments is ingrained into its DNA.

"When we first launched TGCR in 1994, we did not sell bungalow

Many among our launches in GKL are landed homes. So the perception that most of our land is in Iskandar Malaysia and that we are merely a developer of high-end condominiums is not true. — Yau

land around the golf course. But after much demand from the market, we relented, but on the condition that buyers were also members of the golf course!" he laughs.

The bungalow land was sold at RM35 psf then and now commands RM500 psf on the secondary market, says Yau. He attributes this appreciation to the championship 27-hole golf course — currently owned and maintained by Tropicana — that underpins the entire development.

The pedigree of the developer is inherent in its new launches, namely the 863-acre Tropicana Aman in Kota Kemuning, 88-acre Tropicana Metropark in Subang Jaya and 14.1-acre integrated development Tropicana Gardens in Kota Damansara. Each of them has unique features that not only drive sales but in some cases also generate recurring income for the group.

As one of the most popular features of developments these days is well-designed parks with lakes, Tropicana Metropark and Tropicana Aman will each feature a lake in addition to a clubhouse and other facilities, says group managing director Datuk Edmund Kong.

"Most developers will push for



From left: Kok, Yau and Kong

the maximum number of units, but we looked instead at how we can add value to buyers. So, we concentrated on the lake as the focal point. We were asked, 'Why waste such prime land?' But we knew this would enhance the value of our properties. Many people cannot see it now, but when Tropicana Metropark is completed, property prices will appreciate many fold, just like in Desa ParkCity," says Kong, who had previously worked for Perdana

Parkcity Sdn Bhd, the developer of Desa ParkCity.

Tropicana is also splurging on more open spaces in its townships with wider walkways — 8ft to 10ft across compared with the typical 3ft to 5ft — to encourage residents to walk and cycle, boosting the overall percentage of green and open spaces to 15% to 16%.

Tropicana's developments feature multi-tiered security as well. "This is especially true in Iskandar

because Singaporeans who buy homes there are very concerned about security," says Yau. One such feature that must be planned from the outset is a single entry and exit point for each phase, which enables better control of the flow of traffic into and out of the schemes, he adds.

Within the group's schemes, roads are planned to be navigated as easily as possible. "We don't want to build a maze, like in the older schemes. So we plan our roads as well as possible



An artist's impression of Tropicana Avenue in Petaling Jaya



An artist's impression of Tropicana Danga Bay in Iskandar Malaysia

PICTURES BY TROPICANA CORP


An artist's impression of Penang WorldCity which Tropicana is jointly developing with Ivory Properties

complaints from buyers. We need to address these otherwise we will have a laundry list of problems after each handover. We want them to be happy with their product."

Besides managing the cost of its projects, Tropicana is also optimising the cost of its own operations, says Yau.

"We need to continue trimming overheads, so our [other] group managing director Kok Kong Chin and chief financial officer Choo Chee Beng work to identify areas where we can trim further. Besides that, we have also benchmarked ourselves against market leaders in various areas, such as salary, sales and marketing costs, and so on. We also compare our margins with the market's and make recommendations to management," he adds.

According to Kok, the industry's average pre-tax profit is 18%, gross profit margin 30% and profit after tax 14% to 15%. "We are looking at these numbers very seriously. We hope to match them by 2015."

For the longer term, the group hopes to match the industry's leaders, says Yau. "I learnt from Tan Sri Quek Leng Chan during my stint in Hong Leong Industries Bhd [as group managing director] that when you benchmark yourself against the best, you find that there are many ways to be innovative. You will have to do things differently and in this case, there are other ways to boost margins besides raising the price, such as reducing cost."

Tropicana also hopes to pare down its gearing to 0.3 times eventually and thus improve its debt-to-service ratio to between four and five times. One way to handle this is to sell raw land "at a fair price", which will also allow it to cut down on holding cost.

"A developer cannot avoid being driven by a resource, or landbank, strategy. So, we must have a good landbank and we pride ourselves on having good land in strategic locations, whose value we are able to unlock," Yau says.

The group's 1,888 acres are in Penang, Greater Kuala Lumpur (GKL) and Johor, with GKL accounting for 61% of the total. The GKL land is expected to generate a gross development value (GDV) of RM24.5 billion or almost half the total GDV of all its land in Malaysia.

"Many among our launches in GKL are landed homes. So the perception that most of our land is in Iskandar Malaysia and that we are merely a developer of high-end condominiums is not true," says Yau with a smile.

Clearly, Tropicana's housekeeping efforts are paying off. **E**

to accommodate traffic and keep it secure at the same time," Yau says.

Tropicana also invests in improving accessibility to its projects, he adds. "To any homebuyer, access and connectivity are very important. If you notice, most of our projects are very accessible. For instance, Tropicana Metropark will be connected directly to the Federal Highway through a ramp. At Tropicana Garden, we are building direct connections above and below ground to the upcoming

Sunway Kota Damansara MRT station.

"So, this is how we set benchmark prices — through accessibility and facilities. But at the same time, we are mindful of the absolute price so while we know our brand carries a premium, we also design units to not be too big, like 800 sq ft," he explains.

While designing to accommodate absolute value, Tropicana also configures each unit to meet the needs of buyers.

"Our homes are built with the best

possible design so we discourage extensions. That is why all our rooms are designed to fit at least a queen-sized bed," says Kong.

Despite its premium standing, Tropicana grapples with cost issues like the rest of the industry. To deal with this, it takes a two-pronged approach — by "engineering value" and growing its margins, says Yau.

"Kong and his team are leading the value-engineering efforts. This covers areas such as the mechanical

and engineering (M&E) components, project planning and execution. We try not to spend too much money on the parts that you cannot see. So we are stringent in checking the size of steel bars [and measure other materials]... in fact, that is the first thing we look at when we design a product. We make sure we do not overspend," he says.

Making its M&E more efficient is especially important in projects such as hotels and malls as they are a major cost component. "To make the M&E more efficient, we brought in someone who is very experienced in designing M&E to make sure that it is more efficient. In construction, cost savings start from design, so we ask our contractors to give us alternative designs. We are very open to ideas on how to save money," Yau says.

Sometimes, designs may be revised at different stages to be more cost-efficient. "To be fair to our consultants, sometimes they take a conservative position, so they 'overdesign' to play safe. However, we ask ourselves, 'Is there a need for all this?' and we realise that there will be a lot of savings if we redesign the plans. So, this is how we improve our margins."

Quality control and cleanliness are also vital, adds Yau. "Everything is about quality and cleanliness. I am very fussy about this. As with manufacturing, a messy site does not motivate workers to do a good job, so we start with a clean site.

"Our pledge to quality control is on our boardroom wall. We have a bi-monthly meeting to share ideas on quality with people on site and discuss issues, such as mitigating


An artist's impression of Tropicana 218 Macalister in Penang

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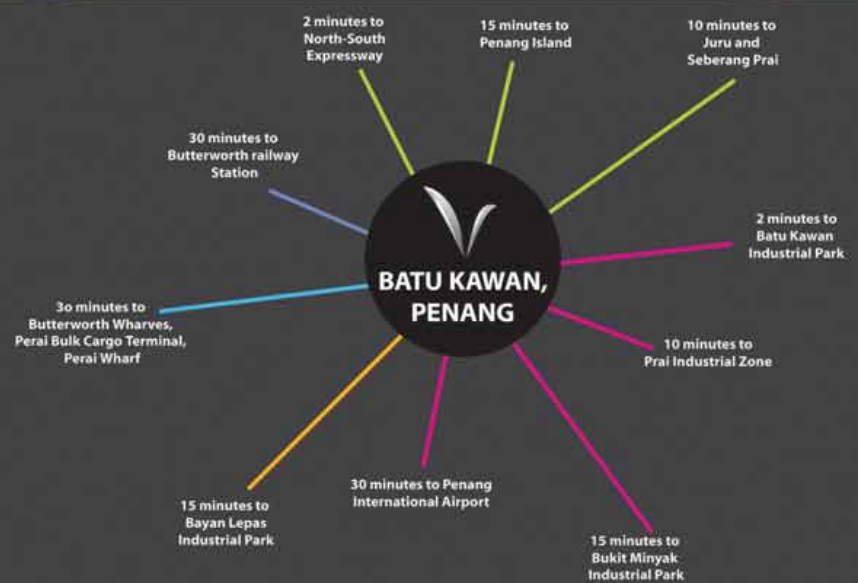
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SENTUL REDEVELOPMENT – YTL LAND & DEVELOPMENT BHD

On track for greater things

BY **WONG KING WAI**

Driving along Jalan Ipoh to catch a show at the Kuala Lumpur Performing Arts Centre, it's hard to imagine that Sentul was once an undesirable location.

In 1896, the British founded the Federated Malay States Railway in Sentul, making it into a thriving and vibrant community with a large Indian population brought in to work for the company. When the Japanese occupied Malaya, the railway depot was renamed Marai Tetsudo but the British bombed two vital complexes there in 1945, signalling the end of the occupation and the beginning of Sentul's decline.

It wasn't until the 1990s that things began to change when 294 acres of freehold land were earmarked for redevelopment. This was initially carried out by Taiping Consolidated Bhd until the Asian financial crisis in 1997/8, after which YTL Corp Bhd bought over the company. Its subsidiary, YTL Land & Development Bhd, then took over the urban renewal project.

Thus began the daunting task of redeveloping the area, recalls YTL Land managing director Tan Sri Francis Yeoh, who is also managing director of YTL Corp. The effort bore fruit as the redevelopment of Sentul has won this year's *The Edge Malaysia* Outstanding Property Project Award.

"It was a very difficult project to turn around. When we first saw the place, there were many abandoned apartments that were built halfway. It looked like a bomb site," he says. "But after studying the area intimately, I found a lot in Sentul to celebrate — its colourful past, the Indian culture there; its spice of life."

Many had advised him not to use the Sentul name for the redeveloped site due to the negative connotations of its shady past. He had other ideas.

"I did some research on Sentul. Sentul is a name of a tree (sandoricum koetjape)! Voila, I discovered that most Malaysian towns are named after trees. Ipoh is named after a tree, and so are Penang and Melaka. How on earth were our predecessors so clever to name our towns after trees? And how does the mind associate a place [like Sentul] with the worse of human flaws and crime?"

He decided to rehabilitate the area's good name. Yeoh divided the land into Sentul East, where the condominiums are named after spices like Tamarind, Capers, Fennel and Saffron; and Sentul West, where projects are named after trees, like The Maple.

"More expensive than golf courses"

The piece de resistance of the redevelopment is the 35-acre private and gated Sentul Park carved out of an existing golf course. The Maple high-rise, which is built there, is the only

residence in KL with a private, gated park. At the time, many people did not appreciate park home developments but Yeoh stood firm in his decision to transform the golf course into a park.

Yeoh points out that park properties around the world are the most expensive pieces of real estate, citing Hyde Park in London, and Central Park and Gramercy Park in New York.

"More expensive than golf courses," he underlines. "So we decided to make sure people remember the beauty of Sentul and restore its glory. We put KL Performing Arts Centre in the park to give a bit of life to the area and it has taken a life of its own."

KLPAC was established in 2005 and is one of the more recognised and commercially viable performing arts spaces in the country. Before it was given a new lease of life, the KLPAC space housed railway workshops and warehouses of the Sentul Railway.

The decision to build the performance space stems from Yeoh's passion for the arts when he was head boy of Victoria Institution, and a member of the drama club. "I noticed the country becoming less laid-back and more serious, and there was a lack of performing arts for people to express themselves. The voices that dominate society belong to politicians and businessmen but the arts express our current environment in a different way," he explains.

Yeoh also realised that besides adding entertainment and cultural value to Sentul, the area could also be revived if it attracted a younger, hipper crowd — also the reason for the eye-catching designs of the new high-rise projects there.

"In Sentul East, we hired very good architects to create iconic ar-

“YTL Land loves to build masterpieces for the people. It is like a painting. You are given an opportunity as a steward of God, to create something beautiful that will last a long time. — Yeoh”

chitecture that young people can identify with," Yeoh says. The value of properties in Sentul East have appreciated 100% in "a very short period", he says.

The Tamarind was the debut project in Sentul East. Completed in mid-2005, its starting price was RM199,000. Prices on the secondary market now start from RM660,000. The Tamarind consists of 502 units in two 31-storey



Kuala Lumpur Performing Arts Centre (KLPAC)

PICTURES BY YTL LAND & DEVELOPMENT



PATRICK GOH/THE EDGE

towers and two low-rise blocks. The units have a built-up area of 910 to 1,345 sq ft.

The newer high-rise residences, The Capers and The Fennel, are still being built. They showcase geometric designs that point to what the future landscape of Sentul could look like.

The Capers was launched in 2011 with an average price of RM600 psf; it is 100% sold. The Fennel, which

features four towers, was launched in 2013 at RM700 psf. The first two blocks are fully sold, while the third is 80% sold. The fourth is being built.

Today, the redevelopment of the Sentul project is estimated to have a total gross development value (GDV) of RM25 billion, compared with its estimated GDV of between RM6 billion and RM7 billion when the first phase of the project was launched in May 2002.

The project is now half-way complete, with The Tamarind and The Saffron in Sentul East, The Maple in Sentul West, and the commercial areas, d6 and d7, in Sentul East.

Keeping the faith

But progress has not always been so linear. The condition of the area posed an initial challenge, but so did per-

CONTINUES ON PAGE 62

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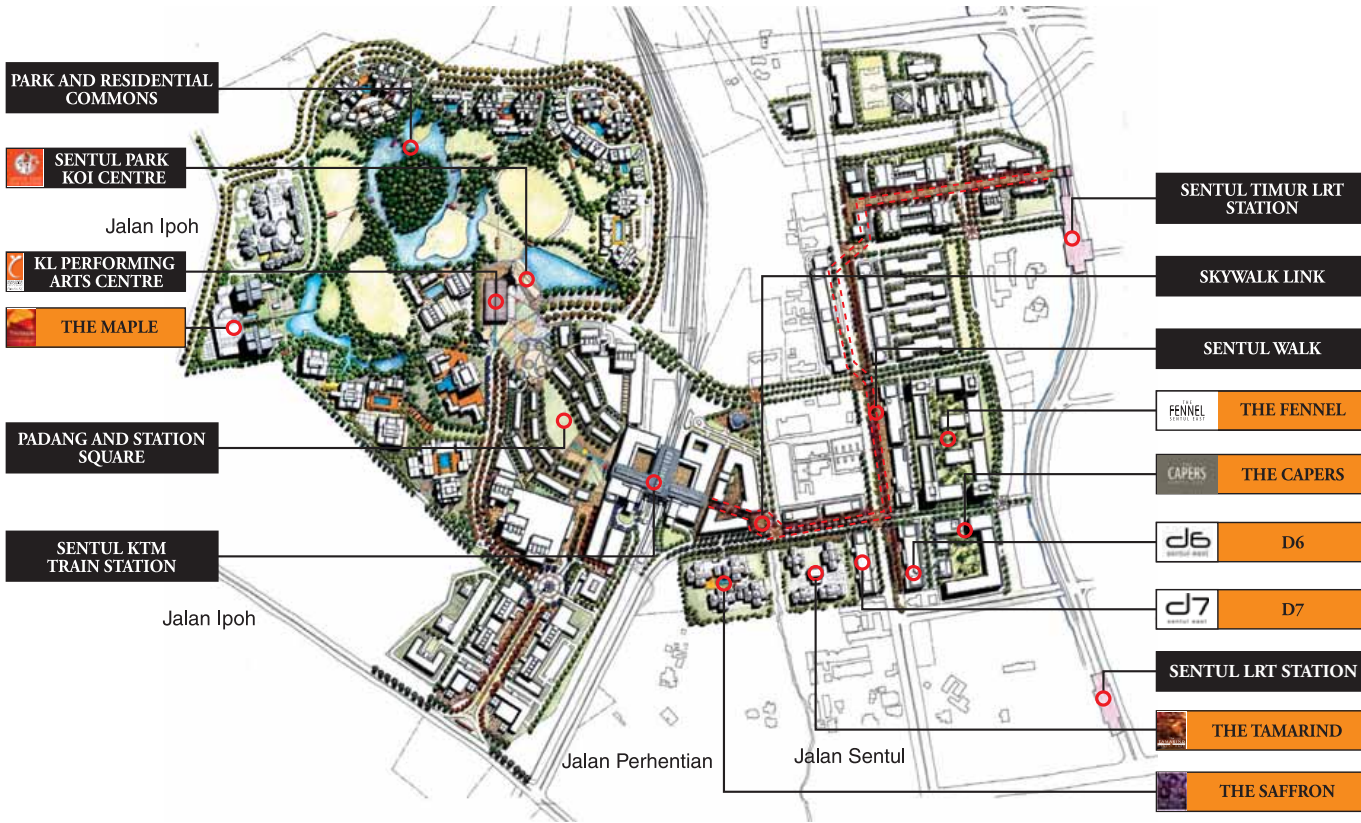
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Developers License: 13652-1/08-2016/0822(L). Advertising & Sale Permit: 13652-1/08-2016/0822(P). Validity Period: 19/08/2014-18/08/2016. Approval Authority: Majlis Bandaraya Petaling Jaya. Building Plan Approval Number: (10) MBPJ/120100/T/P10/23/2010. Land Encumbrances: Charge To RHB Bank Berhad. Tenure of Land: Leasehold, Expiry Date: 09/02/2111. Total Units: 189 Units. Expected Completion: Aug - 2017. Selling Price: RM 808,920 (Min) - RM1,973,080 (Max). Car Park Bay: 1 Unit = 2 Bays, Bumiputera Discount: 7%. Restriction in Interest: Transfer Of Title Is Subject To State Consent. Property Type: Service Apartments.



THE MASTER PLAN



SENTUL WEST

SENTUL EAST

PICTURES BY YTL LAND & DEVELOPMENT



The Maple high-rise in Sentul West



The Sentul KTM Komuter Station



The Saffron swimming pool with landscaping



An artist's impression of The Fennel

Building masterpieces for the people

FROM PAGE 60

suading investors of the project's viability. "We had to persuade banks to take equity or the [redevelopment] of Sentul would not have worked," Yeoh admits. "We were given a 10-year reprieve to turn things around and now everyone who participated has gained."

Yeoh says the developer is in no hurry to complete the entire development as the land is freehold, and will develop as much as the market is able to absorb.

"The proudest moment is yet to come," Yeoh says, referring to a "very different" mall to be situated between Sentul East and Sentul West that is still in the planning stages.

"Malaysians are very great developers, I must say. They build great malls, great mini townships everywhere. With those benchmarks, my team and I have to think of something even more stunning."

"YTL Land loves to build masterpieces for the people. It is like a painting. You are given an opportunity as a steward of God, to create something beautiful that will last a long time. And like all paintings that have lasted a long time, its value appreciates. It contin-

ues to gain value because it was passionately done and done by very great artists," says Yeoh adding that YTL Land will faithfully continue with its transformation of Sentul.

Turnaround specialists

Past experience in turning around other unlikely projects helped YTL Land make Sentul what it is today.

"We started in Bercham, Ipoh, where we built low-cost housing that looked like terraced houses. Instead of five-storey walk-up apartments of 600 sq ft units, we built 2-storey 741 sq ft units with a living room. We found that the low-income group have larger families and it would be very claustrophobic to stay in a one-bedroom 600 sq ft apartment. It was not in our conscience to build those kinds of low-cost flats."

"I'm so glad Bank Negara [Malaysia] cooperated with us at that time to give joint-ownership to the poor to own the homes, and we persuaded the state government not to charge so much for the land. From that project 30 years ago, we realised we are quite good at turning something around."

"Then came Pantai Hillpark, in KL. It was

slated by City Hall for low-cost housing. I talked to the mayor at that time, and asked, 'Why can't we leave one hill? Why must we condemn this hill to low-cost housing? Why? It has a beautiful view of KL at night. One day there will be some middle-class people of different races that would love it'.

"I had to design it well. I went to Spain and came up with the Andalusian design that Malaysians love. Those who bought the first phase [of Pantai Hillpark] must be millionaires now."

Yeoh is quick to point out that while YTL Land is good at bringing up areas few see potential in, its core business is in making high-end luxury products.

"In Singapore, we built 30 homes on Sentosa Island and sold them for about S\$15 million each. (All have been sold.) We make very high-end homes in Orchard Boulevard," he says.

Yeoh sees building houses as a way to change people's lives, and to pay it forward. He says those who bought the low-cost houses 30 years ago in Bercham have all done well, as have their grown-up children.



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PELANGI SEMENYIH 2 PHASE 2A – PELANGI SEMENYIH SDN BHD

Quality is key

BY SYUHIDA SILMI

The 2-storey terraced houses in Phase 2A of MKH Bhd's Pelangi Semenyih 2 in Semenyih, Selangor look nothing like what we often perceive affordable houses to be. They have a stylish, contemporary design and are within a guarded community with wide, clean roads and a green space with a children's playground. In fact, one may expect to find such features in a more upscale development. This is the key reason Phase 2A in Pelangi Semenyih 2 is the inaugural recipient of *The Edge* Malaysia Affordable Urban Housing Excellence Award 2014.

The award recognises outstanding affordable housing projects for the urban middle-income group undertaken wholly by private sector property developers in Malaysia.

The 168-acre freehold Pelangi Semenyih 2 is developed by MKH's subsidiary, Pelangi Semenyih Sdn Bhd. It is made up of 90% affordable homes in the form of 2-storey terraced houses, with the remaining 10% comprising bungalows and semi-detached homes. The entire development is about 80% completed, and has a gross development value (GDV) of RM383 million.

Tan Sri Eddy Chen, group managing director of MKH Bhd, was all smiles when we met him in his office in Kajang. With him was his nephew Kenneth Chen, whom Chen says is part of the company's succession plan. Kenneth is currently the special assistant to the chairman, Tan Sri Alex Chen.

"The target market for Pelangi Semenyih 2 is the middle income group and many of the residents are government servants. The 2-storey terraced houses here were sold between RM300,000 and RM400,000, and I can say what we built there are some of the best quality medium-cost houses that we know of," says Chen.

The terraced houses have a land

area of 1,400 sq ft and built-up of 1,548 sq ft. Phase 2A, offering 173 units, was launched in March 2012 at RM337,000 per unit. The phase is fully sold and was completed this year. The current selling price on the secondary market is around RM460,000.

According to Chen, MKH did a survey of similar houses by other developers and found that the quality of the houses in Pelangi Semenyih 2 are as good as some of those priced RM800,000.

"So the emphasis is actually on quality. People buy these houses and they are proud of them — a house that is very comfortable and can match any other house any time. It doesn't look like most of the affordable housing out there," he says.

Three key focuses

MKH focused on three key areas in the delivery of its affordable houses — effective planning, securing cheaper but good quality materials and building on cheap land.

"At the design stage, we look towards value engineering to ensure the construction process will not be complicated. This meant that the contractors could implement the designs at a lower price. All the features in the houses are built in the most cost-efficient manner," Chen explains.

"We also have a trading department that sources for fittings and fixtures at a lower price but with a certain level of quality," says Kenneth.

Chen stresses that while affordable homes use cheaper materials, they are durable and of good quality.

"For example, tiles are imported from China. In China, cost of labour is cheap, materials are cheap and the volume of production is huge. You can go to China and look at its industrial parks. There are kilometres upon kilometres of factories all doing building materials.

"What we get locally for RM4 to RM5 psf, you can get it there for RM1 psf. Quality remains the same, not fancy

or gold plated but durable and usable for years to come. Everything is in tip-top working condition," shares Chen.

While streamlined construction processes and being savvy in searching for quality materials at a fraction of the price have saved MKH a lot in terms of cost, another factor was the comparatively cheaper land price when the site was first acquired. "When we bought the land about six years ago, it was only about RM4.50 psf. Now, prices have gone up 300% to 400%," says Chen.

Properties and land prices in Semenyih have risen in recent years due to the entry of big developers such as SP Setia Bhd with its Setia EcoHill development and more recently, Eco World Development Group Bhd with EcoMajestic.

Chen acknowledges that it would be very difficult to build houses in the same price range today.

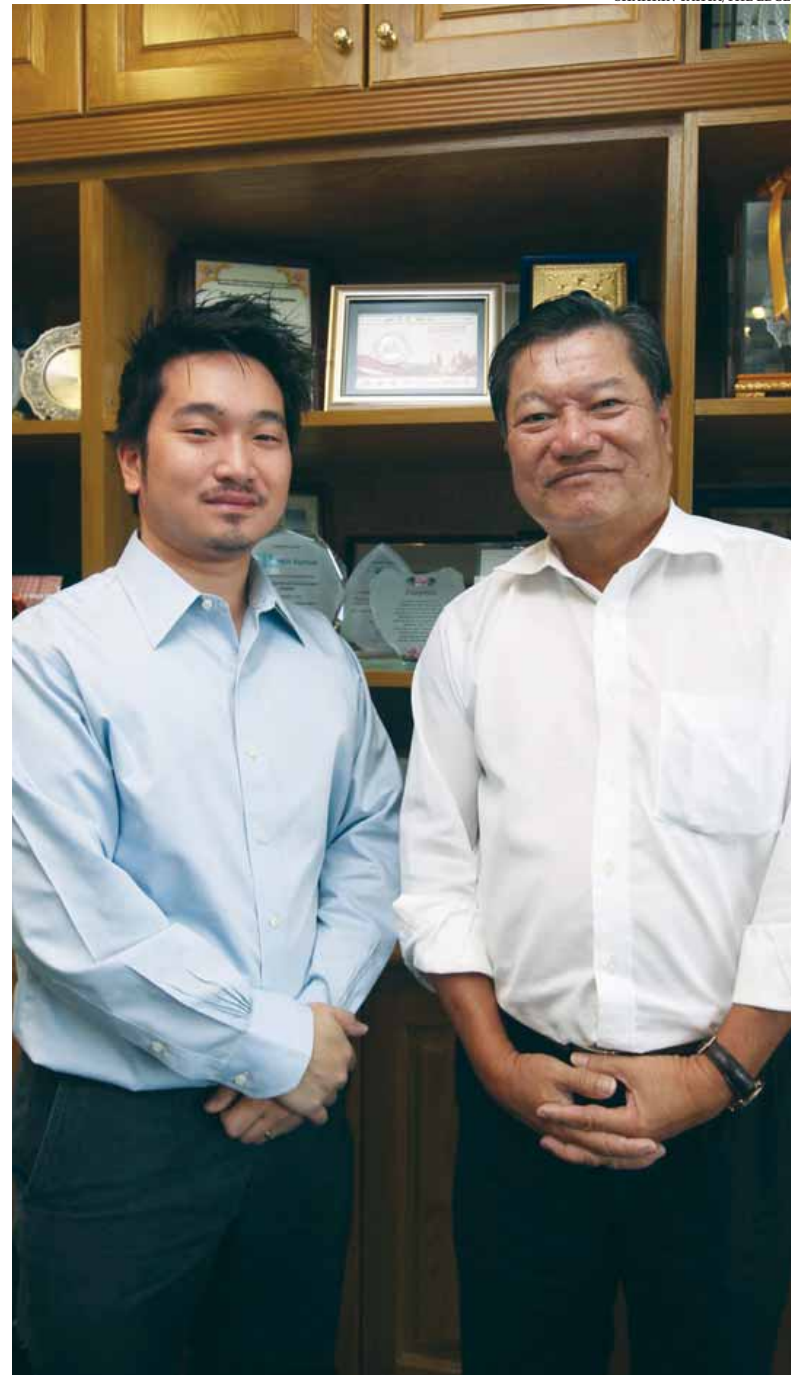
"One of our strategies now is to convert some of our landed segments into high-rise housing. We are running out of land to build the type of housing you see in Pelangi Semenyih 2. So we're looking at building quality high-rise affordable housing, again paying attention to quality," he says.

Despite efforts to lower the cost of delivering the houses, MKH did not skimp on adding value to them.

"You can take a look at the landscaping, the garden that we put in, the features in the house and the security features we've put into this housing development. I must say we are proud to have given value," says Chen.

