

ISSUE 235

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CORPORATE REAL ESTATE HIGHLIGHTS

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BNM keeps OPR unchanged at 2.75%

Bank Negara Malaysia (BNM) has decided to maintain its overnight policy rate (OPR) at 2.75%, as inflation is expected to moderate in 2023 with upward pressures remaining partly contained by price controls and fuel subsidies.

This is the second consecutive time the central bank maintained its benchmark interest rate after four straight hikes last year by a cumulative 100 basis points to tame inflation and respond to tightening fiscal policy by the US Federal Reserve.

“Headline and core inflation are expected to moderate over the course of 2023, but will continue to be elevated amid lingering demand and cost factors.

“The balance of risk to the inflation outlook is tilted to the upside and continues to be highly subject to any changes to domestic policy on subsidies and price controls, as well as global commodity price developments,” said BNM in a statement.

At the current OPR level, BNM said the stance of monetary policy “remains accommodative and supportive of economic growth”. [READ MORE](#)



Assessment cuts of 5% for strata title units, 20% for terrace houses in Putrajaya

The government has agreed to implement phase two of the assessment tax cut in Putrajaya amounting to 5% for strata title residences (apart from affordable houses) and 20% for terrace houses beginning July 1 this year.

Prime Minister Datuk Seri Anwar Ibrahim said the assessment discount applies to residential units built after 2017, with the reduction to be based on the total tax imposed.

Anwar, who is also finance minister, said the tax reduction offer involves almost 2,700 units of residences with strata titles and the new rate will stay until a reassessment is done by Putrajaya Corporation.

Earlier, all residential units priced below RM300,000 in Putrajaya had been given a 30% discount in assessment, effective from Jan 1 this year until a reassessment is done by Putrajaya Corporation.

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Oriental Interest to develop RM2.16bil mixed development in Kedah

Oriental Interest Bhd will transform 11 vacant plots of land in Daerah Kuala Muda, Kedah, into a mixed development project with a gross development value of RM2.15 billion.

Its wholly-owned subsidiary, OIB Properties (KV) Sdn Bhd (OIBKV) will undertake the development jointly with the landowner Kedah State Development Corporation (PKNK). Both the parties had agreed on March 8, 2023, for the joint development, Oriental said in a filing with Bursa Malaysia yesterday.

Together they will develop affordable, low medium cost and low-cost housing, as well as industrial and commercial properties, subject to planning approvals, approved layout plans, building plans, and specifications.

Based on the agreement, PKNK is entitled to RM326 million or 16 per cent of the GDV, whichever is higher, while OIBKV as the developer will settle the cost of the land totaling RM240 million in full by the 10th year from the date of the agreement.

According to Oriental, the estimated GDV amount of RM2.15 