Special attention has been given to allow inhabitants to walk comfortably. Roads within the development are 50ft wide instead of the standard 40ft. The gated development is also guarded. The homes have been arranged in clusters of 150 units per guardhouse with a single entrance and exit per cluster.

Kenneth notes that the houses themselves have been designed holistically to allow homeowners to live comfortably without incurring a high cost.



Kenneth (left) and Chen say the houses in Pelangi Semenyih 2 have almost the same quality as houses priced at RM800,000



Pelangi Semenyih 2 offers not just good quality houses but also amenities such as green spaces and children's playground more commonly seen in upscale developments

PICTURES BY MKH



A universal 2-storey house design was used with changes in colour scheme to differentiate the phases to ensure economies of scale



The development has guarded communities with fencing design for clusters of minimum 150 houses each to ease operating cost for house owners and provide security



“All our houses are designed to be north-south facing, which means it will minimise heat coming in from the sun from daytime to evening, especially in the afternoons. This reduces the energy costs that our buyers would need to cool down their houses,” Kenneth cites as an example.

“Nevertheless, construction quality and workmanship are still very important. People can always tell from up-close if something is cheap. That’s why we emphasise on quality,” he adds.

According to Chen, houses here have appreciated about 25% over the past three years and today, you would not be able to buy any of these terraced houses for less than RM450,000 on the secondary market. Most are now selling at RM500,000 to RM550,000.

“The development across the road is selling for about RM600,000, but if you look at what we have built, our product is actually not that different from that sold at a higher range,” he says.

Niche in affordable housing

MKH is known for its affordable hous-

ing projects and has delivered about 20,000 units of affordable homes over the past 30 years, comprising 80% of its total development make-up. The developer plans to maintain this percentage going forward, especially in light of current market conditions. Chen notes that recent cooling measures have not affected MKH much as their homes are primarily targeted at owner-occupiers.

Aside from looking at affordable high-rise living, the developer is also working on a landed affordable housing development called Hillpark @ Shah Alam North. About 40% of this 50-acre project will be open spaces for better liveability.

“Houses there will range from RM400,000 to RM600,000 for a 20 by 65ft unit. It’s going to be one of our landmark developments in terms of numbers and quality for the affordable housing category. Most of them will be landed but there will also be apartments,” says Chen.

“We have grown from a small town developer in Kajang and now

Noteworthy

JUDGING CRITERIA

Quality of product

PELANGI SEMENYIH 2

MKH adopted the Quality Assessment System in Construction (Qassic) for its developments

An Internal Quality Assurance team to check on defects during construction as well as a CRM team that handles defect rectification before handover

Design

Stylish, contemporary design

Practical living spaces

Innovation

To ensure economies of scale, a universal 2-storey house design was used with changes in colour scheme to differentiate the phases

Houses are positioned to face north or south to reduce heat build-up and subsequently, save energy consumption
Introduces guarded community with fencing design for clusters of minimum 150 houses each to ease operating cost for house owners

Accessibility and connectivity

Located 8km to Kajang SILK Highway, 10km to Kajang Bypass and 10km to Kajang-Seremban Highway (Lekas)

In the future, Semenyih will be linked to the Kaseh Highway linking KL, Mantin and Seremban

The development will be within close proximity to the under-construction Sungai Buloh-Kajang mass rapid transit (MRT)

Liveability

A guarded development with security booths and perimeter fencing for security

Paved pathway in each phase for recreational activity

A holistic approach that looks at design, green spaces, ecology, transportation links, and economic aspect

Maintenance

Designed and planned for economies of scale by allocating minimum of 150 homes per phase

A minimal amount of maintenance fees is charged on each house for upkeep of common areas and facilities including security

Community interaction (public and shared-use spaces, safe and secure access)

A low density development of 11 units per acre
Green park with landscaping

Other amenities such as futsal court, playground and a jogging path to encourage more healthy and outdoor activities

Houses arranged in clusters of 150 units per guardhouse with a single entrance and exit per cluster

Land cost

RM2,770,645 for 13.57 acres (Phase 2A)

Location

Situated in the fast-growing Semenyih, which has an average growth rate of 8% per annum

Amenities are nearby including Tesco Semenyih, Billion Supermarket and Mydin Connected via several major highways including Silk Highway, Cheras-Kajang Highway and KL-Seremban Highway

we are all over the Klang Valley. We have developed in Kuala Lumpur and Petaling Jaya and are now much better known in Malaysia as one of the top in terms of market cap. We have grown tremendously and of course we have spent a lot of effort in promoting MKH as a developer of choice in the affordable category,” he says.

“We will continue to target affordable houses but we’ll try to implement more features and improve design-wise to include further life-

style elements in our developments, not just a space but a place to live as a community,” says Kenneth.

“We actually have a sizable landbank in strategic locations,” adds Chen. “In the short term, we want to sell as many houses as we can build. In the longer term, we want to retain more of the investment properties such as the shopping malls and grow our recurring income. And after that, it’s up to the young ones,” he chuckles as he looks at Kenneth. ■



Fulfilling the Nation's Dream



In our quest to deliver sustainable returns to our shareholders, MKH has never lost sight on the importance of giving back to the society. While we offer a mix of premium residential and commercial properties for business opportunities, we continue to build homes that are affordable to Malaysians.

In doing so, we strongly believe in creating a well-designed community by delivering quality development with a conducive built environment for the rakyat to call home.

By providing affordable homes without compromising on quality, amenities and facilities, we transformed the lives of communities, creating a better tomorrow for the generations to come - a promising future for our fellow Malaysians.

MKH feels privileged to have played a meaningful part in fulfilling the nation's dream of affordable housing.

We thank our valued stakeholders, customers, business partners, media, analysts and government authorities with whom we share a common goal in this meaningful award honoured to MKH Berhad.



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MALAYSIA

Affordable Urban Housing
Excellence Award 2014

Pelangi Semenyih 2, Phase 2A Semenyih, Selangor

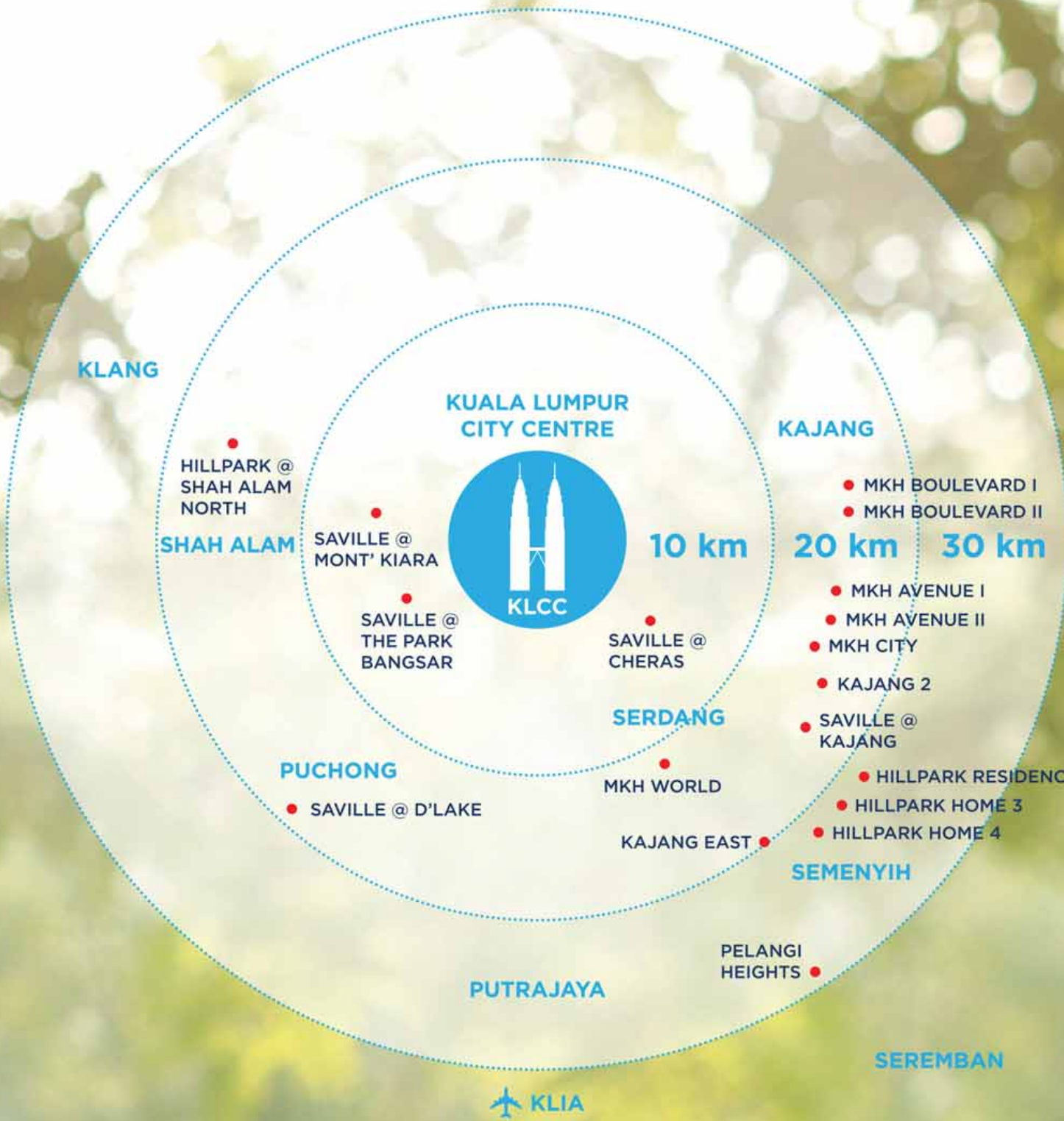
- **Liveability** - Liveable township with low density development
- **Quality** - High quality residential development with 80% score in QLASSIC
- **Security** - Guarded community with cohesive fencing design
- **Community interaction** - Large green spaces and linear parks, reflexology, futsal court, paved pathway, places of worship and recreational amenities
- **Location** - Surrounded by schools, educational institutions, commercial amenities with multiple highways connectivity

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Our Current & Future Developments



NO. 2 - SIME DARBY PROPERTY BHD

Strategic partnerships underpin growth

BY LAM JIAN WYN

Sime Darby Property Bhd (SDP) continues its run as one of the nation's top developers this year, underpinned by strong financials, a huge landbank and launches of sought-after properties that have done well.

The group was ranked second in *The Edge Malaysia* Top Property Developers Awards 2014, up one place from last year.

Last year, the group unveiled its 5,000-acre Elmina township along the Guthrie Corridor Expressway, Bandar Ainsdale in Seremban and KL East in Melawati. The Battersea Power Station project in the UK, which it is jointly developing with S P Setia Bhd and the Employees Provident Fund, continues to receive good sales.

In its financial year ended June 30, 2014 (FY2014), the group's revenue stood at RM2.82 billion, and pre-tax profit at RM600 million. Its landbank stands at 20,100 acres, with another 13,800 acres in the Sime Darby Vision Valley that spans the Klang Valley and Negeri Sembilan earmarked for development.

SDP has also entered into strategic partnerships to expedite the delivery of its products. It sold 135 acres in its Elmina West township to Eastern & Oriental Bhd for RM239.8 million to be developed into a wellness-themed township. It has also sold 40 acres of land to Horizon Outlet Shoppes Sdn Bhd, who will build Kuala Lumpur International Outlet (KLIO), a RM400 million outlet shopping centre in Salak Tinggi, Sepang.

SDP managing director and group chief operating officer Datuk Seri Abdul Wahab Maskan tells *The Edge* what's in store for the future.

The Edge: How have the past 12 months been for SDP?

Datuk Seri Abdul Wahab Maskan: It's been good! Our board is very happy

Sime Darby Property Bhd		
	2014	2013
Overall	2	3
Quantitative	1	1
Qualitative	4	7

with our performance and positive trajectory. In the financial year ended June 30, 2013, our revenue was RM2.4 billion and pre-tax profits were RM556 million, higher compared with the last two years. The market is going the opposite way — it has cooled. This solid result comes from our operations, nothing extraordinary.

Our launches in 1H2014 have achieved average sales of 50% to 60%. It shows that there is good demand for our products, although the banks are now quite strict in approving loans and slightly more cancellations have occurred as a result.

Have you had to scale back your launches to achieve this take-up?

No, because of the type of products we've launched. Last year, about 75% (of our products launched in Malaysia) were in high demand. They were priced at RM600,000 and below. We also offer RM1 million products; those seem to be in the right location, in more established townships.

These are in a mix of different locations, hence the good take-up. We've deferred a few launches this year not because of market conditions, but because we can add more value to the product before launching it. It's a strategic move.

What types of product are sought-after?

We've launched over 20 schemes in the last financial year, quite a number landed. They were in popular places such as Elmina, which has a good masterplan, in a good location

[Sustainability] will soon not just be trendy, but fundamental to drawing buyers. If Malaysia were to attract buyers locally and from abroad, our properties must have these qualities. Our strategy, marketing and products are about being in the right place at the right time. — Wahab

and has good roads. We launched eight or nine phases last year. Unit prices ranged from RM500,000 to RM1 million. We also had launches in our surrounding townships such as Denai Alam, which has appreciated because of Elmina.

We launched landed homes in that price range in Bukit Raja, Klang, a very hot area, and in Bandar Ainsdale in Seremban, which is near a new interchange along the North-South Expressway.

We also introduced strata homes last year in Melawati, KL, which is a very mature township, at RM650 to RM700 psf. They sold at a nice pace, which means that the price was good for shareholders and buyers. If they sell too fast, it's as if the shareholders are getting less profit!

We're proceeding with Isola apartments in Subang Jaya. These products are from RM600 to RM700psf while some are RM1,200 psf, depending on the type of product and how close they are to the town centre. Some are towards the Guthrie Corridor, or what we call Subang North.

These are very established areas. With the MRT and LRT on the way, we're introducing a combination of



HARIS HASSAN/THE EDGE

apartments, affordable homes and higher-end products.

For commercial properties, we're developing retail projects. Besides Melawati Mall that's under construction, we also have Oasis in Ara Damansara and Subang Jaya City Centre (SJCC).

We're cautious with the office blocks in Oasis. Although not very tall, they're about 100,000 sq ft, so we'll build each block only after it has been sold on a strata basis. Many customers are buying en-bloc so we must manage that before building.

At SJCC, we're building the parking lots and apartments first [to gauge the market] before we embark on the offices. We've started talking to hotel operators about a hotel in the development, so that we can design it to their requirements.

While SDP's revenue is among the highest, your pre-tax profits are not on par with your peers such as IOI Properties Group Bhd and S P Setia Bhd. Why is this, and how do you plan to improve your margins? It's not an apple to apple comparison. We build a wide range of products, unlike most developers, from low-cost to high-end. There's a lot of cross-subsidy [among our products], that's why our margins are a bit lower when averaged out. So if you must compare us with another

developer, it should be on a basis of product to product. We're not inferior to them when it comes to townships, apartments and so forth.

If SDP sets up a separate company that buys land at arm's length from our parent company and builds comparable products to other developers, then you can truly compare our performance.

I must also clarify that our RM75 billion GDV is based on our approved developments, which is over 4,000 acres. But we must be cautious. That's why we are conservative and not disclosing everything!

What are SDP's plans in the medium and long-term?

In the medium term, we have 4,000 acres in Kulai, Johor that's served by existing highways. We have a master plan in place and we're awaiting approvals. We don't expect to start construction this financial year and are in talks with strategic partners to develop catalytic projects in the township. I won't say more for now, except that they're very powerful parties.

These catalytic projects are commercial and industrial complexes that are much sought-after. Should they come to fruition, it will have a great spillover effect on our residential properties.



An artist's impression of Putra Heights

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Solidly embodying sustainability

FROM PAGE 68

We'll start with the commercial and industrial projects first, and expect them to generate income in the next two years. The entire development itself will easily take 10 to 15 years.

How do you deal with holding cost?

We've identified landbank that we'll take up only when appropriate. We can sell the land to strategic partners with the expertise and brand as part of a master development; we've been approached by many parties. The idea is to start development early on our landbank.

Alternatively, we may also be the strategic partner of a landowner. It depends on the marriage — we can take 60:40, 50:50, even a minority position, to help asset management and cash flow.

We must judiciously manage the entry of land from our related party (Sime Darby Plantations Bhd) and masterplan carefully with strategic joint-ventures. We've also sold 40 acres of land with Horizon Outlet Shoppes Sdn Bhd to build Kuala Lumpur International Outlet (KLIO) near Kuala Lumpur International Airport so that they may kick off sooner.

Admittedly, we don't have a strong presence in the city centre because of our background in plantations. One way to strengthen our presence in Kuala Lumpur is to partner with landowners in town who probably don't want to develop their land yet because of current market conditions. We can buy from land them outright or become their partners. While they have approached us for partnerships, their prices and terms are not exciting!

Please elaborate on your strategy to grow your property investment segment. What would be the eventual size of your portfolio?

The value of our portfolio now is RM2 billion. We're currently building our own investment assets such

as Melawati Mall and our commercial assets in SJCC, but to rely on those assets alone is a bit slow-going, so how do we speed things up? One route is to set up a real estate investment trust, but what kind of assets can we create? We're developing industrial, commercial and retail properties right now, and also have Battersea Power Station.

We're not shopping for assets, but are looking at strategic acquisitions to have something to work on with a partner. We can tap into an asset and share the benefits with them.

However, there's nothing to talk about until it (the portfolio) hits RM5 billion! When do we want to hit this target? As soon as possible!

Of course, we must balance yield with capital appreciation. The average yield of properties is 6% to 7% and being very competitive, we must benchmark our performance to the market.

How has your brand evolved over the years?

Our brand solidly embodies sustainability, which is a constant for us. Sustainability requirements will change with a community's needs. We've observed some universal examples from technical studies done abroad. For instance, actor Leonardo DiCaprio bought a US\$10 million two-bedroom, two-bathroom apartment in Greenwich Village, New York, because of its promise of sustainability and wellness.

This kind of product will soon not just be trendy, but fundamental to drawing buyers. If Malaysia were to attract buyers locally and from abroad, our properties must have these qualities.

Our strategy, marketing and products are about being in the right place at the right time.

I must say that we've also won prestigious regional awards, which are milestones on our journey to becoming a respectable brand.

Sime Darby Property Bhd

FINANCIAL YEAR-END JUNE 30 (RM MIL)	2013	2012	2011	2010	2009
Revenue	2,400.3	2,104.9	2,104.2	1,812.7	1,420
Pre-tax profit	556	468.5	456.6	471.6	453.5
Paid-up capital	500	500	243	243	243
Shareholders' funds	5,931.6	6,814	6,474.9	6,127.9	5,012.2
Profit attributable to shareholders	475	339	456	402	347
Dividend payout ratio (%)	22	22	34	42	50

COMPLETED PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM BIL)	YEAR LAUNCHED
Bukit Jelutong, Shah Alam	Mixed-use	9,700	6.26	1995
Ara Damansara, Petaling Jaya	Mixed-use	4,800	5.86	1995
Putra Heights, Subang Jaya	Mixed-use	12,100	5.74	1998
Bandar Bukit Raja 1, Klang	Mixed-use	10,100	4.17	2002
Denai Alam, City of Elmina, Shah Alam	Mixed-use	6,700	2.91	2003

ONGOING PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV	REMAINING GDV (RM BIL)	YEAR LAUNCHED
Battersea Power Station, United Kingdom	Mixed-use	3,400	£7.32 bil	£4.72	2013
City of Elmina, Shah Alam	Township	24,400	RM25.88 bil	19.10	2013
Nilai Impian	Township	7,800	RM6.01 bil	4.43	1997
Bandar Ainsdale, Seremban	Township	3,600	RM2.3 bil	1.87	2013
KL East, Melawati	Township	1,978	RM2.51 bil	2.47	2013

IN THE PIPELINE

PROJECT/LOCATION	TYPE	SIZE (ACRES)	GDV (RM BIL)	EXP. YEAR LAUNCHED
Bandar Universiti Pagoh, Johor	Catalytic development	4,000	6.50	2014
Bandar Bukit Raja 2 & 3, Klang	Township	2,800	14.86	2014
Serenia City, Sepang	Township	2,700	9.79	2014
KLGCC RRE	Resort real estate	61	8.32	2014
SJ7, Subang Jaya	Mixed-use	35	4.26	2015

Some developers have reported slower sales this year due to cooling measures. What will SDP do to stay ahead?

We're still targeting sales of RM3 billion for FY2014. Operationally, it may be a stretch, but is there still a market? Yes! For our sales campaigns, we plan to heighten knowledge of our products and tell the story behind them — to remind people what they're paying for, such as the landscaping, good masterplan and facilities.

What measures have you taken to deal with the introduction of the Goods and Services Tax (GST)?

We'll ensure compliance with the GST. There are two schools of thought in the real estate industry: one, is that prices of homes will rise because of the GST. The other is that prices are ultimately dictated by market forces — especially the cost of supply and the ability to pay.

The concern about GST today is about how it will impact the supply chain. But, even without GST, we're already paying tax [on building materials]. The bottom line is, what is the cost of each element? If we can manage our costs better and maintain our margins, prices will move more naturally.

Of course, there will be some impact on prices initially, especially due to uncertainty, but prices will stabilise. Prices of properties cannot go up just because of the GST.

What are some of SDP's upcoming projects and will they do well?

In the pipeline, we have Phase 2 and 3 of Bandar Bukit Raja in Klang. They cover 2,800 of a total 5,300 acres in the themed township. The two phases have a GDV of RM14.86 billion.

Current launches are Nafiri 1, 2-storey terraced houses priced from RM690,888 each; Geta 2-storey terraced houses from RM646,888; Nahara 1 and 2 terraced houses from RM645,888 and Delora, two-and-a-half storey super-link homes. Future launches include Gateway 16, a commercial development

starting at RM1.8 million. We've also opened registration for interest on terraced homes, semi-detached houses, bungalows, high-rise homes, shop offices and retail lots.

Over at Subang Jaya, we have SJ7, a 35-acre transit-oriented development with a GDV of RM8.32 billion. In Sepang, we have Serenia City, a 2,800-acre themed township with a GDV of RM9.79 billion.

In Bukit Kiara, we have a 61-acre resort-real estate development at the Kuala Lumpur Golf and Country Club with a GDV of RM8.32 billion. In Johor, we have our 4,000-acre Bandar Universiti Pagoh, a catalytic development comprising universities, polytechnics and higher institutions of education.

What challenges do you foresee for the property market and SDP in the coming year, and how will you deal with them?

Malaysia still has strong GDP growth of 5% to 6% so we aren't concerned about demand, including from foreign investors.

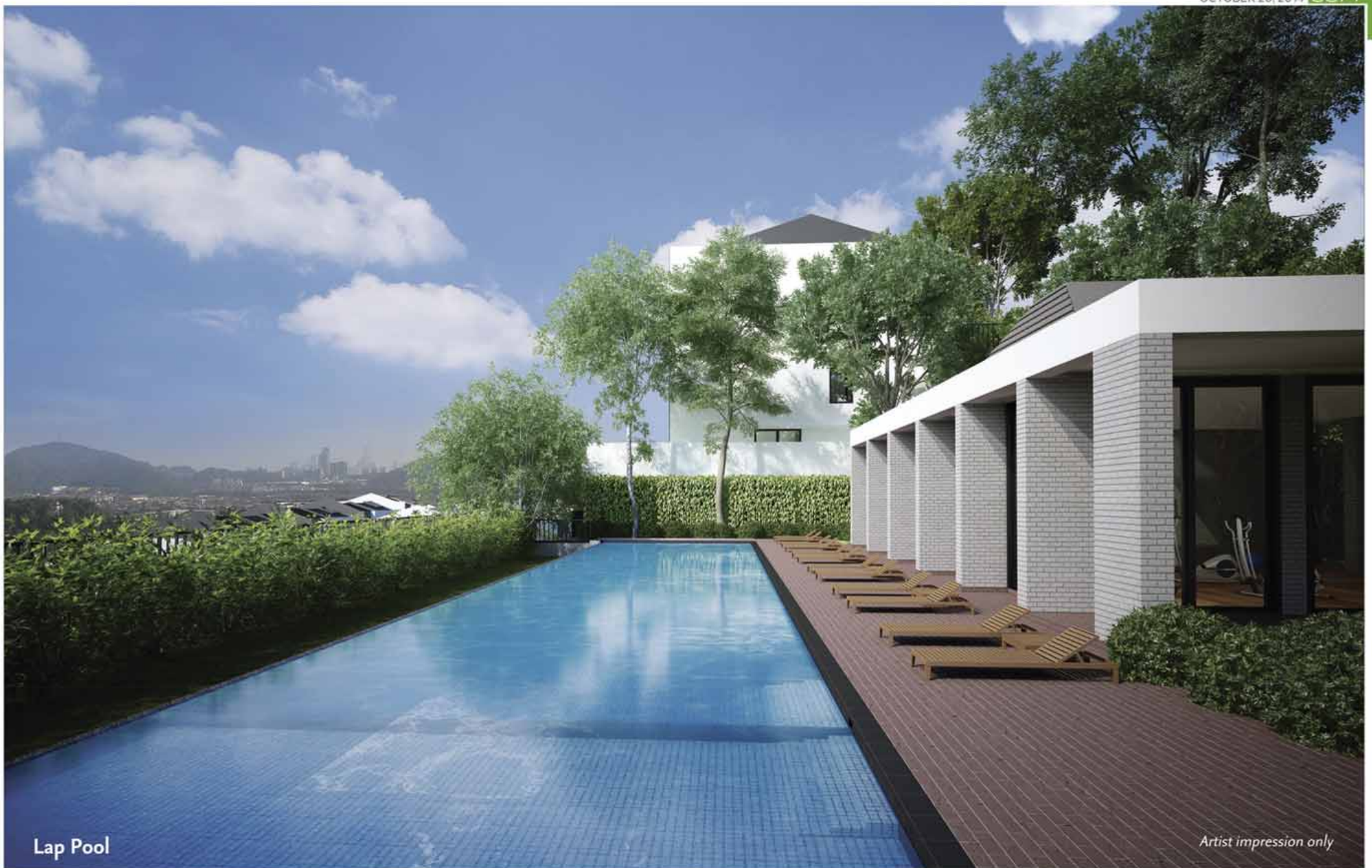
However, we do face higher construction and business costs, which rise all the time. Building a home now costs anywhere from RM100 to RM200 psf.

Contractors continue to bid for jobs at higher and higher prices, so our margins are squeezed. There are also higher compliance costs, though I must say that the authorities are still open to discussion, and I'm happy the water issue in Selangor is being resolved. That's good for business. ■



An artist's impression of Battersea Power Station

PICTURES BY SIME DARBY PROPERTY



Lap Pool

Artist impression only

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NO. 3 - S P SETIA BHD

S P Setia maintains culture of excellence

BY WONG KING WAI

Consistency is something S P Setia Bhd prides itself in. The developer has been in the Top 10 of *The Edge Malaysia Top Property Developers Awards (TPDA)* since their inception in 2003. It has grabbed the top spot eight times and continues to impress with its numerous local and overseas projects.

Ranked No 3 at the TPDA this year, the group achieved sales of RM3.81 billion for the first 10 months of 2014 and RM1.42 billion for the third quarter of its financial year ending Oct 31, 2014. Unbilled sales stood at RM10.88 billion as at Aug 31, 2014.

Its £8 billion (RM42 billion) Battersea Power Station project — a joint venture with Sime Darby Bhd and the Employees Provident Fund (EPF) — in London has left a deep impression worldwide, surprising many with strong sales at its initial launches. The third phase will be launched simultaneously in eight countries on Oct 31 and five others in the following week.

Back home, it will launch Setia Eco Templer, which has a gross development value (GDV) of RM1.8 billion, by 1Q2015. Mirroring Setia Eco Park and Setia Eco Glades, the new township will offer homes nestled in a tropical rainforest. S P Setia will also have new launches in Bandar Setia Alam, Setia Eco Hill, Setia Eco Park, KL Eco City in Kuala Lumpur and Aeropod in Sabah.

Since the departure of former group CEO and president Tan Sri Liew Kee Sin on April 30, the company has been led by acting president and CEO Datuk Voon Tin Yow, who has announced that he will step down on Jan 1, 2015, to pursue his own interests.

This being the case, Voon tells *The Edge* he is confident that the company will continue to grow, thanks to its standard operating procedures and strong culture. This, he believes, will ensure that S P Setia continues to develop quality products that stand it in good stead in the years to come.

The Edge: What is the secret to S P Setia's consistently good performance?

Datuk Voon Tin Yow: There is no secret. All it takes is teamwork. It is not difficult to plan and strategise but the challenge lies in the execution. To be a consistent performer, we need to improve ourselves always. What is important is to continue to build the team so that it is able to execute and deliver what is expected of them. We always have this mindset that we want to get better. When I am asked, 'What do you think is your best project?', I reply, 'The next one'. Because if you say you have a best project, then you are not looking forward. So, we have to look at how to do better and do what is relevant to the market because what's good now may not be good enough in the future.

We spend a lot of effort developing our people. We send them on study trips to get fresh ideas in terms of development concepts and marketing.

S P Setia Bhd

	2014	2013
Overall	3	1
Quantitative	11	7
Qualitative	2	1

We encourage our people to give ideas. We have brainstorming sessions with staff from all levels of the company. This gives them a sense of belonging and that they have a role to play in the company. There is ownership of ideas. With a team that is competitive, we can conquer the world.

We also monitor our performance. We have internal and external surveys to monitor our quality, projects and other things.

We do all this to ensure we know where we are and what we must do. These are just some of the processes we do to maintain our position as a market leader.

How have the past 12 months been for S P Setia, and what are its priorities going forward?

We have not been aggressively launching our projects due to the current soft market. We recently announced our third-quarter financial results. The group achieved sales of RM3.81 billion for the first 10 months and RM1.42 billion for the third quarter of the financial year ending Oct 31, 2014.

We are constantly extending our boundaries of knowledge and experience to ensure we stay relevant in the hearts and minds of our customers. — Voon

Together with the previous year's sales of RM8.241 billion, we have a huge task ahead of us; we will need to deliver! As at Aug 31, 2014, our unbilled sales stood at RM10.88 billion. Thus, Team Setia's priorities for the next 12 months are to ensure that our delivery is on time and that the product quality and service excellence are of the standard expected of the Setia brand. The brand is key to the success of the company. So, it is more important to preserve the brand than to launch aggressively.

How has the brand evolved over the years and what are the qualities it can improve on?

S P Setia, as we know it today, came into being when Syarikat Kemajuan Jerai Sdn Bhd was bought over by S P Setia Bhd through a reverse takeover in 1996 and made property development its core business.



PICTURES BY S P SETIA

SUHAIMI YUSUF/THE EDGE

Above: An artist's impression of Foster + Partners' The Skyline Roof Garden of the Battersea Power Station project



The merger of the two well-known companies with well-established reputations and track records in the construction and property development industries respectively created a synergy that enabled S P Setia to survive the Asian financial crisis that hit the following year. It was perhaps the only property developer that managed to grow its sales and profit at the time. I recall how we had to re-strategise overnight, revising the layout plans for Bukit Indah in Johor Baru. That two-year crisis created a culture of innovativeness in us and strengthened our teamwork immensely.

Subsequently, S P Setia acquired the North Hummock Estate in Setia Alam in 2002 and through master-planning and out-of-the-box thinking, the Setia Alam township and the gated and guarded Setia Eco Park enclave were born. These two crown jewels of S P

Setia have won international awards, including the Fiabci Prix d' Excellence Awards in 2007, 2011 and 2013.

The brand went from strength to strength with many successful projects, which led to it being recognised as Malaysia's leading property developer. Its expertise expanded from just building townships to developing high-end gated and guarded developments and luxury high-rise condominiums. Then, it expanded into integrated mixed-use developments, followed by commercial centres and business parks.

The company made its first foray into the international arena in 2007, and today, S P Setia has a presence in five countries — Vietnam, China, Singapore, Australia and the UK. In every project or country the group is in, it aims to introduce its unique DNA of innovation and teamwork that has left an indelible impression on every customer and as-

sociate. That is the Setia brand.

The DNA and qualities of the brand further expanded with the introduction of its development philosophy 'Live-Learn-Work-Play', which has become the cornerstone of every Setia project. By designing master plans that take into account the breadth of human activities that is expressed by this philosophy, S P Setia ensures the projects are not just perfect for customers today but remains that way well into the future.

All these qualities are well imbued in our products and services but it doesn't mean that we will rest on our laurels. We are constantly extending our boundaries of knowledge and experience to ensure we stay relevant in the hearts and minds of our customers. We will continue to innovate and improve on our product design and concept, amenities, services, quality and delivery process to meet the high expectations of our customers.

One key area that we will be focusing on, which is in line with S P Setia's corporate charter 'Building Sustainable Communities for All', is to inculcate a culture of excellence in the maintenance of all our projects. This is paramount in creating value for our customers in the long term as poor maintenance will erode the value of the entire project.

Some developers have reported slower sales this year due to the cooling measures. What are your strategies to stay ahead in the current environment?

It has not been an easy year for Malaysian developers, given the continued cautious financial environment and stricter mortgage rules. However, Malaysia has a relatively young and rapidly growing population, and with the government's commitment to transform the nation into a high-income economy through initiatives such as the Economic Transformation Programme, we foresee that the demand for properties, regardless of whether the cooling measures will be lifted or revised, will increase over the long term.

S P Setia's key competitive edges are in its project master-planning, delivery



An artist's impression of Setia EcoHill 2



An artist's impression of KL Eco City

S P Setia Bhd

FINANCIAL YEAR-END OCT 31 (RM'000)	2013	2012	2011	2010	2009
Revenue	3,060,528	2,526,595	2,232,473	1,745,870	1,408,415
Pre-tax profit	570,343	567,505	430,594	330,967	231,112
Paid-up capital	1,844,034	1,504,250	1,374,554	762,606	762,604
Shareholders' funds	5,525,543	4,043,874	3,446,442	2,189,273	2,037,221
Profit attributable to shareholders	417,858	393,816	327,973	251,813	171,223
Dividend payout ratio (%)	62.4	61.2	59.8	60.7	62.4

COMPLETED PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM BIL)	LAUNCH DATE	TAKE-UP (%)
Bukit Indah, Ampang	Township	4,116	0.45	Dec 90	100
Pusat Bandar Puchong, Selangor	Township	10,000	1.5	Nov 94	100
Duta Nusantara, Kuala Lumpur	Semi-detached houses & bungalows	178	0.35	Oct 02	100
Duta Tropika, Kuala Lumpur	Courtyard & garden villas	138	0.25	Oct 04	100
Setiahills, Kuala Lumpur	Bungalows	45	0.11	Feb 07	100

ONGOING PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM BIL)	LAUNCH PERIOD	TAKE-UP (%)
Setia Alam, Selangor	Township	25,000	11.2	April 04	92.3
Setia Eco Park, Selangor	Semi-detached houses & bungalows	3,000	5.5	June 04	97.3
KL Eco City, Kuala Lumpur	Integrated commercial	2,760	6.4	Oct 11	98
Fulton Lane, Australia	High-rise residential	804	1.4	Nov 11	98.9
Battersea Power Station, UK	Mixed-use scheme	3,700	40.8	Jan 13	90.3

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM BIL)	EXPECTED LAUNCH
Setia Eco Templer, Selangor	Township	1,800	1.8	March 15
Setia EcoHill 2	Township	8,043	5	TBC
Setia Eco Forest, Penang	Mixed residential	1,500	1.1	TBC
Setia Federal Hill, Kuala Lumpur	Mixed-use development	TBC	8	TBC

and marketing strategies. The spread of our projects has the breadth and depth to cater for the conditions of the market in any given time and location. In Malaysia, our projects are spread out in Penang, Johor, Kuala Lumpur, Putrajaya, Selangor and Sabah. Overseas, we are in Vietnam, Australia, Singapore, China and the UK. In terms of product categories, we develop townships, affordable homes, high-end gated and guarded developments, luxury high-rise condominiums, commercial centres, integrated mixed-use developments and business parks. Thus, we are able to leverage the respective demand sectors for each of the product categories and locations to still achieve growth and profit and stay ahead in this current environment.

What measures have you put in place to deal with the introduction of the Goods and Services Tax (GST)?

We started to recognise the impact of GST in our books in 2Q2014 as part of our impact-mitigating measures. These cover charges related to all exist-

ing residential components' construction contracts, non-reviewable sales and purchase agreements and land transactions that were signed prior to the announcement of the GST implementation. By doing this, the financial impact is spread out over a longer period and will only affect margins on a gradual basis.

Other than that, we are fast-tracking the construction process of the projects under development so that the unbudgeted construction cost increase due to GST will be minimised.

What is your view on the build-then-sell (BTS) concept?

The BTS system works in theory. But then, the products will become more expensive. Supply will fall because it will be a big risk for the developers and the banks to finance the projects. In the current system [sell-then-build], the banks feel comfortable that the developers will be able to sell their products to fund the project. But for the BTS system, what happens if you build but cannot sell

the product? Developers may decide to develop smaller parcels to mitigate the risk and this will shrink supply. When supply shrinks, the price goes up.

S P Setia is experimenting with the BTS concept within our townships because we have already paid off the land cost. The cash flow is easier, so we can do BTS.

There is no one single answer that BTS is good or bad. But to me, we should not force BTS to happen. When the market is ready, it will happen. The intention of BTS is to avoid having abandoned projects. But you must realise that the situation of abandoned projects happened many years ago. You need to look at the location. You cannot use one medicine for all the illnesses. You cannot implement legislation or regulation that applies across the board that may not be good for the entire industry.

What are S P Setia's upcoming projects, and why do you believe they will do well?

The group is gearing up for the launch

of Battersea Power Station Phase 3, which is set for Friday, Oct 31, 2014. It will be Battersea Power Station's first global simultaneous launch. A total of 539 stunning homes designed by Gehry Partners and Foster + Partners will be available. The homes range from studios to four-bedroom townhouses and limited units of penthouses. Battersea Power Station's two earlier launches achieved tremendous success. We were delighted by the strong support given to the development by Londoners and international investors. Phase 3 promises to be even more exciting and will provide a golden opportunity for businesses and homeowners to be part of this truly iconic community in this capital city.

Back here in Malaysia, we are preparing to launch Setia Eco Templer in the first quarter of 2015. Setia Eco Templer, with a GDV of RM1.8 billion, will emulate Setia Eco Park and Setia Eco Glades. These two townships have proved to be a success among homeowners and property investors. Setia Eco Templer is an eco-sanctuary development set in a natural tropical rainforest. Homeowners and property purchasers can look forward to beautifully conceived bungalows, semidees, super links, apartments and shoplots within an ecologically attuned and sustainable environment.

We are also preparing for new launches in Bandar Setia Alam, Setia EcoHill, Setia Eco Park in Selangor, KL Eco City in Kuala Lumpur and Aeropod in Sabah, which we will announce in due course.

I believe the new projects will continue to do well as we are able to transplant the DNA of our award-winning projects to capture fresh market share. We are also very grateful to have the support of our customers who have such strong faith in the Setia brand that they are willing to buy from us not only locally but also in the foreign markets.

What are the challenges for the property market and the company in the coming year? How will these challenges be addressed?

We foresee that the overall demand for properties will continue to soften in the coming year. Diminishing purchasing power arising from increasing cost pressures such as higher skilled labour cost, increase in petrol prices, electricity tariff hikes, increase in construction material cost, the impending GST, policy changes by the government and tightening of bank lending for property purchases coupled with the cooling measures

imposed will continue to dampen investor and end-user sentiment.

We have put in place several key strategies since the market started to soften. One is to meet the demands of our high-net-worth customers and global property investors who are always on the lookout for investment-grade properties in selected global cities. We have also adapted our product mix to meet the strong demand for starter homes within our mature townships. We are also preparing to meet the housing demand of potential employees of the many corporate offices and retail outlets that have started operations in the group's commercial hub, Setia City in Setia Alam. Because of the breadth and depth of our projects, we are able to offer a wide spectrum of product mix relevant to each location of our projects and reach out to a multi-sector target audience such as upgraders in mature townships and first-time home owners. With all these strategies in place, the group is confident it will be able to compete effectively during this period of market uncertainties.

How will the exodus of S P Setia employees affect the company and consumer confidence?

The effect will not be big for the simple fact that S P Setia is a very strong company in terms of the processes and procedures that I've described earlier. Our standard operating procedures (SOPs) and policies are all documented. So, anybody who comes in will be able to continue. It may take two to three months to get up to speed, but everything is set. S P Setia is also strong because of the projects that are spread over prime locations in Malaysia and overseas. Purely based on what we have, it will sustain the group at a good level of sales for many years.

People coming and leaving is quite normal and can be healthy for a company as new blood is injected. People who have reached a certain competency should go when a good opportunity comes along. Then, we develop new talent. A healthy employee turnover is fine. Of course, at the moment, there is a big exodus, but we must quickly fill the positions.

Hopefully, the handover will go smoothly and the company will go from strength to strength. For customers, they should not worry. Like I said, the SOPs are in place to deliver all the projects we have launched; we have signed on contractors to build them. We are very focussed on delivering quality products to our customers. ■



NO. 4 - UEM SUNRISE BHD

Preparing for plenty in times of fallow

BY SYUHIDA SILMI

When we interviewed Anwar Syahrin Abdul Ajib, it was only his 10th day as managing director and CEO of UEM Sunrise Bhd.

While Anwar is new to the company, his impressive credentials put him in a good position to succeed in his new position. He was the chief financial officer of Port of Tanjung Pelepas and later, MMC Corp Bhd's group chief financial officer and group head, ports and logistics. He is also a qualified chartered accountant.

The public-listed UEM Sunrise is the property development arm of UEM Group Bhd.

UEM Sunrise is the result of a merger between UEM Land and Sunrise Bhd in 2010, which positioned the company as one of the largest listed property developers in Malaysia in terms of total assets with a combined value of over RM5 billion.

UEM Sunrise recorded a profit after tax and minority interest of RM579.1 million for the financial year ended Dec 31, 2013, an increase of 29% from FY2012 on a revenue of RM2.4 billion, which was up 26%.

However, as with many other property developers this year, UEM Sunrise has not been immune to lacklustre market conditions brought about by the government's cooling measures.

The company has a significant landbank in Johor, where market sentiments are weakening and there are growing concerns of oversupply. Property sales recorded in 1H2014 were worth a mere RM439 million. Due to the challenging environment, the company decided to revise its full year sales target to RM2 billion from RM3.2 billion. However, unrecognised revenue remains strong at RM3 billion.

Anwar appears unfazed by the task that awaits him. "For any organisation, it's the people that drive it. Without me being here, UEM Sunrise

UEM Sunrise Bhd

	2014	2013
Overall	4	4
Quantitative	4	4
Qualitative	9	3

"We are selectively looking into land acquisition opportunities in the country, beyond the southern region. — Anwar

is already a brand people know. So the challenge for me is taking this organisation to the next level."

Anwar takes questions on the company's performance and his strategies going forward.

The Edge: How would you rate the performance of UEM Sunrise in the past year and what are your priorities now?

Anwar Syahrin Abdul Ajib: In light of market conditions, I wouldn't say we're too happy. We can do better.

There were adverse sentiments in Johor, where the bulk of our projects and land bank are located, due to government policies such as the increase in minimum selling price to RM1 million for foreign buyers; the entry of mainland Chinese developers; oversupply concerns; toll hikes on the Johor side; and the increase in vehicle entry permit fee to Singapore, to name a few. This has impacted our developments in Nusajaya and created uncertainty in the property market, resulting in a slowdown in

CONTINUES ON PAGE 76

MOHD IZWAN MOHD NAZAM/THE EDGE



PICTURES BY UEM SUNRISE



Residensi 22 has 534 units and a GDV of RM941



An artist's impression of Quintet in Canada

We create a place you can truly call home.

We create a foundation for beautiful family and fond memories.

We are UEM Sunrise.

THE EDGE
*Top Property
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2014*

With the strength of over 1,500 talents sharing a common vision, we work together as one to transform footprints that we touch into award-winning spaces loved by home owners, acclaimed by investors and recognised by the industry. At UEM Sunrise, we build communities of the future with you, and for you.



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UEM Sunrise Berhad (1830144-W)

Continuing to diversify geographically

FROM PAGE 74

buying momentum.

However, we have many projects in the pipeline that will yield a satisfactory result by the end of 2014. The company has reduced its sales forecast, but it has to ensure that profits and cash flow remain strong. This is a year of consolidation for us and we are taking the opportunity to strengthen our core competencies and processes so that we are well positioned for the next property upcycle.

The execution of current projects will be key — Serene Heights in Bangi, Selangor; Nusa Idaman in Johor; and a project in [Melbourne,] Australia that is pending approval.

The priority is to focus on what we have, and to be a bit cautious as well; it's looking very exciting. We will time our launches carefully in this softening market environment.

What are your short and medium-term goals?

Short-term, to see through what we've already launched; to be aggressive in ensuring that existing stock and new projects will be well taken up.

To sum up our plans, we will focus our product offerings on landed, mid-market and affordable homes. We think there will still be relatively strong demand for landed products in the mid-market segment.

We are selectively looking into land acquisition opportunities in the country, beyond the southern region. This will diversify our land bank portfolio and provide us with greater flexibility in our product offerings.

UEM Sunrise must compete on product differentiation, unique selling proposition, and price. However, we have first-mover advantage in Nusajaya and acquired land at very a low cost.

What are some upcoming projects and do you believe they will do well?

Serene Heights in Bangi, and Estuari in Puteri Harbour, Johor, target specific market segments rather than casting the net widely. By zooming in on market needs at the right price point, the chances of success are higher. The good thing is that our competitors have already launched their products; we know their price points. We are able to gauge the market appetite for different products.

Our product mix is not just high-end properties; we also do affordable homes. The target market is young couples who are first-time buyers, with one or two children; that market is still strong. We will price our products very competitively. Our upcoming launches could be priced lower than other developers' in a certain location.

Our international project, Aurora,

UEM Sunrise Bhd

FINANCIAL YEAR-END DEC 31 (RM MIL)	2013	2012	2011	2010	2009
Revenue	2,425.3	1,919.4	1,670.0	457,596	346,322
Pre-tax profit	686.3	534.7	353.8	203.5	127.4
Paid-up capital	2,268.7	2,165.6	2,163.4	1,822.7	1,215.6
Shareholders' funds	6,019.0	5,316.0	4,836.4	2,687.5	1,525.9
Profit attributable to shareholders	579.1	448.4	301.7	194.5	114.6
Dividend payout ratio (%)	31%	29%	-	-	-

COMPLETED PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM MIL)	LAUNCH DATE	TAKE-UP (%)
MK 10	Condo	332	676.6	2006	99
MK 11	Condo	339	875.1	2008	97
MK 28	Condo	460	860.6	2010	99
Ujana, East Ledang	Condo	172	63.7	2009	100

ONGOING PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM MIL)	LAUNCH PERIOD	TAKE-UP (%)
East Ledang, Nusajaya	Residential mixed development	Launched - 1,446	Launched - 3,300	2008 - 2019	93
Nusa Idaman, Nusajaya	Residential mixed development	Launched - 2,056	Launched - 905	2006 - 2016	96
Teega, PH	Condo	Launched - 1,343	Launched - 1,100	2012 - 2016	98
Quintet, Canada	Condo	Launched - 704	1,000	2010 - 2015	92
Residensi 22, Mont'Kiara	Condo	534	941	2013 - 2017	64

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM MIL)	EXPECTED LAUNCH
Phase 1 Estuari, PH	Landed residential	166	362.9	Nov 2014
Phase 1 Serene Heights, Bangi	Landed residential	274	134.7	Oct 2014
Aurora, Melbourne	Condo	998	2,630	Oct 2014
Phase 5A, East Ledang	Landed residential	32	128	Sept 2014
Nusa 18, Nusa Idaman	Condo	416	217	Sept 2014

Note: Take up is as at end July 2014.



Nusa 18 in Nusa Idaman has a GDV of RM217 million



An artist's impression of Teega

in La Trobe Street, Melbourne, is at the planning approval stage. It will be a landmark project for UEM Sunrise. It is a high-rise development of 921 units. The target market includes Chinese, Indonesians and Singaporeans. Melbourne has been voted most liveable city in the world for several years now. It's very attractive to visitors and investors.

We will continue to diversify geographically, such as with the recent acquisition of 4.9 acres of land in Alderbridge, Vancouver, Canada in April this year, to continue the success achieved with Quintet. The land is located a few blocks away from Quintet and will host a mixed development.

We'll also collaborate with strategic partners, such as the Ascendas Group, on Nusajaya Tech Park in Gerbang Nusajaya; with Kuala Lumpur Kepong Bhd in Gerbang Nusajaya and Kulai; and FASTrack Autosports for the development of Motorsports City in Gerbang Nusajaya, to name a few.

Lastly, we will focus on developing selected investment grade assets with the aim to create a strong recurring income base to hedge against the property market cycle. Our existing assets include Publika, Mall of Medini, Arcoris and Solaris 3. We also hope to increase revenue from our property management business.

bank in Johor. Given concerns about oversupply there coupled with the entry of big players from China, do you plan to continue focusing on Johor?

We want to diversify [our product offerings] and leverage on the huge landbank that we have in Johor. What's important for us is to identify places where infrastructure is already in place - and where there's infrastructure in place, land prices would have gone up. But we are part of the UEM Group and can work the resources of the group to our advantage. Plus (the roadbuilding division of the UEM Group), for example, could provide interchanges or highways to connect places that we identify as growth areas. We have yet to really leverage on the resources of the UEM Group.

While we need to move away from our dependency on Nusajaya, we feel our new launches there will still be successful. When we acquired the land there, they were at reasonable prices. The Chinese developers coming in into the area have bought at a much higher price, so we have a competitive advantage. Also, the Chinese developers are competing against each other as well. If you look at it from that angle, why should we be overly worried?

How do you strike that balance in keeping prices affordable, pleasing shareholders, and still produce a quality product?

It's about being smart on the contracting side to get the best that you can from the cost that you're willing to spend on [and] we have to make sure that they do things right the first time. A lot of cost escalation and variation is a result of poor workmanship. Having to rectify those mistakes impact on your margins. We need to make sure we are one of the best at managing costs.

Also, different products have different margins; this year is about getting the right mix of products to market and having an acceptable weighted average margin. We have a good mix that we're going to launch.

How has the UEM Sunrise brand evolved over the years?

Our brand is synonymous with the quality of our developments. We have always wanted to be a long term player and have differentiated our brand by building quality infrastructure and amenities for our customers, local businesses and communities. This strategy has ensured a sustained demand for our developments and is most apparent in Nusajaya, where we are the master developer.

When the merger (between UEM Land and Sunrise Bhd) came about, each organisation brought different value propositions to the table. There are synergies yet to be realised from the merger that will benefit UEM Sunrise domestically and internationally.

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THE GARDEN PATIO

Artist's impression

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NO. 5 - GAMUDA BHD (PROPERTY DIVISION)

Gamuda focuses on aspirational homes

BY WONG KING WAI

Gamuda Bhd's property division, Gamuda Land, may have appeared to be relatively quiet over the past year, but it has been actually rather busy, scouting for and acquiring land for more projects. The group has put aside RM3 billion for land acquisition to further grow the property division. It has spent RM1.7 billion so far, and will spend more next year.

The township developer of Valencia in Sungai Buloh, Jade Hills in Kajang, Bandar Botanic in Klang and Horizon Hills in Johor has also built boutique developments, including high-rise The Robertson in KL and the exclusive Madge Mansions in Ampang.

Gamuda Land, which ranks among the Top 10 in *The Edge Malaysia* Top Property Developers Awards 2014, plans to continue developing townships and boutique developments while moving into commercial developments. For example, in Kota Kemuning, it has the 3-level mall Gamuda Walk and above it, seven levels of business suites called Gamuda Biz Suites. In Bandar Botanic, it is building a wholesale centre.

Moving forward, Gamuda Land aims to maintain its strong track record of providing quality homes to its buyers, many of whom are repeat customers, according to managing director Chow Chee Wah. In addition, the developer, which also has projects in Vietnam, is exploring new markets including Penang, Kota Kinabalu, and Australia.

Despite the impending Goods and Services Tax and the current sluggish market due to the government's cooling measures, Chow remains positive about the property market. Gamuda Land has achieved RM1.85 billion in sales as at end-July and has set a sales target of RM2 billion for next year.

Chow is all smiles as we meet him at the chic Gamuda Land Gallery on Level 9 of Menara Gamuda in Damansara Perdana. The walls are adorned with photographs of its projects over the years, a testament to the commitment of the group, renowned for its construction and engineering expertise, in growing its property development arm. Chow, a trained engineer, has headed the division since 1996. With over 30 years of experience in designing infrastructure and buildings, he exudes a quiet confidence.

He shares with *The Edge* the overall performance of Gamuda Land and its plans for future growth.

The Edge: How have the past 12 months been for Gamuda Land?

Chow Chee Wah: In terms of sales and response from our investors and purchasers, it has been very encouraging. The contribution from the property arm to Gamuda Bhd is a significant portion now — about a third. Before, we were just playing a supporting role but now, we are a

Gamuda Bhd (Property Division)		
	2014	2013
Overall	5	8
Quantitative	10	10
Qualitative	7	11

key contributor to the bottom line. [Gamuda Land's revenue for financial year 2013 was RM1.015 billion, a far cry from RM407 million for 2009.]

What are the plans to grow Gamuda Land's contribution to the group?

When people look at Gamuda Land, they see a company that is creative and innovative. They also see a company that delivers quality. This is the feedback from our customers. Whatever we tell our customers, we are able to deliver to them, even before they move in. They trust us because in past projects, we have delivered more than expected.

They know that our products command a premium because there is a long-term benefit associated with the brand. Because of our master planning, the project is sustainable and you won't lose out in terms of investment value.

After developing a few townships, the group recognised that we could not just depend on the construction division's profit. That is why the group has allocated RM3 billion for land acquisitions to further propel the growth of the property division. So far, we have spent RM1.7 billion and for the next one year, we are looking to acquire up to RM1.3 billion of landbank in order to sustain and to further grow the property division's contribution to the group. So far, we have acquired 800 acres in Rawang South near Serai and 1,500 acres in Tanjung Dua Belas, which is before KLIA and close to Cyberjaya.

We are also looking for land in the Klang Valley, especially smaller pieces in the right locations where we can build high-rises. We want to create something new and distinct.

From focusing on township projects over the past decade, we are expanding into commercial developments as well, such as the wholesale complex in Bandar Botanic called GM Klang, to complement and support the residents staying there. We have also come up with a commercial project made up of two components — a mall called Gamuda Walk and Gamuda Biz Suites above it, in Kota Kemuning. The suites cater to people who are running their own business and want an office address with minimal staff. We are also looking to acquire land in Kota Kinabalu and the possibility of developing in Australia, such as Melbourne or Perth, as there are customers who have asked us if we have any property in Australia. We see potential there. We are also seriously looking at Penang. I think it is time we have a presence there.

“Sometimes we have to educate the consumers on what they would wish to have, rather than what they need today — Chow

What are your priorities moving forward?

In order to keep ourselves ahead of the competition, we must always be innovative and creative. Be it a project or land we acquire, we must carve out a niche [for ourselves]. This sets us a challenge to always come up with something new and creative that buyers will want. Sometimes we have to educate the consumers on what they would wish to have, rather than what they need today.

For example, a lot of people talk about green developments. There is also an index, which is only a measurement. But how do you carve the green out from your development? In a township, everyone will put in a green landscape with trees and all. But the important aspect is, where do you put these trees and how does it link to the entire development?

Gamuda Land is moving from town-

MOHD IZWAN MOHD NAZAM/THE EDGE



PICTURES BY GAMUDA BHD



Celadon City in Ho Chi Minh City, Vietnam



Gamuda City in Hanoi, Vietnam



The entrance to Jade Hills, Kajang



An artist's impression of High Park in Kelana Jaya

ship to high-rise development. As a result, we are taking our knowledge of the green concept in our landed developments and transferring that to high-rise developments [and] at the same time, figure out how we can keep our edge in the market. So far, this concept has been well received. When we launched The Robertson in the CBD, the first phase was fully sold in a month. We will be launching the second phase in mid-October.

Besides building green, we also look at the demographics in the locations we are building in — is it for the young, are we catering for a big family? We also look at how we can enrich your life even if you are staying in a vertical block. It is not necessary that you must live on a vast piece of land in a landed property to enjoy these benefits. For instance, we have an upcoming project in Kelana Jaya, Selangor, where we have included a one-kilometre jogging track in the design of the facilities podium.

Developers have noted slower sales this year unless cooling measures are lifted. What are you doing to stay ahead of this situation?

The cooling measures will certainly impact sales, but we don't think it will be very significant. As a group, we forecast that we can still grow this year, be it sales, turnover and profit before tax, because our unbilled sales, due to the success of the past two years, is about RM1.49 billion to date. With the Vietnam property market recovering, it will help complement any shortfall here in Malaysia. But overall, we are expecting to grow. So far, as at end-July, we have reached sales of RM1.85 billion. Our sales target for next year is RM2 billion.

How are you preparing for the GST implementation next year?

We are in the midst of educating our contractors and suppliers that although the GST is 6% in terms of your cost, the impact is not 6% as the service tax had previously been implemented. So, contractors and suppliers should not price in the full 6%. We have even organised talks and seminars to enlighten them. We tell them to not take the easy way out and charge the full 6% as you may be pricing yourself out of the market. So, we are educating them and hope to keep the increase in cost minimal.

What is your view of affordable housing to ensure Malaysians have a roof over their heads?

Affordable housing schemes have to be subsidised. The government can help by freeing up government land for development.

The build-then-sell or BTS concept is supposed to be made compulsory next year but this may not happen. What is your view on BTS?

BTS is a good scheme to ensure that you get your house and not an abandoned project. But the issue is when should this scheme be implemented and how to implement it? If you implement it immediately, you quickly cut off supply to the market. And do you have enough supply to cater to the demand? This will also push up prices. BTS also means that a developer has to factor in the financing and interest cost, and this will see prices going up.

There are people who like to buy a house and pay it off over three years during construction. They don't want to buy a BTS product. So there should be

Gamuda Bhd (Property Division)

FINANCIAL YEAR-END JULY 31('000)	2013	2012	2011	2010	2009
Revenue	1,015,335	1,066,933	704,561	526,356	407,363
Pre-tax profit	258,483	286,164	149,935	88,154	72,000
Paid-up capital	815,335	668,308	569,023	273,231	106,346
Shareholders' funds	1,735,596	1,613,276	1,270,467	899,843	698,000
Profit attributable to shareholders	222,995	191,884	101,441	61,415	50,726
Dividend payout ratio (%)	52	77	133	79	77

COMPLETED PROJECTS

PROJECT / LOCATION	TYPE	PROJECT DESCRIPTION		GDV (RM)	LAUNCH DATE
		PRODUCTS	NO OF UNITS		
Kota Kemuning, Shah Alam	Township	Residential	8,630	3,600 bil	1995-2012
		Commercial	909		
		Industrial	297		
Valencia, Sg Buloh	Township	Residential	890	1,200 bil	2001-2012
Bandar Botanic, Klang	Township	Residential	8,684	3,680 bil	2001-2014
		Commercial	744		
Horizon Hills, Johor	Township	Residential	1,726	1,238 mil	2007-2013
		Commercial	36		
Jade Hills, Kajang	Township	Residential	449	634 mil	2007-2011
		Commercial	21		

ONGOING PROJECTS

PROJECT / LOCATION	TYPE	PROJECT DESCRIPTION		GDV (RM MIL)	LAUNCH DATE	TAKE-UP RATE (%)			
		PRODUCTS	NO OF UNITS						
Horizon Hills, Johor	Township	Link house/cluster	1,404	1,458	2012-2014	76			
		Semi-detached	24				55	2013	79
		Bungalows	133				516	2012-2013	74
		Apartments	256				211	2014	33
Jade Hills, Kajang	Township	Bungalows	9	36	2013	50			
		Link bungalows	14				31	2014	40
		Serviced apartments (3 Blocks)	254				136	2013	80
Bandar Botanic East, Klang	Township	Bungalow homes	37	115	2013	70			
Gamuda City, Hanoi	Township	Semi-detached & terraced	364	517	2013	50			
The Robertson, Kuala Lumpur	Residential tower	2 blocks of residential towers		790	End 2013	100			
		- Block 1	375				Oct 2014		
- Block 2	418								

IN THE PIPELINE

PROJECT / LOCATION	TYPE	PROJECT DESCRIPTION		GDV (RM MIL)	EXPECTED LAUNCH
		PRODUCTS	NO OF UNITS		
Gamuda City, Hanoi	Township	Apartments	624	125	2015
Horizon Hills, Johor	Township	Link house, cluster, semi-detached, bungalow, apartment, commercial	521	873	2015
Jade Hills, Kajang	Township - Residential	Semi-detached, bungalows, link house, serviced apartments & affordable homes	1,141	922	2014
	Township - Commercial	Shop offices & commercial precinct	165	190	2014
Kelana Jaya, Selangor	SOHO	SOHO	964	661	2015
Serai, Rawang	Township	Mixed development	6,840	4,665	2016

options to cater to different purchasers.

But for us, we will continue to build, be it a soft market or a strong market. If someone wants to buy early from us, they will buy under the sell-then-build scheme. But if we have built the product, it can then be sold under a BTS scheme.

How do you ensure that you stay relevant in the market?

For a project to do well, the master planning is very important. It is also critical to know the market you are catering for. As for the design, we have

to come up with something which is not what you must have today but what you should wish to have.

So in terms of branding and promotions, there is always an element of educating consumers about our tag line, 'Enriching Lives'. Enriching lives is a very bombastic term but we want to educate purchasers what it is they should have. And in the future, you will appreciate the house you have bought. That is where you can create value for investors and buyers.

That is why we take a slightly longer time to bring a product to market. There

is a lot of thinking that we do, analysis, master planning, revising, modifying and enhancing our design to go a step further. This is what sustains our new projects to do well.

What future launches have you in the pipeline?

We will be launching the final tower of The Robertson by mid-October. By end of this year, we will launch a residential project in Kelana Jaya called High Park, which will have an elevated park. More details will be coming soon.

NO. 6 – TROPICANA CORP BHD

Becoming a premier developer

BY LAM JIAN WYN

Tropicana Corp Bhd has certainly come a long way from its days as a second-tier developer. Its stronger financials and consolidated brand today have earned the developer a place in the Top 10 in *The Edge Malaysia* Top Property Developers Awards for the first time this year.

The company, formerly known as Dijaya Corp Bhd, had embarked on an aggressive expansion from 2010, which landed it in debt amounting to almost RM1 billion in 1HFY2012. In the same year, it also carried out an amalgamation exercise where it bought up all of its major shareholder Tan Sri Danny Tan's assets for RM948.7 million, satisfied by 2% 10-year redeemable convertible unsecured loan stocks and RM250 million in cash. The cash consideration was offset by a four-for-five rights issue at RM1.20 per share which Tan had subscribed, boosting his shareholding to 71.4%.

Dijaya was then rebranded as Tropicana, in line with its flagship development Tropicana Golf & Country Resort — featuring a 27-hole championship golf course — near Kota Damansara, Selangor, and various properties bearing this brand, such as the Tropicana City integrated development in Petaling Jaya, which features serviced apartments, offices and a suburban mall.

In recent times, Tropicana has struck partnerships with other property developers, such as Hong Kong-listed Agile Property Holdings Ltd, and operators, such as education group Singapore's Lasallian Asian Partnership for International Schools, to pare its borrowings and capitalise on its partners' expertise, says Tropicana group CEO Datuk Yau Kok Seng.

He sits down with *The Edge* to talk about Tropicana's growth in this challenging environment.

The Edge: How did Tropicana fare last year?

Datuk Yau Kok Seng: The last financial year [ended Dec 31, 2013] was a record for us. We achieved record sales of RM2.1 billion and record launches of RM2.4 billion, and our net profit was RM362.3 million, up 119% from the previous year. More than half of our revenue came from the central region.

I attribute this success to our transformation blueprint. I joined Tropicana in January last year and the first thing my team did was to come up with the blueprint.

First, we set our vision clearly — to become one of the premier developers in Malaysia. With this vision, we developed our strategy, which revolves around five key points. The first entails unlocking value through the sale of raw land and accelerating the execution of our projects to quickly get cash flow.

The second point — de-gearing — is important because, in hindsight,

Tropicana Corp Bhd

	2014	2013
Overall	6	13
Quantitative	14	19
Qualitative	5	12

we had expanded too fast in building our landbank.

We also believe that strategic partnerships are crucial because with the right partners who have good financials and are a strategic fit, they can accelerate the growth of our company.

The fourth point is rebranding. We were previously known as Dijaya Corp. 'Dijaya' did not mean much to our buyers and stakeholders, so we decided to rebrand ourselves in line with our products, which does carry a premium.

The fifth point is reorganising our people. We have strengthened our management team to execute the strategies well. [Group managing director] Datuk Edmund Kong is leading our operations while Datuk Dickson Tan is the deputy group CEO. We also brought in talent such

We have a road map where we identify our problems and find ways to tackle them through medium and long-term strategies. After all, we want to be a winner. — Yau

as [group managing director] Kok Kong Chin, an ex-CIMB man to oversee the company's treasury, finances and corporate strategy. With all the talent in place, we can then grow the organisation.

What is Tropicana's strategy for its medium and long-term growth?

We have a road map where we identify our problems and find ways to tackle them through medium and long-term strategies. After all, we want to be a winner.

What differentiates us from the rest? How can we be a game-changer? It is quite difficult to become one, but we can do things differently, and that way, we can create more value.

One of our key focuses is strengthening our balance sheet. We will continue to sell raw land and non-core assets as well as accelerate our projects to unlock value to achieve the target gearing level of 0.3 times. According to our 1Q numbers [ended March 31], our gearing was at 0.59, although it will rise to 0.7 again due to capital expenditure. But this will be temporary because we have sold land worth RM1.18 billion and the transaction



An artist's impression of Tropicana Gardens Lake View



KENNY YAP/THE EDGE

will take a while to be realised.

We are hoping to complete the Canal City land sale to Eco World Development Group Bhd [308.72 acres for RM470.76 million] by this year-end. There were concerns about the leadership crisis in Selangor, but we have overcome them. We have received approval for the subdivision and are completing other formalities. We do not expect further issues with

the disposal.

In the medium term, once our balance sheet is strengthened, we will develop an investment portfolio of prime assets, which will include retail properties, such as the mall in Tropicana Garden in Kota Damansara, which will have a million square feet of net lettable area.

This is because as a developer, in the long run, we will have the best

of both worlds. Having a portfolio of property investments will give us recurring income. IGB Corp Bhd, for instance, has done very well. Eventually, our earnings profile will be 70% property development and 30% recurring income.

Once we have completed the transformation strategy, we will consider injecting our assets into a real estate investment trust (REIT). Look at Sunway Bhd ... when they listed the REIT, the 'son' was bigger than the 'father' due to its market capitalisation! REITs also command a yield of over 6%, which is very good return.

What kind of assets will Tropicana invest in, and why? What kind of yield are you expecting?

It is a bit premature to give a breakdown of the REIT now, but it will comprise properties, such as malls, offices and hotels, coming up in Penang, the Klang Valley and Iskandar Malaysia. It will also include holding assets of our education division.

We regard ourselves as a developer of integrated components. Now, we want to introduce education as a component. We are currently building St Joseph's Institution International (Malaysia) in the heart of Tropicana Gardens in Kota Damansara.

In St Joseph's case, there are two holding companies — one holding the assets and the other operating the school. The one holding the assets is us. We are targeting 1,700 to 1,750 students and a property yield of 8.5% to 9.5% in the medium to long term.

We are also talking to a big education provider for Tropicana Metropark in Subang. They will provide us a basic yield of over 5% and a share of the revenue. It's like a mall where you charge baseline rent and get a share

of the revenue. Once the mall is filled to capacity, the revenue share will be higher than the base rent, and that is where you get the money.

There is a tremendous upside in education because parents are concerned about their children's future, thus the very strong demand. Education for us is not merely a yield play — and I would really like to stress this — but a catalyst for our township. For instance, just by having an international school in Tropicana Gardens, we sold almost 90% of two apartment blocks [launched recently].

On paper, your minority stake in some of joint ventures does not look favourable to shareholders. On what basis do you take up a minority stake?

You must first understand why we entered into a strategic partnership with Agile. Firstly, it was to raise cash. So, if we took a majority stake, it would not help us to achieve this objective. Obviously, we did not sell the land cheap either. We sold it to Agile at RM3,280 psf, which was close to the market benchmark of RM3,299 psf. Don't you think that was a good price?

We believe in selling at a reasonable price, without much compromise. Of course, selling raw land is less profitable than developing it, but how much less profitable exactly? That is why we must sell at a fair market price. Even with Eco World, we sold them the Canal City land at a fair price. If it was expensive, [Eco World non-executive director] Tan Sri Liew Kee Sin will jump at me! (laughs)

You must also ask, why did we keep a minority stake instead of selling outright? We have other goals to achieve in this partnership. Agile is among the top 10 developers in China. I have seen some of their projects in Sanya and Guangzhou and they are world-class. Their job-sites are well managed and their entrance statements and landscaping are outstanding. We can actually learn much from them. Their style is also in line with our DNA, which is what differentiates us from other developers. It's very important to have a differentiation for your brand to command a premium.

They also have a strong marketing network in China and Hong Kong, so it helps with the sale of properties.

Then, why did they pick us? It's because they are new in Malaysia and this is their first major project here. So, in a way, they have endorsed us as a good developer that they can leverage, perhaps through our network here, be it our customers or the local authorities. So, we both benefit.

What are some of your upcoming launches and why do you think they will do well?

We have Tropicana Aman in Kota Kemuning, Tropicana Metropark and Tropicana Gardens.

Tropicana Aman is an 863-acre development that was part of the former Canal City. We are hoping to launch landed homes in 4Q2014-2015.

Over at Tropicana Gardens in Kota Damansara, we have plans to build.

We are also launching another block in Tropicana Macalister in Penang.

For 2H2014, we have tentative plans to launch over RM2.6 billion worth of properties with 83% of them in the central region. More than half of them will be landed properties. RM2.6 billion will be a challenging target to meet, but it was planned this way because the approvals for our projects are coming in around 4Q.

We believe that they will do well because of their locations and concepts, and they are preferred by owner-occupiers.

The industry largely believes the dampened sentiment will persist unless the cooling measures are revised or lifted. How will you cope?

In 1Q, we achieved almost RM1 billion sales compared with RM1.1 billion a year ago. We had launched only RM590 million [worth of properties] then, so most of the sales were from previous launches. We had embarked on a sales campaign, which garnered almost RM935 million in sales. So, under the current market environment, we think we have performed pretty well.

Our sales target was RM2 billion and it was an uphill struggle because of strict financing rules. There were quite a number of cancellations, but it was below the market average of over 40%.

To date, we have achieved RM2.2 billion to RM2.3 billion in sales, and now we are embarking on another programme, called Redefining the Art of Living, in conjunction with the opening of our flagship gallery at Tropicana City Mall. So, we are offering attractive packages with discounts and freebies.

But during a downcycle, this is where our differentiation comes in. Our projects are near public transport like the mass rapid transit or are in areas where there are hardly any big new launches like in Subang Jaya. Or they offer generous open space.

There are genuine buyers out there. But with banks getting stricter and the developer interest bearing scheme banned, the number of speculators and investors has gone down.

That's why we're aiming for owner-occupiers and upgraders. As their income grows, they will want to move to somewhere nicer where their children will enjoy growing up.

We also have the product range to address the downturn. If you look at our launches from 2013, almost all of them are over 60% sold. We cannot just look at Malaysians buyers. That is why we have our sales gallery in Singapore. We also have buyers from Hong Kong, China and Taiwan. Thus, it is important to look at regional markets.

Likewise, for our W Hotel and The Residences in KLCC, with its location and the upcoming high-speed rail, it will appreciate. But today, we cannot

Tropicana Corp Bhd

FINANCIAL YEAR-END DEC 31 (RM MIL)	2013	2012	2011	2010	2009
Revenue	1,475.5	630.4	375.2	292.3	311.8
Pre-tax profit	503.6	224.9	99.2	53.4	72.1
Paid-up capital	1,107.3	793.1	458.1	455.0	454.3
Shareholders' funds	2,570.3	2,098.6	1,038.8	975.0	839.8
Profit attributable to shareholders	362.3	171.1	77.0	43.3	50.5
Dividend payout ratio (%)	10%	15%	14%	24%	8%

COMPLETED PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM)	LAUNCH DATE	TAKE-UP (%)
Tropicana Golf & Country Resort (TGCR)	Resort-style township	2,553	More than 2.2 bil	Since 1992	100 for completed developments
Tropicana Indah Resort Homes (TIRH)	Resort-style township	2,026	Almost 2 bil		Some are still ongoing
Tropicana City	Mixed-use integrated development	Mall Serviced suites: 601 Office tower	Approx 650 mil	Since 2004	100
Grande Villas (located at TIRH)	2- and 3-storey bungalows	12 units	63.5 mil	2009	More than 92
Pool Villas (located at TIRH)	3-storey semidees	54 units	232.4 mil	2010	More than 96
Tropicana Grande (located at TGCR)	Condominium	328 units	692.4	2009	99

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV	EXPECTED LAUNCH
Tropicana Aman	Integrated development	-	RM13 billion	2015
Tropicana Danga Cove (phase 2)	Integrated development	-	RM12.1 billion	-

ONGOING PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM BIL)	LAUNCH PERIOD	TAKE-UP (%)
Tropicana Metropark	Integrated development	Phase 1 - Pandora: 627 Phase 2 - Paloma: 571 Courtyard villas: 16	7.1	June 2013	Pandora - 98 Paloma - 65
Tropicana Gardens	Integrated development	Phase 1 - Arnica residences: 336 Phase 2 - Bayberry: 413	2.6	Oct 2012	100 Over 90
Tropicana Heights	Township	Phase 1 - Fairfield Residences: 289	1.7	Feb 2014	Over 90
Tropicana Danga Bay	Integrated development	Phase 1 - Tropez Residences: 1,149 Phase 2 - Bora Residences: Tower A: 396	8.3	Dec 2011	Over 90 Over 60
Penang WorldCity	Integrated development	Phase 1: 906 Phase 2: 167	10	Sept 2013	Over 90 Over 63

design large units, so we are looking at 800 to 900 sq ft. It is a high-end project that will be priced at over RM2,000 psf, although we haven't finalised the actual price yet. So, the profile of buyers is different and will include foreign investors.

In Iskandar Malaysia, we must be very careful. You must understand that we do not launch when we are not prepared. So, we launch only when we have the right strategy to achieve a good take-up.

You mention that a lot of your plans were revised to allow more landed properties to be launched next year. How will it impact your bottom line?

Early on, our team told the whole world that we have a gross development value (GDV) of RM70 billion.

Now, we have changed it to RM50 billion. But that is just a number. What matters is the margin. What is the point of having a GDV of RM70 billion if you cannot sell your inventory?

Take, for example, Iskandar Malaysia where we have a joint venture with Tan Sri Lim Kang Hoo to develop Danga Cove, a 200-acre project in Danga Bay. It was initially planned as fully high-rise to maximise plot ratio.

However, let's not run away from today's reality, that the Chinese developers have come in and Iskandar Malaysia is now far too crowded, creating a temporary oversupply. But why is it temporary? Because we have confidence in Iskandar Malaysia's long-term prospects — it is so near Singapore, and Khazanah is trying to create something great there.

Our short-term strategy to deal with this temporary glut is changing our plans. We are delaying our launch and switching our plan to 70% landed and 30% high-rise because there is still a strong demand for landed properties in good areas if you price them right.

Like Walker Group's Senibong Cove, UEM Sunrise's East Ledang and Leisure Farm, their properties have appreciated much and are highly sought after.

So, earlier, we said Danga Cove had a GDV of RM13 billion to RM14 billion, but now, it has only RM8 billion. It is okay because we still can make over 20% or 30% in gross profit margin.

At the end of the day, we aim to optimise our revenue rather than maximise plot ratios. **E**

NO. 7 – IGB CORP BHD

A tradition of excellence and innovation

BY CHAI YEE HOONG

GB Corp Bhd, one of the biggest landlords in town, celebrates its 50th anniversary this year.

IGB managing director Datuk Seri Robert Tan tells *The Edge* that the year has been eventful for the group, with an increase in profits and many strong current and future projects, both in Malaysia and abroad.

Domestic and international property development plans worth RM15 billion in gross development value (GDV) will keep it busy for the next three to five years.

Major new projects include the 36-acre Southkey development in Iskandar Malaysia, Johor, which hopes to replicate the success of Mid Valley City integrated development in Kuala Lumpur. Another project is an integrated commercial development, 18@Medini, on an 18-acre tract in Iskandar Malaysia's Medini Zone, in partnership with Distinctive Group.

On the global front, IGB is involved in a mixed-use development project in Blackfriars, London, which has an estimated GDV of RM4.2 billion and will offer 1.5 million sq ft of built-up space in the West End.

The group is also making its presence felt in Thailand, where it announced a 49:51 joint venture with Immortal Group Co Ltd and Theekharoj Piamphongsarn in August to develop a mixed-use development on 19 freehold lots in Bangkok.

Since its establishment in 1964, IGB has been a trailblazer in the property development industry. It built Malaysia's first high-end condominium (Desa Kudalari), first hotel apartment (MiCasa All Suite Hotel) and first gated community (Sierramas in Sungai Buloh). More recently, it opened the IGB International School in Sierramas — the first in the country to provide the full International Baccalaureate (IB) programmes to students at all grade levels. The RM200 million school commenced operations in July this year with a maiden batch of 150 students.

Today, IGB has become known as an asset builder that focuses on harnessing recurring income from its property investment and hospitality businesses across Asia, Australia, the US and Europe.

Its 50-acre Mid Valley City — including The Gardens Mall and Mid Valley Megamall — offers a combined 2.5 million sq ft of retail space, making it the country's largest shopping mall. According to an announcement on Bursa Malaysia, for 2Q2014, the retail division — placed under IGB Real Estate Investment Trust in 2012 — reported total revenue and net property income of RM229.6 million and RM156.1 million, an increase of about 10% and 12% respectively from last year.

IGB, which now has close to 6,000 rooms globally, plans to expand its hospitality footprint internationally to major cities in Europe and Africa in the next two years.

IGB Corp Bhd

	2014	2013
Overall	7	5
Quantitative	7	6
Qualitative	10	4

Its residential property development division has on the drawing board a RM2.05 billion township in Kundang, Selangor, which is expected to be launched in mid-2016. Last month, the group's property division, Tan & Tan Development Bhd, signed a JV agreement with Japan's Mitsubishi Jisho Residence to develop a 41-storey serviced apartment called Stonor 3 in Kuala Lumpur, with a GDV of RM617 million. It is expected to be launched in the middle of next year.

IGB recorded a net profit of RM307.540 million in financial year ended Dec 31, 2013 (FY2013), an increase from RM222.044 million in FY2012, on revenue of RM1.091 billion, 10% more than the RM993.851 million a year earlier.

For the six months ended June 30, 2014, net profit grew 14% to RM124.9 million from RM109.1 million a year ago while revenue was higher by 19% at RM589.13 million compared with RM494.84 million a year ago.

Tan shares more details on IGB's various upcoming projects and its plans for future growth.

The Edge: How have the past 12 months been for IGB and what are your priorities moving forward?

Datuk Seri Robert Tan: It has been an eventful year with an increase in profits and a lot of projects in the pipeline. We have finally signed up with the JV partner in London for 1.5 million sq ft of built-up space in the West End location just across the river. The area has universities, including The London School of Economics and Political Science and The Royal College of Surgeons of England, Fleet Street and most of the Inns of Court, thus location-wise, it is very good. We will sell the residential component and hopefully, that will be able to recoup the cost of the whole development.

Improvements were recorded in all segments of the group's core businesses, which include property investment, hotels and property development. Property investment comprises the retail and office/commercial assets.

We will still be doing property development in terms of retail, hotels and hospitality. As for residential property development, it is difficult to compete with other developers that have huge tracts such as palm oil and rubber land that can be converted into residential land. We have to keep moving and we don't intend to compete with them.

We are in a niche market and we are fortunate enough to have a few properties that can generate recurring cash flow. Over the years, we have



KENNY YAP/THE EDGE

“I have one of the best teams in the world, not just in Malaysia. We can do everything in-house, from design to leasing, from retail to marketing.”

– Tan

built up a huge portfolio of assets that is worth a lot and we can build on with the cash flow that we have.

Barring unforeseen circumstances, the group is optimistic that operational results will be better than the previous financial year.

What are your strategies to grow the company in the short and medium term?

The group intends to grow mainly through the major developments in the pipeline, which will further enhance the already-substantial recurring income stream and increase the value of assets.

Some of the major developments include the Southkey development in Johor and the Blackfriars development in London.

Apart from that, we also recently announced that we had bought a piece of land in Bangkok near the new

parliament. The project is a 49:51 JV as we cannot have more than 50% in Thailand. We will be using the same modus operandi, which is to sell the residential [component] and keep the hotel, along with a small part of retail and commercial.

In addition, the group's strong cash flow allows us to seek strategic assets in suitable locations in Malaysia and overseas to build on core businesses and enhance revenue and profitability.

How has your brand evolved over the years and what qualities do you think can be improved on?

The group has several brands, a number of which have become household names such as Mid Valley, The Gardens, Tan & Tan, Cititel, St Giles and MiCasa.

These brands have been built up carefully over many years and have become synonymous with quality and excellence in delivery.

The group is continually building its brands, especially those which have not yet attained the level enjoyed by its established brand names.

Some developers have reported slower sales this year due to cooling measures. What are your strategies in the current environment?

The group has evolved from a traditional property developer to property investor. As a result of the growth in its property investment and ho-

tel businesses in recent years, the property development arm only contributes 16.5% of total revenue. And given our niche property development projects in recent years, the group is relatively well-shielded from any slowdown in property sales. The latest residential developments such as G Residence at Desa Pandan and Three28 Tun Razak at Jalan Tun Razak in Kuala Lumpur have seen sales of 97% and 98% respectively.

Going forward, the group will continue to offer niche properties in strategic locations.

What measures have you taken to deal with the Goods and Services Tax (GST) introduction?

We have changed our accounting system to be fully GST compliant and have also engaged an external consultant to assist us with the implementation process. We have also initiated and completed our impact studies and the group is ready for registration.

Please share with us a few of your upcoming projects, and why you believe they will do well?

For the Southkey development, the acquisition of the asset was completed in September 2013 and the group is on track to develop a 5-storey retail podium, office towers and hotels/serviced apartments, with the construction of the entire project to be undertaken in stages. The development has an estimated GDV of RM6 billion and will be constructed in phases with the first phase in the region of RM4 billion in GDV.

The development will be adjacent to the Eastern Dispersal Link (EDL) and is minutes away from the Customs, Immigration and Quarantine complex in Johor Baru.

The acquisition of asset for the 18@Medini project was also completed in September 2013 and the group intends to develop serviced apartments, an office tower, shopoffices and a retail podium. Similar to the Southkey project, construction of the entire project will be undertaken in stages.

The project is located in the prime Zone A in Medini and is expected to yield an estimated GDV of RM2 billion.

For the Blackfriars development, the acquisition of the asset was completed in May 2014 and the current approved planning permission (consented scheme) allows for the construction of a residential tower, an office tower and low-rise buildings. The group intends to apply for an amendment to the current approved planning permission scheme, which will include a hotel component.

The property is in a strategic and central location in the southwest of London, with good public transport links, with Southwark London Underground station (Jubilee Line) ap-

CONTINUES ON PAGE 84



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Tan: Passion will see you through good and bad times



The Blackfriars development in London will offer a built-up area of 1.5 million sq ft

FROM PAGE 82
proximately 400m to the south and Blackfriars station, which provides both main line and London Underground (District and Circle Lines) services at approximately the same distance to the north. In addition, numerous London bus routes operate along Blackfriars Road.

The transaction (which is pending completion) for the Chao Phraya project in Thailand involves the acquisition of 49% of shares in Crystal Property Asia Co Ltd, which will own a 5.8-acre site at the Bang Sue district in Bangkok. The project site fronts the Chao Phraya River.

Subject to the agreement of business partners and approval by the relevant Thai authorities, the development is anticipated to include residential, commercial and hotel components.

What challenges do you foresee in the property market and the company in the coming year? How will you address these challenges?

Barring unforeseen circumstances, we expect the local property market to remain stable in the year ahead. Having said that, the biggest challenges are external factors primarily the global economy. Although the economy in Asia is relatively stable, a cushioned contagion effect cannot be discounted if the US and European economies do not perform or recover based on market expectations in 2015.

Malaysia's population stands at 30 million (based on estimates as at July 2014) and continues to grow at

an estimated rate of 1.47% per annum with a median age of 27.7 years. Of this, 72.8% of the population is urban-based with an annual rate of urbanisation at 2.49% for 2010-2015. As Kuala Lumpur and the Greater Klang Valley continue to be the most populated area with more than eight million people, and given the relatively young demographics, we expect the demand for residential property to continue into the foreseeable future.

The main challenge for the group is in delivering value for money properties at different price points, given the rapidly rising cost of land and building materials. Such cost increases may be mitigated through innovative designs and products.

Which cities are you looking at to expand your hotel business?

We will most likely stick to the UK for now.

Is IGB still looking to inject the Johor assets into its REIT?

Eventually, as it takes time for it to mature.

What is your take on the build-then-sell concept the government is looking to implement?

At the end of the day, all costs will still be passed on to the purchaser as developers will need to maintain a certain margin to make their commercial ventures worthwhile.

What are the factors that contributed to IGB's success?

IGB Corp Bhd

FINANCIAL YEAR-END DEC 31 (RM MIL)	2013	2012	2011	2010	2009
Revenue	1,091,131	993,851	772,129	719,360	642,442
Pre-tax profit	404,559	366,198	357,504	277,922	221,536
Paid-up capital	682,399	745,148	745,148	745,148	745,148
Shareholders' funds	4,415,331	4,140,642	3,424,000	3,105,589	2,856,493
Profit attributable to shareholders	210,079	180,190	237,650	174,617	158,978
Dividend payout ratio (%)	27.6	35.7	30.8	29.6	15.3

COMPLETED PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM MIL)	LAUNCH/OPENING DATE	TAKE-UP (%)
Seri Ampang Hillir, KL	Condominium	40	93	May 2010	90
Garden Manor, Sierramas	Strata villas	41	66	Feb 2010	100
IGB International School, Sierramas	International Baccalaureate School	-	200	Aug 2014	-

ONGOING PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM MIL)	LAUNCH/OPENING DATE	TAKE-UP (%)
G Residence, KL	Serviced apartment	474	365	Feb 2012	97
Three28 Tun Razak, KL	Serviced apartment	166	166	Sept 2013	92
Tankstream Hotel, Sydney	Hotel	285	255	-	-
St Giles Wembley and Cititel Express Hotels, Penang	Hotel	415+234	270	-	-
Park Manor, Sierramas	Strata villa	41	170	Dec 2014	-

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM)	EXPECTED LAUNCH
Damai Residences, KL	Condominium	31	70 mil	Nov 2014
Stonor 3, KL	Serviced apartment	400	617 mil	June 2015
Melawati, Selangor	Bungalows	130	390 mil	Dec 2015
Kundang North, Selangor	Township	4176	2.05 bil	June 2016
Blackfriars, London	Mixed-use development	500	4.2 bil	June 2016
Southkey, Johor	Mixed-use development	-	6 bil	Dec 2019



The Southkey development in Johor will comprise a 5-storey retail podium, office towers and hotels/serviced apartments

With the help of a good team! And I have one of the best teams in the world, not just in Malaysia. We can do everything in-house, from design to leasing, from retail to marketing. This is something that we are proud of and, over the years, have built on. This is a team that I treasure, and that I can bring anywhere in the world and can perform well.

You also need to have passion to see you through the good and bad times.

When I first started, I did not have much experience when it came to retail. When it comes to retail, I

am neither an architect nor engineer, but I always tell people that I am a good shopper. The first thing I do when I visit other countries is to drop my bags and go shopping as I love to shop. When my friends tell me that I should have my own department store since I love shopping, I thought that was a good idea. I now have a shopping mall which I can go to anytime. So you can call shopping my inspiration, aspiration and passion.

How is the hotel business doing?

It is doing better than last year but fell below our target due to the MH370 and MH17 tragedies, which affected some of the hotels, especially the Chinese market. Nonetheless, we are still up from last year.

What is your outlook on the property market in 2015?

It really depends on the location. There is still high demand for landed property in good locations, whereas for high-rise projects, there is still demand especially in the city centre, albeit rather slow.

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NO. 8 - EASTERN & ORIENTAL BHD

Standing on discipline and prudence

BY LAM JIAN WYN

When Eastern & Oriental Bhd (E&O) managing director Datuk Terry Tham shored up his shareholdings to 15% in May, it was a reassuring sign for stakeholders of his commitment to the company's long-term goals and of his role as E&O's lynchpin.

After taking over Jack Chia Enterprises Bhd, owner of the 129-year-old trophy asset Eastern & Oriental Hotel (E&O Hotel) in Georgetown, in 1994, Tham renamed the company to capitalise on the property's heritage and cultivated its new identity as a developer of luxury properties that defined the concept of 'lifestyle' properties.

Some of its benchmark-setting projects include Idamansara luxury bungalows and semi-detached houses at Damansara Heights, Dua Residency condominium in Kuala Lumpur and the Seri Tanjung Pinang township in Penang.

E&O has invested heavily into the brand, some may say unnecessarily so. This strategy put E&O in a unique position, as its name carries weight but it lacked the financial heft to propel itself further among the big league property players — until now.

In 2013, the group embarked on a three-year plan to achieve a cumulative profit after tax (PAT) of RM450 million for the financial years 2014 to 2016. In the first tranche of this period, E&O has achieved a PAT of RM119.97 million, putting the company on track to achieve its goals. Coupled with its enlarged market capitalisation of RM3 billion, the group is also embarking on its "game-changer" — the 760-acre Seri Tanjung Pinang phase 2 that Tham says will not only be a new Penang landmark but also showcase the group's full capabilities.

In addition, the group had also entered into strategic partnerships with Khazanah Nasional Bhd to develop Avira, a 208-acre wellness-themed township in Medini, Johor, and with Sime Darby Property Bhd to build yet another wellness-themed township on 135 acres in Elmina West in Shah Alam, Selangor.

This sterling performance, coupled with an enlarged land bank and strategic partnerships, has helped E&O return to its position among the Top 10 of *The Edge Malaysia* Top Property Developers Awards 2014. The group and its subsidiary, E&O Property Development Bhd, had ranked among the Top 10 from 2007 to 2009.

How long does Tham plan to stay on? In response, he thrusts a supple palm towards this writer. "Do you know palmistry? Read my lifeline and tell me how much time I have left!" he deadpans. Jokes aside, he gives his word that he will lead the company for as long as he can, "God willing".

Tham speaks to *The Edge* about what's in store for E&O.

The Edge: How have the past 12 months been for E&O and what are your priorities moving forward?

Eastern & Oriental Bhd

	2014	2013
Overall	8	11
Quantitative	20	18
Qualitative	3	6

Tham: E&O's performance over the past 12 months is the result of a conscious long-term strategy that is firmly predicated on prudence and discipline, where steady, sustained growth is our cornerstone.

This is an over-riding priority that is consistently applied, coupled with our ability to be agile and flexible in response to market conditions within an industry that faces cyclical opportunities and challenges.

Property development is a business that is built over a long-term period. As such, within our longer-term business strategy, E&O adopts a regular mid-term business plan to chart our growth and monitor our progress over a three-year period.

E&O may be considered conservative in our expansion and risk appetite, but I believe our safe and steady route with a longer term view has served the company, our employees, shareholders and stakeholders well. We have weathered many a storm but have endured and emerged financially sound and more resilient.



PATRICK GOH/THE EDGE

I envision E&O as a brand of distinctively desirable experiences whose value appreciates and prestige endures. — Tham

How has your brand evolved over the years, and what can be improved on?

A brand takes time to nurture and establish. From the very outset in 1994, I was clear that brand-building was imperative for E&O. Instead of focusing solely on the bricks and mortar of property development, many questioned the time and investment spent on what was perceived as an intangible, immeasurable and even unnecessary element of branding.

When I became the custodian of the heritage landmark E&O Hotel, I wanted to build the E&O name to be one that stood for distinction and discernment, a brand that would remain acclaimed and aspired the world over. My original intention for the brand remains unchanged.

We have made positive strides in brand recognition over the last decade because I am no longer mistaken as a luxury train driver when I give out my business card [in the UK]. And it is not just the E&O Hotel that the brand is associated with. Today, with our expertise in luxury hospitality, we have extended E&O's brand cachet to the design and development of premier properties, as well as made our first footprint abroad in Central London.

Nevertheless, I believe the potential for E&O is so much more. Ultimately, I envision E&O as a brand of distinctively desirable experiences whose value appreciates and prestige endures; a name that stands the test of time.

Some developers are reporting slower sales due to cooling measures. What are your strategies in the current environment?

The property development market is cyclical. Uncertainties in geopolitics, macroeconomics as well as regulatory changes on the national level all play their part in an evolving market environment. Our prudent and disciplined approach has served us well through both good and difficult times. Equally important is the ability to be agile and flexible in responding to change and being creative in finding effective solutions. This applies to the full scope of E&O's business operations, from re-designing the size of residential units to the structure of financial instruments in fund raising.

Geographical diversification of our property development portfolio can help to mitigate cyclical effects. Hence, the four growth engines identified by E&O in distinct regions help us to manage risk, remain competitive, and take advantage



PICTURES BY E&O

An artist's impression of the completed Seri Tanjung Pinang phase 1 in Penang

Our shareholder's fund currently stands at RM1.5 billion, gearing is at a very respectable 0.3 times, and our market capitalisation is approximately RM3 billion, whilst local and foreign analysts provide a revalued net asset valuation figures that surpass RM4.5 billion.

Based on E&O's recent full-year results, we are on track with our three-year business plan target of achieving cumulative PAT of RM450 million to RM500 million for the financial years 2014 to 2016. In the first tranche of this business planning period, we achieved PAT of RM119.97 million.

Over the next 24 months, we will continue to focus on our upcoming

launches in Penang, Iskandar Malaysia in Johor and Kuala Lumpur that will put us in good stead to achieve our three-year PAT target.

However, the challenge is in preserving the brand as the company grows. So, we have embarked on an aspirational positioning. Aspiration here means it's not just about a house, but it is the whole experience, such as living by the sea in the case of Seri Tanjung Pinang (STP).

What is your strategy for growth in the short and medium term?

Earlier in May, I raised my stake in E&O, a move which the market correctly read as a firm signal of my commit-

ment towards E&O and to work with my key senior management team to steer the vision and progress of the company. We have charted a medium-term business plan spanning our 2014 to 2016 financial years. The five tenets of E&O's business plan are to:

1. Strengthen and enhance our brand presence;
2. Expand our strategic alliances;
3. Operationalise our growth engines;
4. Generate significant bottom-line growth and sustainable profits; and
5. Become an employer of choice.

The last point requires that we retain talent — that we have their full commitment to grow the company further.

AVIRA

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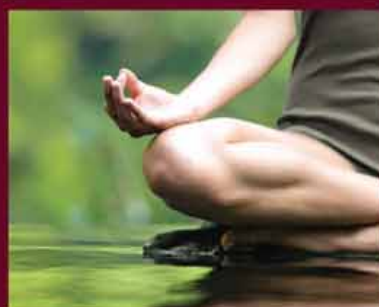


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Developer: Nuri Merdu Sdn. Bhd. (943261-A). Level 3A (Annexe), Menara Milenium, 8 Jalan Damanlela, Damasara Heights, 50490 Kuala Lumpur, Malaysia. Tel: 03 20956868 Fax: 03 20950293. Developer's License No.13444-1/04-2016/0304(L)(Validity Period: 05/04/2014-04/04/2016). Tenure of Land: Lease Tenancy. Expiry Date: 26/06/2110. Restrictions of Interest: Land delineated in this title shall not be sold or transferred by any means to Non-Citizens/Foreign company without the consent of the State Authority. Expected Completion: April 2016. Approval Authority: Majlis Perbandaran Johor Bahru Tengah. Building Plan Approval Authority: Majlis Perbandaran Johor Bahru Tengah (No. Rujukan: (21)d/m.MPJBT(JB)RP 9A/3/2013). Sales & Advertising Permit: 13444-1/04-2016/0304(P)(Validity Period: 05/04/2014-04/04/2016). Land Encumbrance: Public Investment Bank Berhad. Total Units: 208 units. Property Type: Double Storey Terraces. Prices: Min RM1,760,000 Max. RM2,600,000.



Steady, conservative approach draws strong partners

FROM PAGE 86

where opportunities are present. Last but not least, our consistent investment in brand building not only helps to market our projects, but enhances the value of our products so that even in a softening market, I am heartened to be told that an E&O property is purchased and kept as a prized asset to be held for the next generation.

What measures have you put in place to deal with the introduction of the GST?

It is not surprising that GST is a hot topic given its far-reaching impact on practices, processes and bottom lines. We are taking all necessary steps to ready ourselves for GST and these include installing relevant processes and systems as well as educating our staff.

What are some of E&O's new projects over the next 24 months and why will they do well?

Let's start off with Andaman Edition 18 East. The project is within the seafront development of STP. It is the last of the three blocks that are part of the seafronting Andaman Series to be launched. The first two blocks have been substantially sold. It is the only condominium in Malaysia to have a 4.5-acre waterpark set within seven acres of landscaped greenery and resort facilities such as a gymnasium and cinema exclusively for the use of residents. People have started moving into the earlier completed blocks, so when you move into the last block you will be living in a fully-matured and landscaped neighbourhood.

Meanwhile, Avira Garden Terraces offers the first landed homes in Medini, Iskandar. We are preparing to launch the second phase. The first phase is already close to 80% sold. At 207 acres, the integrated masterplanned development should keep us busy for another 8 to 10 years. Avira will bring to life our vision of a wellness haven anchored by a 12.5-acre wellness sanctuary.

We are also refurbishing Princes House in the Borough of Westminster in London. We are in negotiations for the en bloc sale of the serviced residence component while keeping a look out for new opportunities overseas. Because it is near several universities such as the University of London, London School of Economics and the Inns of Court, it is very sought-after by parents of students of these institutions. On the horizon, we had recently

acquired 135 acres of land at Elmina West from Sime Darby. It marks our first opportunity to showcase E&O's successful track record in masterplanned development in Greater Kuala Lumpur. It will also be a wellness-themed project.

What is the latest on Seri Tanjung Pinang phase two (STP 2)? How will it differ from phase one (STP)?

In April 2014, we received the environmental impact assessment approval from the Department of Environment. In June 2014, the masterplan was endorsed by the Penang state government. We are now obtaining approvals for reclamation works. Should we start reclamation by middle of next year, we would be ready to launch our first phase by 2018 or 2019.

It promises to be a catalyst and a game changer for E&O. Without revealing too much, I will say it will be more inclusive and complete than STP. It will be for all walks of life, for different needs, yet still embody discernment. The term used by our architects is 'exemplar'. We are looking at distinguished capital city projects in the UK and the US.

With STP, we were cautious and kept it low-density. Andaman is the last phase of STP and while it was marketable, it was not as profitable. Now, with our vastly-improved financials, we can do more with STP 2.

What are the challenges for the property market and the company in the coming year? How will you address these challenges?

The market has slowed down over the past 12 months. Let's not pretend that things are going well. Nevertheless, we remain consistent in our business philosophy and approach of being prudent and disciplined, yet agile, creative and responsive to change.

For this reason, we plan for the mid-to-long-term guided by our three-year business plan. Our 2014-2016 financial years focus on forging strategic partnerships, fortifying the brand, building a sustainable financial position, diversifying our geographical reach and building our internal human and technical capabilities.

I believe this steady, albeit conservative, approach has attracted esteemed partners such as Sime Darby, Khazanah, Temasek and Mitsui Fudosan to forge business links with us and allow our stakeholders to benefit with us.

Eastern & Oriental Bhd

FINANCIAL YEAR-END MAR 31 (RM '000)	2014	2013	2012	2011	2010
Revenue	497,141	605,536	492,151	271,271	352,375
Pre-tax profit	167,173	187,271	171,172	48,154	93,276
Paid-up capital	1,135,622	1,135,622	1,133,463	842,592	761,744
Shareholders' funds	1,474,912	1,389,868	1,289,523	1,058,237	1,043,259
Profit attributable to shareholders	113,239	129,556	123,296	32,880	70,765
Dividend payout ratio (%)	29%	29%	29%	41%	31%

COMPLETED PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM MIL)	LAUNCH DATE	TAKE-UP (%)
Quayside Seafront Resort Condominiums, Seri Tanjung Pinang, Penang	Condominiums	698	980	2010-2011	98
Seri Tanjung Pinang, Penang - others	Courtyard terraces, semi-detached homes, serviced suites, Villas By-the-Sea	851	3,200	2005-2010	100
St Mary Residences, Kuala Lumpur	Condominiums	442	848	2009	97

ONGOING PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM MIL)	LAUNCH PERIOD	TAKE-UP (%)
Avira, Garden Terraces (Phase 1), Medini, Iskandar Malaysia	Terraced	208	280	2014	80
The Mews, Kuala Lumpur	Serviced residences	256	400	Sept 2013	100 - non-Bumi units
Princes House, London	Private and serviced residences	20 private residences 34 serviced residences	300	Feb 2014	100 - Private residences En bloc sale under negotiation for serviced residences
Andaman at Quayside, Seri Tanjung Pinang, Penang	Condominiums	338	940	2011-2012	85
Super Link Villas, Seri Tanjung Pinang, Penang	3-storey super terraced homes	29	110	Feb 2014	70

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM MIL)	EXPECTED LAUNCH
Andaman Edition 18 East, Seri Tanjung Pinang, Penang	Condominiums	210	640	2H 2014
Avira Medini, Johor	Mixed-use development	3,492	3,200	Est 8 years development period
Jalan Kia Peng, Kuala Lumpur	Serviced residences	-	820	2016
Elmina West, Selangor	Mixed-use development	2,654	1,600	Est 8 years development period
Seri Tanjung Pinang Phase 2, Penang	Mixed-use development	-	-	Est 20 years development period

Straits Quay (retail component in STP) is very vibrant during holidays and weekends, but on most days it is the opposite. How does E&O deal with this?

Straits Quay was not designed as a conventional large-scale retail mall per se, but part of the STP masterplan, serving the needs of its residents and neighbouring communities. F&B forms a significant component while for cultural pursuits, we invested RM8 million to set up the first dedicated performing arts centre in the northern region, Penang PAC.

To date, the 240-acre STP comprising mainly landed homes is a thriving community of 2,000 households representing close to 20 nationalities. Higher density projects within STP are in stages of being handed over and occupied, such as the 698-unit Quayside condominiums. Forthcoming developments include the 548-unit Andaman condominiums and 18-storey office block adjacent to Straits Quay.

Taking note of this emerging population, Sam's Groceria recently opened in August, bringing a 10% rise in footfall to Straits Quay. Whilst we are constantly reviewing the tenant mix and

creating new promotional activities, it will take a couple of tenure cycles to achieve critical mass and realise its full potential.

What are E&O's plans for its hotels and restaurants?

Currently, the hospitality division has 512 keys under its direct ownership and full management. The E&O Hotel has a total of 222 suites, 100 suites at the Heritage Wing and 122 suites at the Victory Annexe which opened in March 2013 at an investment of RM115 million.

Along Batu Ferringhi, the Lone Pine Hotel has 90 rooms after refurbishment was completed in 2010 at a cost of RM53 million.

Both hotels in Penang have a special place in the island's history and hearts of Penangites. The Victory Annexe suites had a solid debut of 67.5% average occupancy and average room tariff of RMRM550 a night. In Kuala Lumpur, we have the hospitality management contract for E&O Residences, a tower of 200 serviced apartments within our development at St Mary Residences on Jalan Tengah. They are popular with senior management expatriates as well as tourists travelling with families.

Largely due to the additional rooms to our inventory, hospitality revenue saw a 35% increase in FY2013/2014 at RM85.35 million, contributing 19% of the group's total revenue.

We are open to evaluating more hospitality management contracts when the right opportunities arise.

Our F&B segment is seeing the consolidation of Delicious cafes. We have also responded to current consumer appetite for fast, simple yet satisfying value meals with our new concept called Simplyd.

Our hospitality and F&B divisions provide an important lifestyle complement to our core business of developing premier properties with innovative concepts in key locations. I would stress that property development is the business E&O knows best and will continue to focus on.

Are you planning to raise your stake further in E&O?

Subject to affordability, I would not be wrong to hope to own as many E&O shares as possible. The more important consideration is how quickly and strongly I can help build value in E&O to benefit all shareholders, including me.



St Mary Residences in Kuala Lumpur



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NO. 9 - MAH SING GROUP BHD

Staying on top of the game

BY ZATIL HUSNA WAN FAUZI

Under the leadership of group CEO and managing director Tan Sri Leong Hoy Kum, Mah Sing Group Bhd has thrived and firmly established itself as one of the leading property developers in Malaysia.

The group has come a long way from its days as a plastic trading company. It ventured into property development in 1994, completing four projects in six years. The first project was a mixed development in Hulu Selangor, named Taman Desa Ulu Yam. The RM21.5 million development comprises 223 units of medium-cost houses, 244 low-cost houses and 19 commercial shoplots.

In 2000, it successfully launched its first lifestyle township, Sri Pulai Perdana, in Skudai, Johor. To-date, it has 48 on-going projects. Unbilled sales stand at RM66 billion from property hot spots in Greater KL, Iskandar Malaysia, Penang and Sabah.

Mah Sing has ranked among the Top 10 of *The Edge* Top Property Developers Awards since 2010 and the Top 30 since 2005.

Much has changed in the past 20 years, Leong recalls. "What buyers wanted then is different from what buyers want now. Back then, purchasers wanted a house but now they want a lifestyle and good living environment." Leong has worked to ensure that Mah Sing delivers those criteria in its products. The effort is reflected in the strong sales.

Mah Sing recorded sales of RM1.55 billion for the first half ended June 30, 2014. Its net profit jumped 21.2% to RM168.8 million while revenue rose 49.9% to RM1.3 billion compared with the same period last year.

The group has a sales target of RM3.6 billion for FY2014, which Leong is confident of meeting, based on its 1H2014 results.

While sentiments remain cautious in the market among buyers and developers due to the recent cooling measures, Mah Sing has been busy acquiring more land. So far this year, the group has acquired three new land banks worth a total RM25.3 billion in Seremban (1,051 acres), Puchong (88.7 acres) and Pasir Gudang, Johor (1351.8 acres).

"Over the past two to three years, our land banking strategy has been more focused on locking in larger tracts of township land for the affordable range of mid-end products, such as our Southville City @ KL South development in Bangi," says Leong.

Leong shares with *The Edge* the group's upcoming launches and future growth plans.

The Edge: How have the past 12 months been for Mah Sing Group and what are your priorities moving forward?
Tan Sri Leong Hoy Kum: We're satisfied with our performance for the past 12 months but we mustn't be

Mah Sing Group Bhd

	2014	2013
Overall	9	10
Quantitative	13	14
Qualitative	6	5

complacent. We have acquired three big tracks of land in good locations for development, such as Lakeville Residence in Kepong. Moving forward, we would like to continue with township developments as well as strategic commercial or mixed and industrial developments. For 2014, 87% of our target residential launches comprise mainly mass to mid-segment products priced up to RM1 million.

We will continue to focus on the mass and mid-segment market. Going forward, we will continue with our fast turnover model even for our township land. We will keep our sales momentum going and keep searching for new land.

We aim to build products that are rightly priced without compromising on the quality of our products and we intend to continue offering award-winning properties.

What is your strategy to grow the company in the short and medium terms?

Our strategy is to continue selling our existing products as well as keep searching for strategically located land that will support our business model.

Our medium-term plan includes diversification, as we want to explore areas such as real estate investment trust (REIT) and investment property projects for recurring income, such as our D'Sara Sentral mall in Sungai Buloh.

In the long run, we may venture overseas to keep our sales growth at 20% per annum. Our foreign purchasers are only about 10%. A point to note is that foreign buyers only target selected locations such as Iskandar Malaysia, KL city or Penang. We can expect our foreign purchasers to grow to 20%. Going forward, we will offer high-end products overseas.

We see growing interest from China, Hong Kong, Macau, Taiwan, Japan, Singapore and Indonesia. We have set up a sales office in Shanghai and a property gallery in Singapore - these offices will serve as one-stop centres for international buyers.

Please share with us a few of Mah Sing's upcoming projects and tell us why they will do well?

Some of our upcoming launches will be in the last quarter of 2014 in the Klang Valley, Iskandar Malaysia and Penang. We plan to launch our serviced apartments in D'Sara Sentral, Sungai Buloh and Canal Link @ M Residence in Rawang. In the Iskandar region, Meridin BayVue @ Sierra Perdana and Bandar Meridin East in Pasir Gudang are in the pipeline. Penang can look forward to The Coastal @



KENNY YAP/THE EDGE



PICTURES BY MAH SING GROUP

Mah Sing plans to keep the retail component of D'Sara Central for recurring income

Southbay City and Ferringhi Residence in Precinct 2.

The property market's prospects will continue to be positive in the mid to long term as the population is projected to grow. In the Klang Valley, it is from seven million to 10 million in 2020. Location-wise, our focus is still Klang Valley and projects here are expected to contribute 60% to our sales this year, followed by Johor Baru at 23%, Penang at 10% and Kota Kinabalu, Sabah, at 7%.

How do you differentiate yourself from other developers?

Our tagline is "a premier lifestyle de-

veloper". Our buyers view our brand as one that gives value and lifestyle. Going green is part of the current lifestyle - it covers a lot of things. For Mah Sing, premium doesn't define the price, it defines the quality. Take the Savanna executive suites that we launched this year, which is part of our Southville City development. The suites have built-ups of 956 sq ft to 1,071 sq ft, and are priced from RM338,000.

We don't replicate ideas and concepts. We strive to come up with different ideas and concepts because we believe that this allows us to stay on top of the game.

Location, concept, design and pricing are the key points for us in creating a product. All of our 48 projects are well-located because we believe that good location and concept will enable us to offer something different.

Southville City @ KL South, located in Bangi, is a unique conceptualised product offered at affordable prices but with executive facilities that residents can enjoy. Also, landscaping has become a necessary part of a development. Nowadays, building homes isn't just about the building but also the environment - it's about how the residents will live

“Today, in order to stay as a Top 10 developer, you have to be innovative, creative and care about the environment, and be sustainable while delivering good quality – Leong”

I believe there is still a large supply-demand gap as supply growth for properties has been on a decreasing trend since 2008. Supply in 2013 grew at only 1.9%. This contributes to the increase in house price appreciation and strong take-up. Mah Sing still sees very strong sales, helped by our mid-range mass-market products.

The strong fundamentals that have been driving the property market's growth in recent years have not changed — the younger population continues to set up new households and factors such as the rising middle-income group, supply demand gap, stable employment conditions and continuous urbanisation remain. Demand is still strong from those buying to own or invest, which is why our products are targeted at this market.

What measures are you taking to deal with the implementation of the Goods and Services Tax (GST) next year?

Some of the measures being considered to mitigate the GST's impact include the use of non-conventional methods of construction, and review of design and architecture to ensure high buildability index. I believe there could be a temporary adjustment period post-GST. However, with healthy fundamentals such as low unemployment rate and on-going infrastructure projects like the mass rapid transit (MRT) and Singapore-KL high speed rail, supply shortage of properties in key growth locations

within the community of the development.

For every development that Mah Sing takes charge of, I ask my team, 'What can we aspire to do for this project to continue to inspire our buyers?' Otherwise, there would be nothing to differentiate us from other developers. We have built our name in the last 20 years with continuous improvements and creating practical layouts.

Today, in order to stay as a top 10 developer, you have to be innovative, creative and care about the environment, and be sustainable while delivering good quality.

How has your brand evolved over the years and what qualities do you think can be improved on?

We transitioned from manufacturing plastics to property development. When we took the leap, we decided to go with the medium-upper to high-end market to carve out a niche in the crowded market place. However, over the years, we have evolved from building houses to building communities. Currently, we have a full range of products ranging from integrated, residential, high-rise and landed to commercial and industrial.

Even with all our experience, I believe we still have much room for improvement. You have to understand that buyers will never be 100% satisfied, so they will continue to expect us to improve.

We are considered by our buyers to have provided products of good quality, so they have confidence in us. Every developer has its group of followers and we have ours, too. We have the MClub, our loyalty programme, with 17,000 members. They are well taken care of; we give them special discounts or benefit for the second property they purchase from us. The club gives us a platform to communicate with our buyers. We cannot promise zero defects but most important is the speed of response to rectify defects.

Some developers have reported slower sales this year due to the cooling measures. What are your strategies in the current environment?

will stabilise the property market post-GST.

Mah Sing has been in the property industry for 20 years, how has the property landscape changed over the years?

Customers' expectations have changed. Buyers then were less picky; all they used to worry about was whether or not they could get a unit. Now, buyers are more knowledgeable. Everything about a development matters to them and it's not just about the house. They look at the

Mah Sing Group Bhd

FINANCIAL YEAR-END DEC 31 (RM '000)	2013	2012	2011	2010	2009
Revenue	2,005,596	1,775,260	1,570,696	1,110,108	701,562
Pre-tax profit	371,504	315,523	238,628	177,866	144,243
Paid-up capital	706,807	420,000	416,000	416,000	346,000
Shareholders' funds	1,952,292	1,244,897	1,073,151	918,866	847,610
Profit attributable to shareholders	280,616	230,617	168,556	118,071	94,282
Dividend payout ratio (%)	40.4	43.7	41.0	40.1	43.0

COMPLETED PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM MIL)	LAUNCH DATE	TAKE-UP (%) (MAX OF)
The Icon, Jalan Tun Razak	Commercial	1	452	2007	100
Southgate	Commercial	239	466	2008	99
Residence @ Southbay	Landed homes	380	250	2009	95
Aman Perdana	Landed homes	2,000	950	2005	99

ONGOING PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM)	LAUNCH PERIOD	TAKE-UP (%)
Southville City @ KL South, Bangi	Integrated development	Phase 1 - 3,428 Total Launched 1,612	8.31 bil	2014	73 (from total launched)
Lakeville Residence	Condominium	Total 1,898 Phase 1 - 1,244	1.5 bil	2014	85 (from total launched)
D'Sara Sentral	Integrated development	Total 1,363 Launched 674	901 mil	2014	60
Meridin@Medini, Johor	Integrated development	2,202	1.1 bil	2013	80
Icon City, Petaling Jaya	Integrated development	Total 1,629 Phase 1 - 1,126	3.17 bil	2011	78

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM)	EXPECTED LAUNCH
Bandar Meridin East	Integrated township	Planning stage	5 bil	2015
KK Convention City, Sabah	Integrated development	Planning stage	1.4 bil	2015
M Residence 3@Rawang	Mass market township	Planning stage	520 mil	2015
Seremban new land	Integrated township	Planning stage	7.5 bil	Acquired in Aug 14
Puchong new land	Integrated mixed development	Planning stage	9.3 bil (+16 bil)	Acquired in Aug 14



Southville City @ KL South show village & sales gallery located along the KL-Seremban Highway



Lakeville Residence in Taman Wahyu, which is set to be completed in 2018

landscape, the position of the house, roads and parks, and materials.

Mah Sing has 48 on-going projects. What are the challenges of handling such a large number of projects?

I believe Mah Sing has a good team of employees. We have teams tasked to manage each project. They handle all the issues on their own. I'm like a father with many children, all of them must be able to deliver. So far, none of my children are spoiled and they are very well-disciplined.

As you know, property develop-

ment is a cash flow game, so we need to ensure that it can be sustained. Currently, the sales from our projects are sustainable. As long as we have the cash flow to pay the contractors, they will complete the project on time. This is also supported by our quick turnaround business model. We try to give a mixture of products in our project locations, which helped sales in 1H2014.

What are the challenges for the property market and the company in the coming year? How will you address these challenges?

Industry-wise, government policies will affect all industry players. However, with a strong team supporting the company, our comprehensive range of products and strong financial position, I believe Mah Sing will be able to weather some of these challenges well.

I believe branding and differentiation are important to keep up with the market. It is up to us to plan how to maintain our market leadership position and roll out products that are still relevant and at a price point that people can accept.

NO. 10 - IOI PROPERTIES GROUP BHD

Making a strong comeback

BY ELENA TUNKU SHERIE

It is obvious that IOI Properties Group Bhd meant business when it returned to being listed on Bursa Malaysia on Jan 15, 2014. It had closed the first day of trading with a market capitalisation of RM10.2 billion, making it one of the largest property companies in the country.

Led by newly-appointed CEO Lee Yeow Seng and boasting a land bank of 10,000 acres, it targets to achieve RM2.5 billion in sales in the next three financial years.

Revenue for the financial year ended June 30, 2014, was RM1.45 billion while operating profit was RM1.1 billion.

Returning bigger and stronger following its voluntary delisting in April 2009, IOI Properties has also made a comeback to the Top 10 list of *The Edge Malaysia* Top Property Developers Awards 2014. It last featured in the Top 10 rankings in 2011.

"It has been a very busy year for us," says property director Teh Chin Guan. "Both our profits and revenue were higher this year than the previous years and we have a number of upcoming developments set to be completed soon."

IOI Properties has 48 ongoing projects and 35 projects in the planning both overseas and locally. Among its established township projects are Bandar Puteri Puchong and Bandar Puchong Jaya in Selangor. New township projects due to be launched soon are Bandar Puteri Warisan and Bandar Puteri Bangi, both in Selangor. It also has projects in Singapore and Xiamen, China.

Besides residential launches from its various township developments, the company is expected to open IOI City Mall in IOI Resort City, Putrajaya by the end of the year and a four-star business hotel in its Puchong Financial Corporate Centre (PFCC) in Bandar Puteri Puchong in the first quarter of next year. The offices at PFCC have already been completed and will be leased out from RM4 to RM5 psf.

Teh tells *The Edge* how IOI Properties has evolved and its plans in the near future.

IOI Properties Group Bhd		
	2014	2013
Overall	10	15
Quantitative	2	2
Qualitative	13	19

Both our profits and revenue were higher this year than the previous years and we have a number of upcoming developments set to be completed soon. – Teh

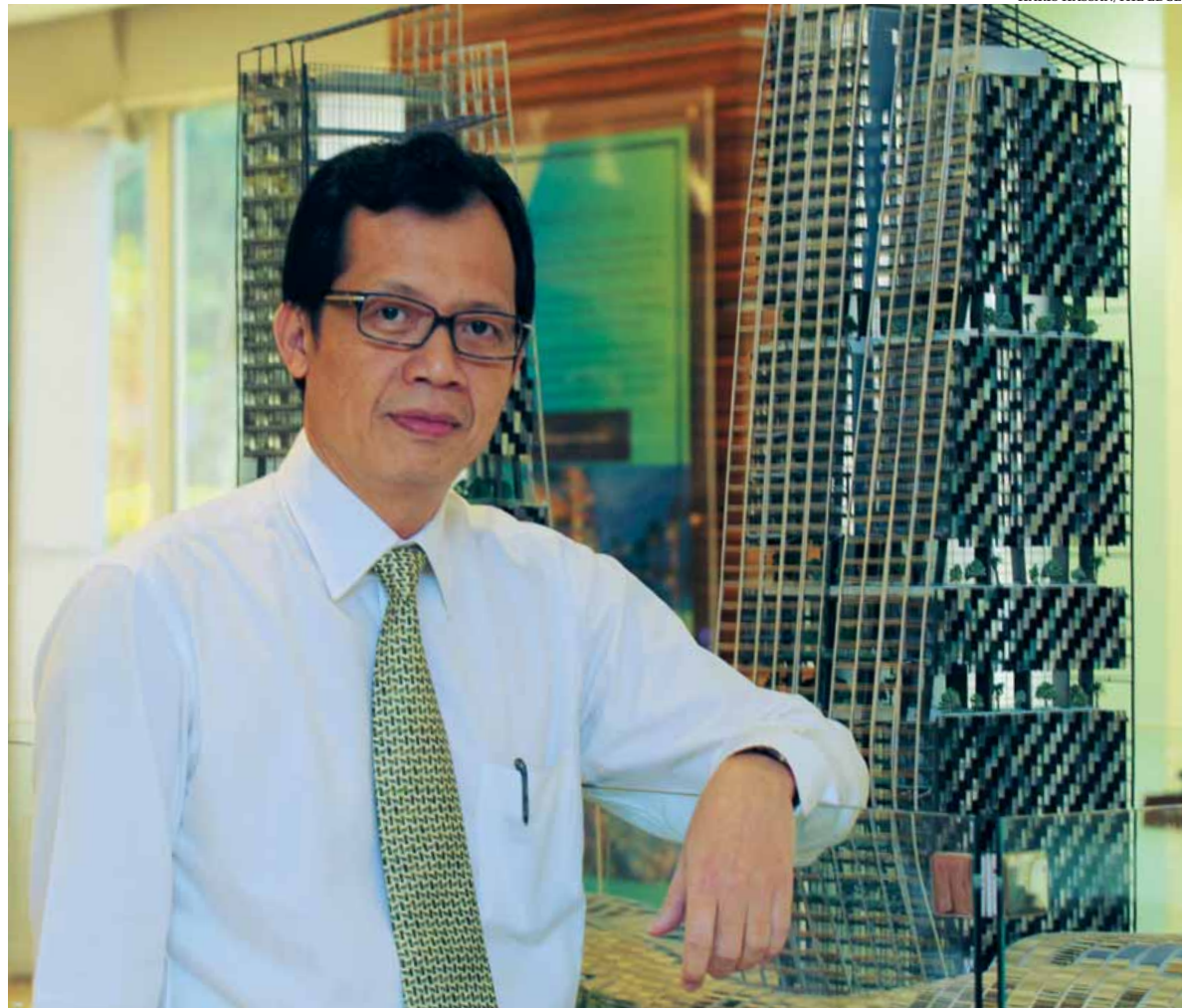
The Edge: What contributed to IOI Properties' strong performance in recent years?

Teh Chin Guan: Johor was doing well in the last one to two years, Klang Valley as well. In Klang Valley, we have projects in mature townships like in Bandar Puchong Jaya so we got quite a lot of sales from Bandar Puchong Jaya. We also have our investment properties and we will be embarking on more investment property projects, for example, IOI City Mall that we will open this year.

How has the brand evolved over the years and what qualities do you think can be improved on?

The company started in the 1980s. Over the years, people have branded us as a township developer synonymous with Puchong developments. However, we now build more than townships, and beyond Puchong too.

We actually have a very interesting project in Singapore called South Beach. South Beach is a mixed-use development that is located on Beach Road, bordering Singapore's Central Business District. It's a joint venture between IOI Properties and City De-



HARIS HASSAN/THE EDGE

velopments Ltd. We have won international awards for South Beach, which was designed by renowned architect Foster and Partners; they're known as the "mother" of all architects. We won two Green Mark Platinum awards for this from Singapore's Building Construction Authority.

We also won awards for our low-rise developments such as Seascape at Sentosa Cove, a low-rise condominium project. So you can see that we have evolved into an international developer. We still build townships but we also build niche developments now.

How has IOI Properties' reputation as a township developer affected IOI Properties' niche developments?

I think it has affected them in a positive way, especially the international projects, where we can bring value and quality for our customers.

After all, if you look at other developers, comparatively, we are very old in the industry. I mean it's hard to find other developers that are as old as we are. We've been in the market for 30 years now.

Where are the cities/countries that you are eyeing for your niche developments?

Xiamen, China is one of them. We have some development plans there. Apart from that and Singapore, nowhere else yet, at least not for the time being but we are open to any opportunities overseas.

Could you elaborate more on your projects in China?

In Xiamen we have two projects. Our first piece of land was acquired in 2010 and we launched the project last year achieving 97% sales. This was the first phase that comprised residential and retail lots. We could have had a 100% take-up rate but we held back the 3% due to some tax regime in China.

We sold the condominiums in our second phase at RMB21,000 per sq m last year. It set a record price for Jimei, which is the satellite city of Xiamen. So now we are embarking on a larger project which is also in Xiamen not far from our first project.

This second project is a mixed development comprising residences, a shopping mall, a five-star hotel and offices. We have started ground-

work and plan to launch by middle of next year. For the second scheme, we bought the land two years ago and the price has tripled since the time we bought it. So it's clear that there is a market there.

Land prices are appreciating in China but the Chinese government has also imposed more cooling measures. How has this affected your sales in Xiamen?

The cooling measures that were posed by the government in China have hardly touched Xiamen. Sales are still good. We launched late last year and early this year. We launched both phases and both are doing well. The second phase was launched about 50% higher in price than the first phase. This shows that Xiamen's market is hardly affected by the cooling measures.

We have also received news that the government wants to lift the cooling measures in Xiamen although it has not been confirmed when.

What sort of take-up rates are you expecting for the launch of the next phase?

Well, we are very ambitious about this. We are hoping to do as well as we did with our first phase seeing as how we have really improved this year.

What about joint ventures?

Our Singapore project is a joint venture with a Singaporean developer, however in Xiamen, China we are on our own. The reason why we do not need to partner any local developers



IOI City Mall @ IOI Resort City, Putrajaya

IOI PROPERTIES

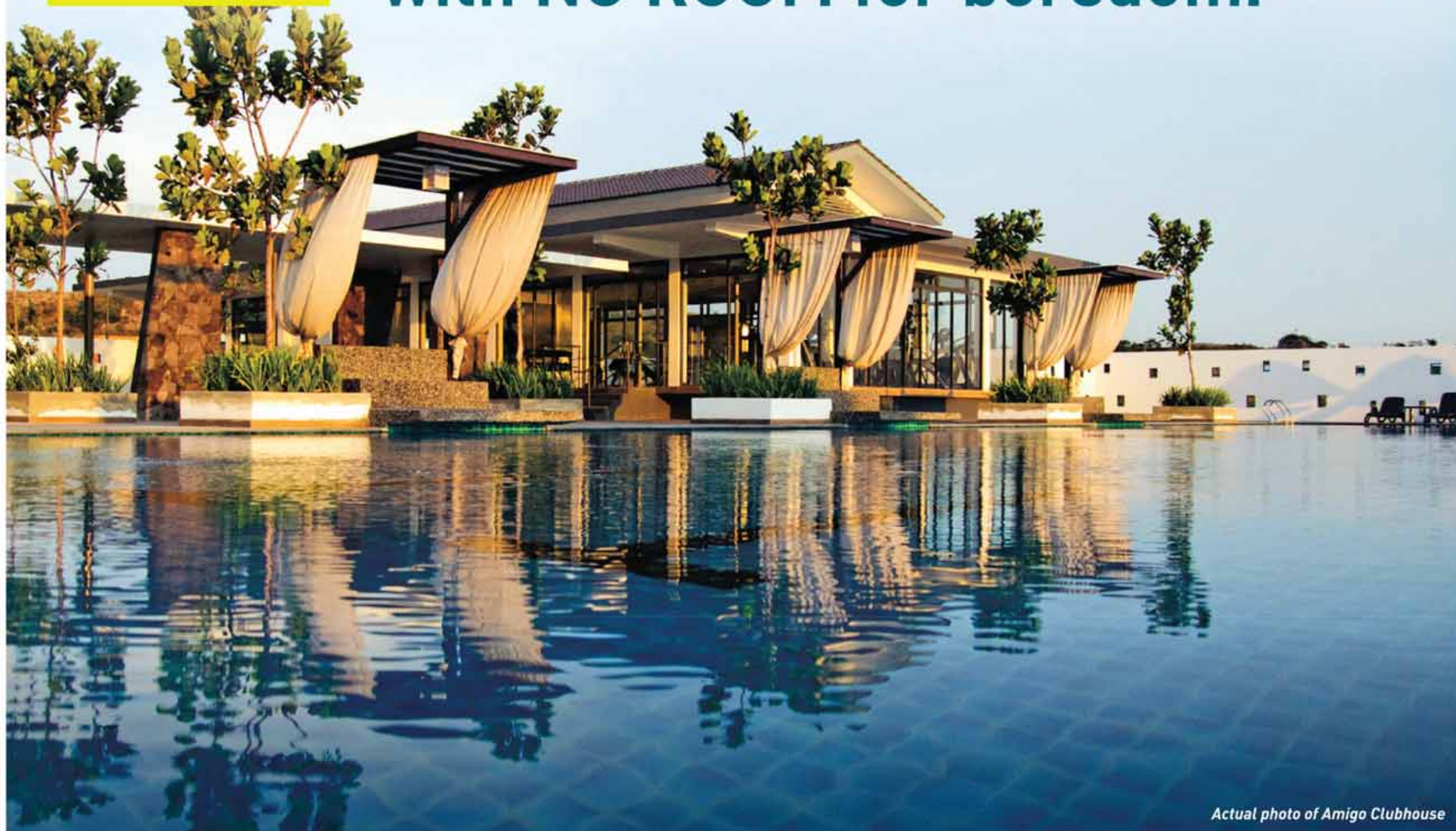
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Actual photo of Amigo Clubhouse

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16 Sierra is synonymous with its 16 inter-connected themed gardens, with the Central Park being the largest; and complete with jogging tracks, basketball and futsal courts, gazebos, an open-air amphitheatre, picnic corners, reflexology paths and a huge playground. The other themed gardens such as the the Rainforest Garden, Algebra Garden and Tic-Tac-Toe Garden, are also designed to provide ample opportunities for family bonding and community socialising.



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16 Sierra is just 10km to the upcoming IOI City Mall (opening early November) in IOI Resort City; and near to AEON Equine Park and Giant Hypermarket.



Artist's impression only.

IOI City Mall

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'Follow the infrastructure'

FROM PAGE 92

there is that our chairman's forefathers are from Xiamen — in fact he still has some relatives there — so he is familiar with the area, culture and requirements of the area.

In this time when the market is soft, how do you think IOI Properties will fare?

At a time like this, I believe we will still be okay because we can still build a lot of landed houses. For example in Bandar Putra, Kulai, in Johor, out of 8,000 acres we still have 4,000 acres to build on.

We have been lucky as we own a lot of strategic land banks. When you have a large land bank located in different areas like Johor and Penang, you have the flexibility of doing different things to capture the market. Unfortunately, if you are a smaller developer, you will concentrate on a more niche market and build things like apartments thereby losing the opportunity to do different things. This is what's helping to buffer us through this property downcycle. Of course, we have our management team and staff to thank as well.

And the size of the company; we are the second or third when it comes to market capitalisation (as of Oct 2, 2014, IOI Properties' market cap was RM8.26 billion). We have the flexibility when it comes to planning and launching projects.

What are your thoughts on the implementation of the Goods and Services Tax (GST)?

If you look at other countries before GST was implemented, there is usually a surge in property demand as people will try to buy before prices increase. In Malaysia right now there are a few factors that act to balance the surge [such as the cooling measures]. That's why there is not much of a surge (in purchases) here. This is due to the fact that even before GST kicked in, prices were already going up. Now with GST, it will of course be higher.

How much are you expecting prices to rise?

Commercial properties will of course go up by 6%, that's a given. You could also say that prices of residential units will rise by about 4%.

Do you have any specific areas regarding GST that you are concerned about?

It would probably be the same concerns that other developers have such as how to apportion costs given that some components may be residential and some commercial. As a developer we cannot claim input tax for residential properties, and now we have been informed that for commercial properties, we can't claim input tax either. So those are the grey areas that we would have to work out. Our tax consultants are working on it and advising us.

The joint venture that we currently have involves the light rail transit

project that the government invited us to be partners with, the one in front of IOI Mall. Well, it's very technical.

Moving forward, what are your plans?

Our last financial year was a record year for us. Moving forward, we have identified projects that are sellable and popular such as linked homes. Like in Semenyih, the houses at our Bandar Puteri Bangi are selling for RM700,000. The 370-acre township is located near the Putra Mahkota interchange of the KL-Seremban highway. That interchange to KLCC is only 30 minutes. People are often surprised that it takes only 30 minutes because on Google Maps, from Semenyih to KLCC, it will take 45 minutes. That's a freehold land bank that we will launch a lot of products — hopefully by this financial year.

We also have another interesting land in Dengkil of about 360 acres, freehold. Rebranded Bandar Puteri Warisan, it was previously known as Kota Warisan. We will be embarking on some affordable apartments there.

We are also lucky that after we bought the land, Xiamen University announced it will open its first overseas branch there, right next to our project. There is also a RM400 million development nearby on which work has started.

The site is served by good infrastructure. There are highways in front and there is an existing KTM train station just a stone's throw away.

For stable income we have a lot of investment properties that are about to be completed or have just been completed.

We have just completed our office tower in Puchong, PFCC — two blocks of it — and a Four Points by Sheraton hotel in Puchong as well which I think will change the landscape of Puchong. These are some of the investment properties that will give us recurring income.

What are your current investment properties?

Our office tower here at IOI Resort City, our shopping mall here, in Selangor and Johor. The IOI City Mall next to IOI Resort City has already been 90% leased. Some of our anchor tenants will be Parkson, Tesco Premium outlet which will be the first in Malaysia and HomePro from Thailand.

We'll also have Index Living by AEON, an Olympic-size ice skating rink and an adventure park called District 21. This will be the first in Malaysia as well. There will be a three-storey high giant robot; part of it will be in the mall and part outside. It will be operated by IOI Properties. We had a guy from New Zealand who has experience in the extreme sports to design it. Both parents and children can enjoy it.

We are expecting 20 million visitors upon opening — from Semenyih, Bangi, Kajang, Putrajaya, Seremban and the southern Klang Valley.

IOI Properties Group Bhd

FINANCIAL YEAR-END JUNE 30 (RM MIL)	2014	2013	2011	2010	2009
Revenue	1,454	1,323	-	-	-
Pre-tax profit	1,151	905	-	-	-
Paid-up capital	3,239	3,239	-	-	-
Shareholders' funds	11,226	10,335	-	-	-
Profit attributable to shareholders	913	694	-	-	-
Dividend payout ratio (%)	1.6%	4.1%	-	-	-

COMPLETED PROJECTS

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM) MIL	LAUNCH/OPENING DATE	TAKE-UP (%) (MAX OF)
IOI City Mall @ IOI Resort City, Putrajaya	Property investment	1.4 mil sq ft	1,700	Nov 2014	N/A
Puchong Financial Corporate Centre (PFCC) @ Bandar Puteri Puchong	Property investment	T1 & T2 – 377,000 sq ft T4 & T5 – 440,136 sq ft	600	T1 & T2 – 2010 T4 & T5 – Feb 2014	N/A
Four Points by Sheraton @ Bandar Puteri Puchong	Property investment	249 guest rooms	95	December 2014	N/A
Lyden @ 16 Sierra, Puchong South	Double-storey terrace	223	290	2011	95
Odora Parkhomes @ 16 Sierra, Puchong South	Townhouse	446	215	2010	100

ONGOING PROJECTS (Max of 5)

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM) MIL	LAUNCH/OPENING DATE	TAKE-UP (%)
South Beach @ Singapore	Mixed used development	Service Apartment (190 units), Hotel (654 rooms), Office & retails lots (approx.net lettable area 640,000 sq ft)	2,600 (residential) and 6,200 (other component)	-	N/A
Park Bay @ Xiamen, PRC	Condo & villa SOHO	632	689	Sept 2013	100
Skyz Residence @ Bandar Puchong Jaya	Luxury condominium	170	254	Not yet	70
Skypod Residences @ Bandar Puchong Jaya	Serviced apartment	424	375	June 2014	70
D'Summit @ Johor Kempas	Serviced apartment	742	420	May 2012	Service Apt – 100 Retail – 80
		2,055	1,120	July 2013	50

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM) MIL	EXPECTED LAUNCH
Palm City @ Xiamen, PRC	Mixed used development	Hotel – 350 rooms Shopping mall & office (approx. net lettable area 140,000 square meter) residential – 931	1,500 (residential)	2Q 2015 (residential only)
Bandar Puteri Bangi	2-storey terraced house	229	150	4Q2014
	3 & 4 storey shop	116	170	
	Serviced apartment	669	268	
Le Meridien Putrajaya @ IOI Resort City, Putrajaya	Property investment	350 guest rooms	150	1Q 2016
IOI RIO City @ Bandar Puteri Puchong	Mixed retail, office & serviced apartment	Phase 1 – 858	Phase 1 – 652	2Q 2016
Sierra 12 @ 16 Sierra, Puchong South	Townhouse	336	161	1Q 2015

So what will be IOI Properties' future focus?

Transit-oriented developments will be our focus. In Bandar Puteri Puchong, we still have about 167 acres of landbank. The area is served by two train stations. This will be our area of focus. It will be a mixed development.

Aside from that, the government has started the construction of MRT lines and the high speed rail to Singapore. These mega infrastructures are going to places that were considered not very accessible before and the new infrastructure will escalate the growth of these areas.

New infrastructure will change

the whole landscape. Like Ho Chin Soon says, follow the infrastructure. In the next 10 years people will want to move to areas that have less traffic, less carbon footprint and better transportation. Like in Singapore right now. So where the stations are, that's where the developments will be.

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CASPIA AND NOUVO AT AMBANG BOTANIC, BANDAR BOTANIC, KLANG — HARUM INTISARI SDN BHD

Designs for the future

BY ZATIL HUSNA WAN FAUZI

Gamuda Land's Bandar Botanic in southern Klang, Selangor, has once again earned recognition for value creation. The township's Caspia and Nouvo 2-storey semi-detached houses receive a merit award in the Residential category of *The Edge*-PEPS Value Creation Excellence Award 2014. The development was developed by Gamuda Land's wholly-owned subsidiary, Harum Intisari Sdn Bhd.

Gamuda Land's projects have been regular contenders for the award. Last year, Bandar Botanic's commercial centre, Botanic Business Gateway, received a merit award in the Non-Residential category. In 2012, the developer's Horizon Hills The Gateway and The Lake Precinct Business Park 2 in Kota Kemuning won in the Residential and Non-Residential categories, respectively.

Bandar Botanic is a RM4.3 billion township that spans 1,242 acres of freehold land and is divided into two phases, Botanic West, which is non-gated, and Ambang Botanic, which is fully gated and guarded. Ambang Botanic itself is divided into Ambang Botanic 1 and Ambang Botanic 2.

The Caspia and Nouvo semidees are located in Ambang Botanic 2. Caspia was launched in September 2009 at a starting price of RM865,800. Completed in September 2011, it comprises 42 units with a built-up of 3,349 sq ft each. Meanwhile, Nouvo comprises 104 units with a built-up area of 3,213 sq ft each. Nouvo was launched in February 2009 at a starting price of RM824,800 and completed in April 2011.

The secondary transaction data of five Caspia and Nouvo units submitted by Gamuda for the award, show a price appreciation of 87% to 110% over three to four years. This is an annual average appreciation of between 20% and 40%.

Bandar Botanic has also won awards such as the Fiabci Property Award of Distinction for Best Master Plan, 2003, and the Malaysia Landscape Association, National Landscape Award in Best Landscape Township Category, 2004 (Bandar Botanic Central Lake).

The township is nearing completion with 1,218 acres of 9,538 housing and commercial units having been developed. Ambang Botanic 1 was launched in 2003 and was fully completed in 2011 with 284 terraced houses, 336 semidees and 132 bungalows. Ambang Botanic 2 was launched in 2010 and its last residential phase, Hanako, offered 37 units of 3-storey bungalows that are scheduled for completion in mid-2015. Gamuda Land managing director Chow Chee Wah says the company will begin developing the commercial area of Ambang Botanic once the final residential phase is completed.

Ambang Botanic is a low-density neighbourhood with concealed underground utilities and an efficient



The lake in Ambang Botanic 1



Caspia units



Nouvo units



Chow: Value is created over time as people experience and then appreciate the environment and surroundings of where they live — a space they want to come home to

road network. It offers a full range of facilities and amenities, including a 24-hour, three-tier security system and a clubhouse with a coffeehouse and lounge, floating Chinese restaurant, floating pavilions and gardens, and luxury lounge.

The neighbourhood offers 100

acres of green space planted with 151 plant species and has eight water features.

"The award is a reflection of our commitment to forward thinking to give our homeowners the best value," says Chow. "We often embark on projects that defy market sentiment and convention, as it is innate for us to build communities for the future. The success of Bandar Botanic as a township, now reaching full maturity, is the perfect interpretation of our vision, hence owners are now enjoying the gains of what we planned for them more than a decade ago."

Gamuda Land ventured into Klang with its master development plan for Bandar Botanic in 2002 to create a township of sustainable living. "We introduced a master development that could be sustained for generations," says Chow. "It was the correct land size to create a green lifestyle that was ideal for this location."

Rising values

Chow believes that with the right ambience and living environment,

a project's reputation and value are continually enhanced.

"Value is created over time as people experience and then appreciate the environment and surroundings of where they live — a space they want to come home to," says Chow.

"When someone buys a house, he is not buying it for the renovation done by the previous owner. He is paying for its surroundings and the community it is in. We have provided a spacious green lung with amenities that residents can enjoy.

"We are committed to enhancing the quality of our residents' lives as this will enhance the value of the development. Any developer can give you a park and a garden but it's an art to know where to locate a park or a garden of the correct size, and 'the flow' from the house to the green spaces. It's not only about the green spaces but also how residents can use them."

Hence, Gamuda takes its time in rolling out a master development plan, says Chow. "No matter how you design it on paper, you need to feel the

ground personally, to see the flow of movement for residents."

To add more value to Bandar Botanic, the developer is currently building the largest wholesale development, dubbed GM Klang, in four phases. It is now in its second phase of construction. "Because of its location near the ports, we think this wholesale retail development makes sense," says Chow.

Bandar Botanic's accessibility is another boon. The township is close to schools, hypermarkets and major suburbs such as Subang Jaya. Residents have easy access to major highways such as the Shah Alam Expressway.

The proposed light rail transit Line 3, to run from Bandar Utama to Klang, is expected to have a stop in Jalan Langat, which is located in between phases one and two of Bandar Botanic. "Since our residential component is nearing completion, I believe our commercial development will be completed in sync with the LRT Line 3," says Chow, adding that the LRT Line 3 will bring vibrancy to the commercial hub in Bandar Botanic and add to its value. ■

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MERIT

2-STOREY TWIN VILLAS AT TRANQUILITY PARK, EAST LEDANG - UEM SUNRISE BHD

East Ledang homes prove their worth

BY ELENA TUNKU SHERIE

East Ledang is located in the heart of Nusajaya, Johor. Launched in February 2007, Nusajaya is a 24,000-acre economic corridor and one of the five flagship zones of Iskandar Malaysia. UEM Sunrise Bhd (UEM) is the master developer.

Its newly appointed managing director and CEO, Anwar Syahrin Abdul Ajib, stepped into the job in early September, just in time to witness Tranquility Park @ East Ledang receive a merit award under the residential category of *The Edge*-PEPS Value Creation Excellence Award 2014.

“We are of course very happy with the award. It feels good, and demonstrates that the quality of our products is up to recognised industry standards,” he says.

East Ledang is a garden-themed landed residential development spanning 275 freehold acres that boasts seven residential parks and 31 thematic gardens. The development was launched in 2008 and has a gross development value (GDV) of about RM1.919 billion.

Tranquility Park is one of the seven parks at East Ledang. On its 34-acre site are 140 homes — 112 double-storey twin villas and 28 resort bungalows — with a GDV of about RM190 million. Its twin villas, which were priced between RM988,777 and RM1,249,888 during launch, now fetch between RM1.88 million and RM2.4 million.

Based on UEM Sunrise’s five submitted entries, the twin villas have an appreciation rate of between 61.7% and 142.72% over two to four years, or 93% to 94% per annum.

Tranquility Park houses four of the 31 gardens in East Ledang. Village Garden comprises a long path shaded by tall trees; Stairway Garden is more formal, with a fountain, maze and sitting plaza; Swan Garden features a pond of swans, ducks and fishes; and Nature Garden is filled with trees, shaded sitting areas and footpaths ideal for relaxation.

Tranquility Park pioneered the development of high end, luxury twin villas and resort bungalows in Nusajaya, Iskandar Malaysia, says Anwar. Chief marketing officer, Siti Mariam Mohd Desa, takes pleasure in the good feedback from homeowners in Tranquility Park.

“[They] tell me how happy they are to return home from their travels, comforted by seeing their children running around safely in the area. It makes what we do worthwhile.”

The development is an example of value creation that is the result of combining customer satisfaction, future revenue enhancement and cost reduction, says Anwar.

East Ledang, apart from being strategically located and easily accessible (Singapore is 20 minutes away), is also close to landmarks such as Legoland Malaysia, EduCity, Afiat Healthpark, Southern Industrial and Logistics Clusters and Pinewood Studios.



The exterior of the twin villas



Anwar: The award demonstrates that the quality of our products is up to recognised industry standards



Siti: Residents of Tranquility Park particularly will be pleased with this award



Entrance to East Ledang



East Ledang is well landscaped

One of East Ledang’s notable features is the East Ledang Security Intelligence System, an advanced security management system designed specifically for the development.

“It is a three-tier security system of one entry and one exit point,” says Siti. All houses come with an alarm system and a panic button. People are concerned about security, adds Siti, so “extreme considerations” were factored into the development.

The development is gated as a whole precinct instead of separate ones, giving it the feel of a village, where residents can walk freely without worrying about encroaching into private space.

Apart from adding customer value for location, space and design, UEM Sunrise aims to build communities as well, says Siti. There is a clubhouse in the precinct, and festivals and community get-togethers are organised by the developer, which also participates in these to engage with customers directly.

While successful now, the main challenge faced in Tranquility Park’s development was convincing people of its value during the weak market then, says Siti.

“Nusajaya was new and people were sceptical about whether the development would take off and the property would appreciate in value. The ones who bought from us had

faith in us,” she says. “Residents of Tranquility Park particularly will be pleased with this merit award.”

UEM Sunrise will soon launch Regent’s Park Phase 5A consisting of high-end bungalows, its final landed property development in East Ledang. The bungalows feature a minimum built-up of 5,700 sq ft and a land area of 8,700 sq ft to 15,000 sq ft. Indicative prices are between RM4.87 million and RM6.05 million.

Also to be launched is Dedaun, the high-end, high-rise development of East Ledang’s Phase 2B. It will have 687 units of several designs and comprise three blocks of residential towers and multiple pools.

Apart from East Ledang, UEM Sunrise hopes to launch Serene Heights in Bangi, Selangor, by this month. The 300 units with prices of RM500,000 to RM600,000 are targeted at first-time homebuyers.

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Project: Ceria Residences - Phase No: Phase 1 - Type: 2 Storey Terrace House - Developer License & Advertising Sales Permit No: 11480-4/05-2016/0500 (L/P) - Validity Period: 24/05/2014 - 23/05/2016 - Approved Building Plan No: MPSPG.600-34/2/16 - Authority Approving Building Plan: Majlis Perbandaran Sepang - Land Tenure: Freehold - Lot Sizes: 20' X 70' (14 units), 20' X 75' (13 units), 22' X 70' (4 units), 22' X 75' (74 units), 22' X 80' (35 units), 24' X 80' (2 units) - Built-up Area: 1,439 sq.ft (Min) - 2,302 sq.ft (Max) - Selling Price: (Min) RM729,266.00 - (Max) RM1,658,641.00 - Total units: 150 - Discount: 7% for Bumiputera - Expected Date of Completion: June 2017 - Land Encumbrances: Charged to Bank Pembangunan Malaysia Bhd - Restriction In Interest: This land can be transferred, leased or changed upon obtaining approval from the State Authorities Project: Ceria Residences - Phase No: Phase 2 - Type: Condominium - Developer License & Advertising Sales Permit No: 11480-5/07-2016/0631 (L/P) - Validity Period: 02/07/2014 - 01/07/2016 - Approved Building Plan No: MPSPG.600-34/2/24 - Authority Approving Building Plan: Majlis Perbandaran Sepang - Land Tenure: Freehold - Built-up Area: Type A (1,000 sq.ft), Type B (1,191 sq.ft) & Type C (1,292 sq.ft) - Selling Price: (Min) RM553,800.00 - (Max) RM836,800.00 - Total units: 150 - Discount: 7% for Bumiputera - Expected Date of Completion: December 2017 - Land Encumbrances: Charged to Bank Pembangunan Malaysia Bhd - Restriction In Interest: This land can be transferred, leased or changed upon obtaining approval from the State Authorities Project: Centrus SoHo 1 - Phase No: Phase 1 - Type: Small Office Home Office - Developer License & Advertising Sales Permit No: 11480-2/02-2015/01354 (L/P) - Validity Period: 25/02/2014 - 24/02/2015 - Approved Building Plan No: MPSPG.9/CYB/161/11(20) - Authority Approving Building Plan: Majlis Perbandaran Sepang - Land Tenure: Freehold - Built-up Area: (Min) 450 sq.ft - (Max) 993 sq.ft - Selling Price: (Min) RM283,500.00 - (Max) RM800,000.00 - Total units: 400 - Discount: 7% for Bumiputera - Expected Date of Completion: February 2017 - Land Encumbrances: Charged to Bank Pembangunan Malaysia Bhd - Restriction In Interest: This land can be transferred, leased or changed upon obtaining approval from the State Authorities Disclaimer: The information contained herein is subject to change and cannot form part of an offer or contract. All rendering are artist's impression only. Whilst every care is taken in providing this information, the developer cannot be held responsible for any inaccuracy. All the above items are subject to variations, modifications and substitutions as may be required by the Authorities, Developer or recommended by the Architect or Engineer.



HONORARY MENTION

SUNWAY RYMBA HILLS – SUNWAY BHD

Homes within a forest

BY ZATIL HUSNA WAN FAUZI

Sunway Bhd's Sunway Rymba Hills is an exclusive residential enclave within Sunway Damansara in Kota Damansara that boasts its own 6.5-acre natural forest park.

The project, which receives an Honorary Mention in *The Edge*-PAM Green Excellence Award 2014 for its impressive green features, is developed based on the "lifestyles of health and sustainability (Lohas)" concept.

With a gross development value (GDV) of RM270 million, Sunway Rymba Hills sits on 19.72 acres in the 175.97-acre leasehold Sunway Damansara. It is a 60:40 joint-venture project with Perbadanan Kemajuan Negeri Selangor (PKNS). Other Sunway JVs with PKNS in Kota Damansara are Dataran Sunway (76.71 acres) and Section 12 (147.32 acres).

Sunway Rymba Hills is surprisingly situated at the end of a road that passes the Sunway Damansara Technology Park, which consists of 1½-storey detached factory units with a built-up area ranging from 6,268 to 9,500 sq ft. Addressing the question of whether it was a risk for a developer to build premium houses near an industrial park, Ong Ghee Bin, executive director for Sunway Bhd's property development of central region, says it was not an issue.

"It was not of particular concern as it was designed as a light industrial development, and is effectively surrounded by lush greenery and landscaping so it does not compromise the aesthetic value of Sunway Rymba Hills," says Ong. "With the landscaping that we have done, you wouldn't feel like you're driving through an industrial area."

The original plan for the site was to build 960 condominium units but due to the terrain and the fact that the land is slightly higher than the surrounding area, a high-rise development was not viable as the terrain would have had to be flattened and trees removed.

"It wasn't very suitable to develop a high-density project as we wanted to do something that would blend in with nature and its environment. So we came up with the concept for Sunway Rymba Hills," says Ong. "The villas are nestled within the forest enclave and residents can easily hike up the forest trails."

Sunway Rymba Hills was launched in May 2010 and completed in January 2013, with one unit left as the show unit. It comprises 80 three-storey villas and a clubhouse. The built-up area of the units, which were launched at around RM750 psf, ranges from 4,442 to 4,650 sq ft. Now, the units are going for RM850 psf.

Ong says one of the challenges in completing Sunway Rymba Hills was to develop the project with minimal impact on environment. "The architects and design team had diligently studied the land and built the forest villas along the contours of the land."

The project received the Singapore BCA Green Mark Gold Award in 2011 and scored 71.7 and 76.7 architectural points for parcels A and B respectively



Sunway Rymba Hills is surrounded by lush greenery

SHAHRIN YAHYA/THE EDGE

under the Singapore BCA Construction Quality Assessment System (Conquas) in 2012. It also won an award for excellence in architecture in the Multiple Residential for Low Rise category at the PAM Awards 2014.

The green elements incorporated into Sunway Rymba Hills are both passive and active. The former involves the design of the house to ensure energy efficiency. "The layout of the houses is designed to facilitate natural and cross-ventilation," says Ong. "Other passive thermal design strategies are also implemented, such as the use of cavity walls in the west, sunscreens and insulation in roof space and at specific locations to increase thermal comfort."

There is also rainwater harvesting for gardening, landscape maintenance and general ground cleaning. Ong explains that the ponds and water features in Sunway Rymba Hills form part of the project's stormwater management programme to channel and retain surface water run-off from the hill slopes.

He adds that each unit uses inverter air-conditioning technology, which saves 50% of energy, at 1,137kW per annum compared with 2,147kW for non-inverter air-conditioners.

The active green elements in the design of Sunway Rymba Hills include creating parks and spaces around the houses as well as placing compost and recycling bins in the area. "When the cleaners sweep the leaves and branches off the ground, they usually place the debris in plastic bags and throw them out. Here, they can throw the debris into the compost bins and allow the organic matter to biodegrade so it can be turned into fertiliser."

Sunway Rymba Hills' accumulated energy savings come up to 277.317kW per year compared with the total energy usage of 363,866kW per year of conventional houses.



Ong: We find that customers are increasingly educated about investing in green products and that minimising their carbon footprint is well worth the effort

To lower carbon emissions, the development encourages cycling around the neighbourhood and has provided six bicycle sheds with five bicycles each, says Ong.

"We want to encourage residents to enjoy the parks and facilities and lead a better lifestyle so we have created limited parking bays for the clubhouse and placed bicycles near their houses instead," Ong adds.

Forward with the new generation

Ong believes Malaysia is gradually moving towards more sustainable development. When the green development concept was introduced years ago, people were quite reluctant to pay more for such homes but the younger generation, especially, is now more welcoming of their benefits, he says.

"A sustainable home may cost slightly more but customers today are adequately aware of the long-term well-being and financial benefits that can be derived from sustainable design — energy savings being one

of them. We find that customers are increasingly educated about investing in green products and that minimising their carbon footprint is well worth the effort."

Ong emphasises that raising environmental awareness is an ongoing process. Just recently, Sunway hosted the Family Water Jam at Sunway South Quay Lake in Bandar Sunway, in conjunction with World Environment Day. For the event, Sunway had partnered Malaysian Environmental NGOs Network, a non-profit organisation consisting of 28 environmental civil society groups working on environmental protection and sustainable development.

"It's not an overnight job to educate the buyers. Even for Sunway Rymba Hills, the residents are still trying to get accustomed to some lifestyle changes, such as using the recycling bins and bicycles to move around in the area," reveals Ong.

"Sunway group is one of the front-runners supporting green developments, which we started doing a few years ago, even before the government introduced green incentives." Ong notes that more developers are looking into sustainable green developments now. "This trend not only bodes well for the residents living in such developments, the efficient use of resources helps to reduce the impact on our environment as well."

In its commitment to sustainable development, Sunway has embarked on a joint-venture with Daiwa House of Japan to look into making prefabricated houses, which are technologically equipped to conserve energy.

"These homes are more energy efficient as they have lower construction time and costs at the construction stage. With this building method, we hope homebuyers will gain a valuable experience with us."

Key green features

- Inverter air-conditioners for each unit
- Gearless lift system (for Types A and D) that requires minimum maintenance and lubrication for a longer lifespan. It consists of an AC variable voltage and variable frequency motor drive and has sleep features
- Use of heat recovery devices to reduce energy consumption for heating. Also includes provision of solar hot water systems for all units
- Photovoltaic roof located at the clubhouse for self-sufficiency and sustainability with savings of RM6,020/year or 15,050 kWh/year
- Usage of water efficient homeware and fittings to reduce water consumption, with 3/6 litres dual flush WC in all bathrooms
- Sub-meter installed piping system to monitor major water usage such as irrigation swimming pools and other water features
- Rainwater harvesting tank at the clubhouse
- Shading devices and overhang on windows and for houses with west-facing facades, cavity walls and cladding to minimise heat-gain
- All units built on a north-south orientation to minimise direct sunlight into living spaces
- 60% total green area, including the forest trail
- All units are installed with Monier cool roof system for better air ventilation

THE ARC, BANDAR RIMBAYU- IJM LAND BHD

The Arc – bringing life to ordinary spaces

BY ELENA TUNKU SHERIE

At the heart of IJM Land Bhd's Bandar Rimbayu township development lies an iconic centrepiece called The Arc. Completed last year, it is designed to be the centre of the community, where residents can enjoy recreational activities.

The unique 2-level structure of about 10,000 sq m features a sprawling thematic garden, a full-size football field and a green-roof deck. It currently houses IJM Land's Bandar Rimbayu sales gallery, project office and future clubhouse.

Bandar Rimbayu is an integrated green township that has been awarded Silver Green Building Index (GBI) certification. The township, which has a gross development value (GDV) of RM11 billion, occupies 1,879 acres of leasehold land adjacent to Kota Kemuning in Shah Alam.

To promote green and healthy living, IJM Land has invested in transforming ordinary spaces into extraordinary ones. Doing just that with The Arc earned it an Honorary Mention in *The Edge*-PAM Green Excellence Award 2014.

The Arc was conceived with the aim of being the township's social magnet and icon for the next 10 to 15 years. Apart from landed homes, the condominiums, serviced apartments and commercial lots in Bandar Rimbayu are expected to be developed in the next few years. However, plans for these developments will depend on demand and population growth.

The first phase of Bandar Rimbayu, known as Chimes, was launched in May 2013, offering a total of 526 double-storey linked homes ranging from 2,167 sq ft to 2,332 sq ft. Launched at prices starting from RM570,000, all the homes have been sold, except for 15 bumiputera units. All the non-bumiputera units in phase two, called Perennia, have also been sold. Launched in August 2013, the second phase comprises 484 two-storey linked homes, with built-ups of 2,216 sq ft to 2,505 sq ft and prices starting from RM660,000. Phase three, Periwinkle, was launched early this year and consists of 467 semi-detached units of about 2,110 sq ft. To date, 185 units, priced at RM920,000, have been launched and all have been sold.

Standing out

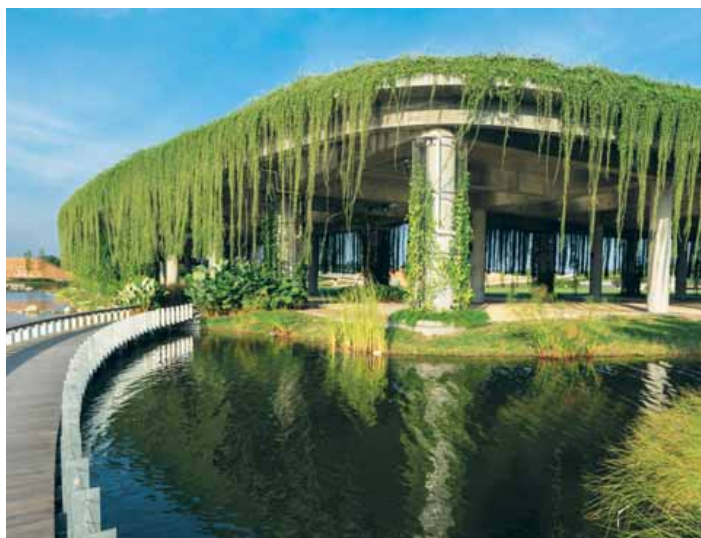
Shaped like an arc with the roof deck arching down towards the ground on both ends to provide pedestrian access to the upper level or roof deck, The Arc features a network of pedestrian garden paths that connects the entire place on two separate levels.

"An icon or a landmark need not merely be a symbolic object to be looked at but can serve the basic communal functions as a place for human experience and encounter," says Datuk Soam Heng Choon, CEO and managing director of IJM Land.

Surrounding the structure is a



MOHD IZWAN MOHD NAZAM/THE EDGE



Clockwise from top: An aerial view of the The Arc; hanging vines give a cool ambience to the place; Soam

creek or lake filled with Koi fish.

Its location at the centre of the township allows residents from all phases to walk or cycle to the Arc, and thereby minimising the need to drive.

The interior of the show gallery has been creatively decorated with items of recycled materials. No air-conditioning is needed as the design lets natural ventilation and light stream in.

On the roof deck is a garden for recreational activities that overlooks a football field.

"The football field is exactly like those in English Premier League matches," Soam says enthusiastically. "We can hold matches here and there are plans to host a concert or two. We maintain the field and make sure that whatever we do, there is minimal damage."

There are plans for cooking lessons, using vegetables and herbs fresh from the garden, and to hold sewing classes and other activities in the interior spaces below the roof deck.

"The purpose of The Arc is to bring

life to ordinary spaces and to impact the community. All the stakeholders can be a part of this."

Challenges in building green

According to Soam, it was no bed of roses when it came to realising the project.

"The main challenge was the construction of the main access road linking Kota Kemuning to the township [about 3km] as well as the establishment of the common infrastructure in a green-field location. The other challenge was the adoption of green initiatives in all aspects of our design right from the onset, and for this, we were rewarded with the Green Township certification by GBI."

Apart from that, introducing green living to customers can be a challenge. "Take for example, installing LED lights in the house as opposed to regular lighting. It's more economical and energy saving in the long run but people tend to focus on the initial cost they have to fork out as LED bulbs are

more expensive and it will cost a sum to change all the bulbs in the house."

He stresses, however, that it is up to the purchasers or residents to decide whether they want green fixtures in their homes as it is not part of the GBI requirement.

Nevertheless, although a green building costs more, buyers are increasingly more affluent and wise. "Once they realise the huge savings they can benefit from [having] a green building, they will not hesitate to purchase," says Soam.

Going green, he says, requires a lifestyle change to reduce the amount of pollution and waste.

"Change your habits when it comes to using water and electricity. Recycle empty cans, tins and bottles which can be converted to decorative items in the house."

He believes everyone can take simple steps towards a more sustainable lifestyle such as growing their own vegetables or herbs, and using LED lighting, inverter air-conditioners,

Key green features

- Man-made creek that collects rainwater, which is then used to irrigate the green spaces and plants
- Rainwater harvesting
- The green roof deck insulates and filters rainwater before discharging it to the canal waterways. The water is channelled through drips at each column of the climbing plants
- Adaptive re-use/use capability of the canopy walkway that allows the space below to function as a pedestrian street
- Design solutions that includes removable floor covering for the service strips
- Sales gallery that can be converted into a community hall
- Community vegetable gardens
- Design that encourages walking instead of driving

solar water heaters and rainwater harvesting.

"It simply means to live life as an individual as well as a community in a way that is friendly to the natural environment and is sustainable to the earth," Soam says.

Five principles to adopt in daily life are to reduce pollution, conserve resources, conserve energy, reduce consumption and waste as well as protect the earth's ecological balance, he adds.

"I always believe that the software [practice] is more important than the hardware [building]. You can build a building that adheres to green certifications but at the end of the day, it's the daily practices in your life that is sustainable," he says. **E**

Good proposals that need to be realised

BY CITY & COUNTRY TEAM

Budget 2015's initiatives to help first-time homebuyers, make home ownership more accessible and improve transport were generally well-received. However, concerns remain about implementation and delivery. Budget 2015 was tabled by Prime Minister and Finance Minister Datuk Seri Najib Tun Razak at the Dewan Rakyat on Oct 10.

Among the measures to increase access to home ownership are the introduction of the Youth Housing Scheme (YHS); the allocation of RM1.3 billion for Perumahan Rakyat 1Malaysia (PRIMA); and RM644 million for the People's Housing Programme.

YHS offers funding limit for a first home of up to RM500,000 over a maximum period of 35 years, to married couples of 25 to 40 years old with a monthly household income of no more than RM10,000. YHS will provide monthly financial assistance of RM200 to borrowers for the first two years to defray part of their mortgage instalments, a 50% waiver on stamp duty, and a 10% loan guarantee to enable borrowers to qualify for full financing. The scheme is limited to the first 20,000 applications and is offered on a first come, first served basis.

There is also Cagamas Bhd's Skim Rumah Pertamaku where the funding limit has risen to RM500,000, and offers a 50% stamp duty exemption until Dec 31, 2016. The age limit for eligible borrowers rises to 40 years old, from 35 previously.

More affordable homes under PRIMA, the National Housing Department (JPN) and Syarikat Perumahan Negara Bhd (SPNB) are planned. The allocation of RM1.3 billion for PRIMA is for the development of 80,000 homes. The maximum monthly household income to qualify under PRIMA is raised from RM8,000 to RM10,000.

Additionally, there will be a Rent-To-Own scheme for those who do not qualify for financing.

JPN will build 26,000 homes under the People's Housing Programme. SPNB will build 12,000 units of Rumah Mesra Rakyat (measuring 700 sq ft), 5,000 units of Rumah Idaman Rakyat, and 20,000 units of Rumah Aspirasi Rakyat on private land.

Several new infrastructure projects are expected to be implemented next year. Among them are the Mass Rapid Transit (MRT) Line 2 from Selayang to Putrajaya, the Light Rail Transit (LRT) 3 from Bandar Utama to Shah Alam and Klang, the Eastern Klang Valley Expressway (EKVE), the Sungai Besi-Ulu Klang Expressway (Suke), the West Coast Expressway (WCE), the Damansara-Shah Alam Highway (Dash) and the 1,663-km Pan Borneo Highway that will run through Sarawak (936km) and Sabah (727km).

The Edge speaks with some of the winners of *The Edge Malaysia Property Excellence Awards 2014* and real estate consultants for their views on Budget 2015.



TAN SRI LEONG HOY KUM

Group managing director, Mah Sing Group Bhd

Budget 2015 continues to be pro-rakyat by focusing on creating more affordable housing, lowering the cost of living and enhancing



job opportunities. We are heartened to see the focus on helping first-time homebuyers.

The YHS is a smart partnership between the government, Bank Simpanan Rakyat, EPF and Cagamas. First-time homebuyers get plenty of benefits, such as the RM200 monthly financial assistance for loan repayments and a 10% government loan guarantee to obtain 100% financing. They can even withdraw from their EPF Account 2 to top up their monthly loan instalment payments and we will certainly communicate this to our potential buyers, many of whom fall into this category.

We appreciate that the government has extended the 50% discount on stamp duty on the instruments of transfer and loan agreements, while increasing the purchase limit to RM500,000. These will help reduce the transaction cost of home ownership.

We are also pleased the government is reducing income tax rates by 1% to 3% for 2015. This translates to a tax saving of at least 5.3%. Those earning under RM4,000 a month no longer have to pay income tax. This brings us closer to regional practice — it allows taxpayers more disposable income, and makes Malaysia a more attractive employment destination.

We are heartened to see the sustained commitment by the government to upgrade the public transport network with the LRT 3, MRT Line 2, and the highways scheduled for 2015.

The creation of 10,000 new jobs in Pengerang Integrated Petroleum Complex is opportune as we are launching Bandar Meridin East in 2015, which is located between Pasir Gudang and Tanjung Langsat, and is only 80km from Pengerang. The project will provide latent demand for housing.

TAN SRI DATUK EDDY CHEN
Group managing director, MKH Bhd



MKH welcomes the government initiatives to make housing more affordable to lower and middle-income Malaysians. The raising of the price limit for houses that qualify as affordable from RM400,000 to RM500,000 is recognition of the economic factors currently in

play. Similarly, the raising of the household income eligibility from RM8,000 to RM10,000 per month is also aligned with market realities.

This is well reflected in the good take-up rates of houses below RM500,000. Demand for this segment is dampened by the rising loan application rejection rate but the 50% stamp duty waiver and a grant of RM200 a month for two years will help young, first-time homebuyers.

The government's decision to not introduce further cooling measures is certainly a relief to all in the housing industry, which is still feeling the effects of the last budget. In response, many developers have reduced their production volume and any further reduction will see a rise in house prices as supply continues to shrink. Overall, we believe the budget is positive for the industry. What is needed is fine-tuning of implementation to contain leakages and prevent subsidised housing from going to the wrong hands.

DATUK SERI FD ISKANDAR
President, Real Estate and Housing Developers' Association Malaysia (Rehda)



The incentives and measures announced in Budget 2015 will have a positive impact on the industry, especially in promoting home ownership among the lower and middle-income groups and improving their quality of life.

The YHS offers a 10% loan guarantee to enable borrowers to obtain full financing, including cost of insurance, and RM200 in monthly financial aid to alleviate their financial burden, especially those from urban areas struggling to cope with the rising cost of living.

We also appreciate the raising of the ceiling of household income from RM8,000 to RM10,000 for PRIMA homes, which will allow more people to own a home. The introduction of the Rent-To-Own scheme is commendable, and will help those unable to obtain financing.

We thank the government for lending us a sympathetic ear. Although our proposal to review the need for stamp duty was not taken up, the extension of the 50% discount on stamp duty on instruments of transfer and loan agreements, until Dec 31, 2016,

Asia's preferred real estate destinations

BY ULRICH DISCHLER

Buoyed by improving markets and stronger confidence, investors around the world are expecting to increase their exposure to real estate. Despite slower than expected economic growth, possible interest rate hikes and the tapering of quantitative easing in the US, I believe that Asia Pacific will continue to attract global capital inflows and enjoy high transaction volumes. This is largely due to the opportunities for returns that can be found in these markets.

According to Colliers International 2014 Global Investor Sentiment Survey, investors in Asia and Latin American are targeting high returns between 15% and 20%. Some are anticipating even more bullish returns in excess of 20% from their Asian assets.

Like their counterparts, Asian investors are also expected to expand their portfolio and most still prefer their home markets. The most investors in this market are regional, led by Hong Kong, Singapore and China, says Cushman & Wakefield's recently released report titled 'Winning in Growth Cities'. While the pace of activity has been subdued, demand is resilient as global pension funds and insurers are allocating capital to assets in this region, as core Asian markets tend to outperform.

To decide where to invest in, investors in the Asian property market use property fundamentals to guide their decisions, followed by economic expectations and property yields.

Beijing, Tokyo and Shanghai were the top investment destinations for commercial property investments in Asia in the first half of this year. China attracted 73% of the deals made and the total value of deals in this six-month period hitting US\$82 billion. According to news reports, deals transacted in the last quarter hit a record US\$34 billion that includes a whopping US\$10 billion paid by Hyundai Motor Group for land in Seoul's high-end Gangnam district. This was reported to be the highest price for a single piece of land in Asia since the 2008 global financial crisis. Meanwhile, Tokyo was recently named the biggest commercial property market in Asia with a 30.4% increase in real estate investments last year.

Besides these cities, I think that Jakarta and Kuala Lumpur will soon join the ranks of top property destinations for capital inflows. Jakarta is a favoured emerging market in this region and business transactions are generally easier and more transparent compared to emerging cities such as Vietnam. The country's young, urbanising population has supported strong demand for all types of real estate in recent years.

Indonesia is the world's fourth most populous nation and Asia's fourth-largest economy. Global investors regard new president Joko Widodo, a fresh face in its history of country leaders, positively. Foreign direct investment in Indonesia grew by 7.3% in 2Q2014 and this could mark improving confidence in the outlook of this nation. Prices of Jakarta's condominium market are still low when compared to regional peers and this gives plenty of upside potential in coming years.

Malaysia has already attracted a fair share of global property investors including Union Investment Real Estate. Union Investment Real Estate acquired Kuala Lumpur's Cap Square Tower back in 2007. There are many good opportunities in the resilient Malaysian property market that has a strong long-term outlook that is underpinned by government programmes such as the Economic Transformation Programme, infrastructure projects such as the high-speed rail and MRT, urbanisation of its population and growing affluence. Furthermore, the new goods and services tax (GST) of 6% does not apply to residential properties when implemented in April next year. This should support demand for homes, which has cooled after tighter lending conditions were introduced.

Although growth of China's economy is slowing down, reforms and growing affluence of its population supports real estate prices. Shanghai's office and retail market are mainstays for foreign funds looking to invest in China but activity in this city could be muted for some time as prices are already relatively high and regulators tighten lending. Singapore, another popular investing destination, is also running out of steam as rising vacancies and falling rents create complications for global funds seeking to exit this market. This year, Singapore falls out of Cushman & Wakefield's list of top 20 cities for global investment.

Ulrich Dischler is the Hamburg-based Head of Asset Management International (AMI). Ulrich Dischler is responsible for the asset management of Union Investment Real Estate GmbH's portfolio in Asia, Mexico, Spain and Portugal and also in the USA.

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SUHAIMI YUSUF/THE EDGE

DATUK SERI ABDUL WAHAB MASKAN

Managing director, Sime Darby Property Bhd



The Budget 2015 does indeed have the rakyat's interests at heart and is overall a reasonable one for the property industry.

Allocations to build more infrastructure projects such as the MRT Line 2, LRT 3 and expressways to connect major and up-and-coming townships will be beneficial to potential property buyers as well as property developers in accelerating value creation in existing townships and activating new ones.

These new ideas would further support our nation building through the Economic Transformation Programme and Government Transformation Programme. In addition, they will also help to develop sustainable communities with better connectivity and public transport systems. There will also be more affordable products, which is good especially for the urban and younger generation.

Our customer base of new first-time owner-occupiers will also benefit from the supportive policies for first-time homebuyers.

DATUK VOON TIN YOW

Acting president and CEO, S P Setia Bhd



We are generally pleased the government has mooted initiatives to help first-time house buyers with the YHS, and increased the number of housing units under PR1MA. There are also the 50% stamp duty exemption on instruments of transfer and loan agreements, increase in purchase price limit from RM400,000 to RM500,000, and the Rent-To-Own scheme for those

unable to obtain bank financing.

These initiatives will help to increase supply and meet demand in these market segments by having multiplier effect on the supply chain. We hope the government will ensure the proper implementation of these programmes so that they will be enjoyed by genuine first-time house buyers and those eligible for the PR1MA programme.

In addition, the government may want to consider increasing the number of units available for the YHS and PR1MA. As for the Rent-To-Own scheme, it is a good stop-gap measure. In the longer term, the government may need to address the core issue of the inability of buyers to obtain bank financing.

Developers may not see much tax savings, as we need to bear the extra cost of GST for charges related to all existing residential components of construction contracts, non-reviewable sales and purchase agreements (SPAs), and land transactions that were signed prior to the announcement of GST.

We are nevertheless heartened that the government has reduced the individual tax rate and increased the taxable income bracket, which will increase the net disposable income of homebuyers.

In conclusion, the initiatives are a step in the right direction in striking a balance between driving economic growth and taking care of the rakyat's well-being.

will spur the growth of the housing and property sector, particularly the affordable segment.

The increase of the purchase price limit of the My First Home Scheme from RM400,000 to RM500,000 is timely, given the increasing cost of development. We hope that this, coupled with the stamp duty discount extension, and raising the eligible age of borrowers to 40 years old from 35 years, will increase participation in the scheme. The provision of a facilitation fund of up to 25% of the project cost will also increase the participation of private sector developers in the 1Malaysia Civil Servants' Housing Programme.

Rehda also welcomes the allocation of RM1.3 billion for building 80,000 PR1MA homes. This, and the provision of Rumah Mesra Rakyat and Rumah Aspirasi Rakyat by SPNB, will all help to realise the nation's home ownership agenda.

We are also encouraged that the federal government is spending RM76 billion in infrastructure projects around the country. This will allow better accessibility to rural areas, open up new areas of development, and reduce travelling time.

While we pledge our full support to work together with the government in the delivery of more affordable housing, we hope the federal and state governments will seriously consider our appeal for the government to take on the role of social housing provider.

We request that private developers be allowed to pay a sum to either the state or federal government in lieu of building low-cost housing, as is the current practice with Kuala Lumpur City Hall. In this regard, Rehda looks forward to a level playing field and is keen to engage the government for the benefit of the rakyat as well as the industry.

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Bringing plans back on track

FROM PAGE 103

DATUK SERI ROBERT TAN

Group managing director, IGB Corp Bhd



We applaud the government initiatives to assist first-time homebuyers, especially families earning below RM10,000 a month. They will be most affected by the rising cost of living from not only the pending Goods and Services Tax (GST), but also reduced government subsidies. The RM1.3

billion PR1MA and the YHS will ease this burden, now that they cover homes up to RM500,000 in value. We hope the authorities can give the private sector concessions for building homes in this market segment by reducing development charges and contributions. This will incentivise developers to build more homes of this type.

The building of new infrastructure, especially the MRT Line 2 and LRT 3, will hopefully ease the rakyat's reliance on cars, fuel subsidies and reduce congestion. To encourage a higher ridership on public transport, we hope the authorities reconsider car parking requirements for future developments. In most first world capital cities, a penalty is imposed on developers who want to provide car parks in their projects. In Malaysia, there is a penalty for providing insufficient car parking.

CHOW CHEE WAH

Managing director, Gamuda Land



The government is consistent in its measures to cool speculative buying in the property market. It is also encouraging to see incentives for first-time house buyers and married couples of 25 to 40 years old to promote home ownership.

The incentives may not seem aggressive enough to some quarters, but small steps can yield multiplier effects for lower income groups and eventually lead to positive economic activity in the broader market.

I sincerely hope the market, whether it is the supply or demand chain, will eventually learn to adopt a broad view of its longer term future. The property market is a mid to long-term business, hence measures that are introduced in this budget year are for the cycle of 12 months and beyond.

The impact of Budget 2015 can only be clearly seen in 24 to 36 months, especially when buyers begin to receive keys to their homes. However, some clarification is needed on the implementation of government home ownership schemes. For instance, even if a 10% loan is offered to the proposed 20,000 applicants under the YHS, how will the government guarantee they will be able to secure the other 90% of the mortgage given that the banks are tightening their loan qualification requirements?

Nevertheless, we need to analyse the budget holistically, from a horizontal perspective. The construction of new highways around the Klang Valley and the confirmed development of LRT 3 and MRT Line 2 will greatly improve intercity accessibility and accelerate the development of Greater KL. This will eventually decentralise the population from KL and ease its severe traffic congestion.

The improved transport infrastructure will

raise demand for satellite townships in both the northern and southern corridors of the Klang Valley. Connectivity and accessibility will be key to developing these areas.

Klang Valley residents will experience a lifestyle shift, and will have to embrace the culture of public mobility. It will benefit younger homebuyers looking for high quality homes without the exorbitant pricing. Their cost of living will also be considerably lower when they stay farther away from the city centre.

The market sentiment needs to change, beginning with the perception of property buying and selling in the country, to minimise the possibility of overheating and to create sustainable growth. The government has laid the foundation to align the market in this direction in Budget 2015.

ANWAR SYAHRIN ABDUL AJIB

Managing director and CEO, UEM Sunrise Bhd



Given the softening property market, we are pleased there are no plans for further property cooling measures. The incentives offered for first-time homebuyers focusing on young couples via the YHS are positive ones.

The extension of the 50% stamp duty exemption on instruments of transfer and loan agreements until Dec 31, 2016, was expected by the market, but the positive update is the increase from RM400,000 to RM500,000 price limit for first-time homebuyers. UEM Sunrise will have a higher proportion of affordable housing in the southern region to cater to first-time homebuyers.

TEH CHIN GUAN

Property director, IOI Properties Group Bhd



The announcement of major infrastructure projects such as the new LRT and MRT lines and highways will boost development along Kuala Lumpur's corridors farther from the capital city, and raise the standard of living. There will be less traffic congestion, efficient commuting, less stress and more productivity. These positive impacts will be most felt by those living near the LRT and MRT lines.

The incentives for first-time homebuyers are all good for the housing industry, as is the raising of the maximum loan amount that civil servants can apply for.

The exemption from GST of essential items such as food and petrol will help cushion people from the rising cost of living. This in turn will positively impact the retail business and commercial properties.

JAMES WONG

Publicity chairman and past president, Association of Valuers, Property Managers, Estate Agents and Property Consultants in the Private Sector (PEPS), Malaysia and managing director, VPC Alliance

The YHS is good, but its implementation must be improved — there are so many bodies involved, but no developers. This raises questions about



how the government will implement it. Its impact on home ownership may be limited because it is on a first come, first served, basis for 20,000 units of homes, whereas the need for affordable housing is much greater.

The housing targets set by PR1MA,

JPN and SPNB are tall orders because based on statistics, PR1MA launched fewer than 5,000 units last year. Again, what is the implementation mechanism?

How will the government achieve its targets for building affordable homes? Will there be joint ventures with private developers? The price of land in the Klang Valley, Johor Baru and Penang is too high for affordable housing. The government must release land or enter into joint-ventures with private developers to build affordable housing.

The government must reduce red tape and land compliance cost, such as providing reservoirs and electricity substations, and address increased densities. Otherwise, I cannot see how we can achieve these targets.

The extension of the 50% exemption on stamp duty and raising the maximum price to RM500,000 is good for first-time homebuyers. Some 20% of Malaysian households fall into the high-income category, while 40% are classified as mid-income. The remaining households are low-income.

But, data provided by the National Property Information Centre show that existing housing stock as at 2Q2014 is 4.77 million units. About 40% of this stock is targeted at the high-income group. As a result, there is a huge mismatch [of supply to demand for affordable housing].

Only in the last two to three years have the government and private developers realised that this category is important. Affordable housing has been overlooked for the past 10 to 15 years. Based on PR1MA records, 700,000 Malaysians have applied for PR1MA housing so there is great demand for it.

This is a very serious housing problem. The government must come up with concrete measures to deliver on affordable housing. Housing loan rejection rates will continue to rise because banks are tightening eligibility requirements — so the only people who will benefit [from Budget 2015] are those who get a unit under the YHS.

Infrastructure projects such as the LRT 3 and MRT 2 will directly impact property markets by opening up new growth areas. The MRT will be a big boost as it connects Greater KL and creates a growth corridor, similarly for the EKVE. The Pan Borneo Highway is the equivalent of the [peninsula's] North-South Expressway for Sabah and Sarawak. It will criss-cross both states and help to improve the local economy.

FOO GEE JEN

Managing director, C H Williams Talhar & Wong Sdn Bhd and vice president, PEPS



There was little mention of GST in Budget 2015, but the undercurrent of concern over its impact on the cost of living next year could not be ignored. Although residential properties are zero-rated for GST, materials and services supplied in the devel-

opment process will be subject to GST, the costs of which are likely to be passed on to homebuyers. However, the extent of its effects is unclear.

Under PR1MA, Program Perumahan Rakyat and SPNB, 143,000 new affordable homes are planned. This figure, combined with the 130,195 homes proposed in 2013, means that the government will provide new housing to about 1% of the population per annum for the next four years, compared with our current population growth rate of 1.3%.

The 25 to 29 age group comprises 12% of the total population and it is estimated that 30% of this group are potential first-time buyers, putting the need for affordable homes at 330,000 units.

The announced programmes appear to adequately address the needs of first-time homebuyers, but plans must be matched by actual deliveries. We note that of the 126,000 units proposed in 2013, only about 10,000 commenced construction in 2014. Therefore, to bring the plans back on track, there must be commencement of construction of 120,000 affordable homes in 2015. Our concern is that the actual number of affordable homes constructed may fall far below target.

The YHS was introduced to address the capacity of first-time buyers to meet initial payment requirements and subsequent home loan repayments. While laudable, its availability to only 20,000 applicants is a major limitation. This figure should be doubled.

We propose an additional eligibility requirement for this scheme is that the houses should be owner-occupied. We think that the scheme's introduction for first-time homebuyers, instead of reviving the developers' interest bearing scheme (DIBS), was the right decision by the government. The 50% discount on stamp duty for first-time homebuyers will save them about RM1,000.

While financing schemes will enable more people to purchase their first home, buyers must be educated on good financial management. Otherwise, the easy terms of loan financing may lead to excessive debt and the inability to repay loans.

We would like more details on how the Rent-To-Own scheme operates. There is a possibility that the tenant may require a larger home as the family grows, but may not be able to break the tenancy agreement and risk the loss of option to purchase the house at the end of the 20 to 30-year period in the agreement.

As Real Property Gains Tax will now be self-assessed, prospective sellers are cautioned to seek professional guidance on market value prior to completing a sale to minimise the risk of undervaluing a property and being penalised for underpayment under RPGT.

The tourism industry will see further growth with another tourism promotion year in 2015, to be known as the "Year of Festivals". RM312 million has been allocated to upgrade airports in Kota Kinabalu, Sandakan, Miri, Sibiu and Mukah in East Malaysia to cater for increased passenger traffic.

The Eastern Sabah Security Zone will have two battalions stationed in Sabah to boost the confidence of tourists. All of the above should prove timely and help achieve the 29.4 million visitors target and RM89 billion in tourism receipts in 2015.

The budget also announced tax exemptions of 70% to 100% for a period of five years, for the management of industrial estates. This should encourage better management, more gated and guarded industrial parks and attract more logistics operators. Better managed industrial estates will also encourage more industrial developments and investment in general.

Several important infrastructure developments such as the Suke highway, WCE, LRT 3 project and the MRT2 line will create new opportunities for residential development. ■

Canada condo boom rolls on as buildings fall apart

BY ANDREA HOPKINS

While Toronto's housing boom rolls on, some of the housing itself is falling apart. Canada's biggest city has more than 100,000 units under construction as developers and investors seek to cash in on condo prices that have increased 25.7% over the past five years. The trouble is, many buildings are so poorly constructed that some residents fear that the money-spinners of today could become the slums of the future.

Glass panels have been falling off newly built Toronto condos, including the luxury Shangri-La and Trump towers and a dozen or more lesser-known buildings across the city. New buildings suffer from water leaks and poor insulation, making them ill-suited to Canadian weather.

"Many buildings that went up during the beginning of this condo boom are already facing high repair costs, and in many cases lawsuits, because they are built so shabbily," says Ted Kesik, a professor of building science at the University of Toronto.

"The life cycle is clear. They are okay for the first five years, they gradually deteriorate by year 10 ... and don't even reach year 20 before significant remedial work needs to be done. In 50 years, these buildings may well become an urban slum."

That's all far in the future for builders and investors who have had little trouble finding tenants, with the city's rental vacancy rate at 1.8%. Condo prices are rising across the country, up 16.8% in the last five years, according to the Canadian Real Estate Association.

Real estate brokers are dealing mostly with 10-year investors who want to buy from a blueprint, double their equity during the five years of construction, and enjoy rental income and price appreciation for five more years before selling and investing again elsewhere.

"It's all about timing. We advise most clients to get out before that five-year mark," says Roy Bhandari of Sage



High demand in Toronto ... Many condos are shabbily built, but investors have little trouble finding tenants with the city's rental vacancy rate at 1.8%

Real Estate, which notched nearly C\$50 million (RM144 million) in Toronto condo sales in 2013, with clients typically from China, Eastern Europe, or the Middle East. "It's the magic number because after five years, the warranties will have expired."

The spate of falling glass sheets prompted the Ontario government to improve the building code in 2012 to stipulate that better glass be used for balconies, but the problem continues. In July, balcony glass panels fell off the 65-storey Shangri-La hotel and condominium building in Toronto's downtown core for the fifth time.

The allure of Canada

Canada's reputation as a safe haven from global financial storms has driven condo development in Toronto and Vancouver since 2009, attracting investors at home and abroad who had been spooked by stocks, bonds and foreign banks at risk of failure.

"The first reason they chose Canada is the banking system. It's the most bor-

ing banking system on the planet, but that makes it the safest," says Bhandari.

Less important are the finer points of the condos, with investors primarily focused on value, location and amenities.

"Investors never see the suite. They buy it and sell it, and they are not flying in to micro-manage the investment," Bhandari says.

While there are no numbers on how many of Canada's condos are being bought by foreign investors, estimates range from 5% to 50%. The Shangri-La in Toronto is part of a chain owned and managed by Hong Kong-based Shangri-La Hotels and Resorts, one of the world's leading hotel companies.

"It's almost like the dotcom bubble, in that you have to see it coming and sell, because if not, you'll get burned," says building scientist Kesik.

Renters and some real estate agents blame weak provincial regulations for problems with poorly built condo.

"The Building Code is a joke, the Condominium Act is a joke," says Da-

vid Fleming, a condo buyer turned realtor. "The City of Toronto relies on the permits, the fees for its tax base, and construction and condos are what is carrying the city. You do not kill the goose that lays the golden egg."

Fleming bought a pre-construction condo in 2005 that was scheduled to be finished in 2007. When he finally got his unit's keys in 2010, the rest of the building was still under construction, and he saw defects everywhere. He sold his unit within two years.

The Ontario building code, a provincial responsibility, is reviewed every five years, says Conrad Spezowka, a spokesman for Ontario's Municipal Affairs and Housing Ministry. He noted it was most recently amended in June 2012 to address the failing glass problem.

"While the province is responsible for administering the Ontario Building Code, municipalities are responsible for enforcement and inspecting construction and renovation to ensure they comply with the code," Spezowka said in an e-mail.

In January, a report from Toronto's Auditor General found enforcement of the building code was lax and in need of a top-to-bottom review. Two-thirds of open building permits across Toronto had had no inspection for over a year. Of the 3,735 reported code violations in 2012, only 30% had been inspected, and more violations were issued than closed each year.

Toronto's building office did not respond to requests for comments for this story.

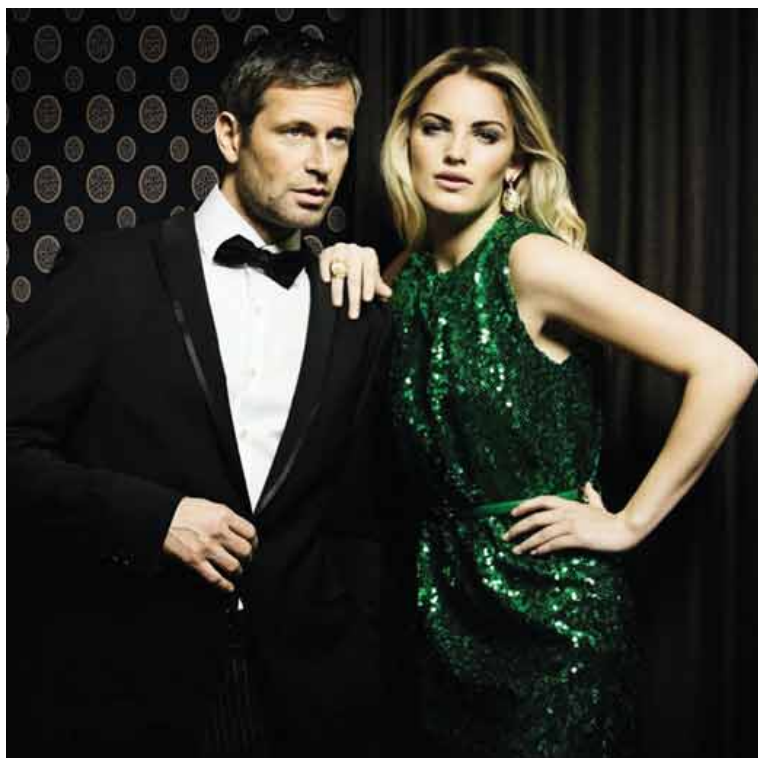
Most condo owners are reluctant to make a fuss about poorly built condominiums for fear of lowering asset values as they try to offload their units. Nonetheless, lawyer Ted Charney in September launched his sixth class-action lawsuit against a major Toronto developer, a C\$29 million (RM84.3 million) suit over wildly fluctuating water temperatures in a condo high-rise that is being blamed on the installation of improper water valves.

"Our building code is woefully deficient," says Audrey Loeb, a real estate lawyer dubbed "the Condo Queen" for her focus on condominium owners who were promised one thing when they were buying and got much less when they moved in. "The municipal and provincial governments have not imposed high enough obligations on developers."

Developers said there are plenty of checks and balances, and that mistakes are corrected quickly.

"There's a lot of moving parts. It's not like there is a mistake because we're trying to provide cheap product. It is the opposite. Everyone is always trying to better themselves," says Barry Fenton, president and chief executive of Lanterra Developments, which is among those being sued for falling glass at one of its new condo towers.

"The systems that we have in place have worked, they are healthy. There is no question if building inspectors or policies suggest we should make changes, we're here to listen and make the changes. Change is good." — Reuters



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More scenes from the gala night

1. The dinner in progress
2. PPC International Sdn Bhd executive director Thiruselvam Arumugam (left) and managing director Datuk Siders Sittampalam
3. VPC Alliance (Malaysia) Sdn Bhd managing director James Wong (left) with Rahim & Co (Selangor) Sdn Bhd managing director Choy Yue Kwong
4. From left: Eco World Development Group Bhd CEO international business Datuk Teow Leong Seng, Sime Darby Property head of property development 2 Salem Kailany, S P Setia Bhd acting president and CEO Datuk Voon Tin Yow and Sime Darby Property managing director Datuk Seri Abdul Wahab Maskan
5. From Left: Eco World director Tan Sri Liew Kee Sin, Sunsuria executive chairman Datuk Ter Leong Yap, See Hoy Chan Holdings Group director Tan Sri Teo Chiang Kok, Rehda president and Glomac Bhd group managing director and CEO Datuk Seri FD Iskandar and Rehda deputy president and IJM Land Bhd CEO and managing director Datuk Soam Heng Choon
6. Eco World COO Datuk S Rajoo and corporate services head Wong Sheue Yann
7. From left: Tan & Tan Developments Bhd executive director Teh Boon Ghee, S P Setia executive vice-president of special projects Datuk Wong Tuck Wai and S P Setia acting deputy president and COO Datuk Khor Chap Jen
8. Sunway Bhd managing director of property investment division Datuk Ngeow Voon Yean (left) and Gamuda Land managing director Chow Chee Wah
9. Ho Chin Soon Research Sdn Bhd directors Ishmael Ho (left) and Ho Chin Soon
10. C H Williams, Talhar & Wong Sdn Bhd managing director Foo Gee Jen (left) and director Heng Kiang Hai
11. Pertubuhan Akitek Malaysia (PAM) past president Tan Pei Ing (left) and PAM president Chan Seong Aun
12. The Edge Communications Sdn Bhd managing director Au Foong Yee having a light moment with Sunsuria Bhd director Datin Amy Ter (left) and Puan Sri How Teng Teng



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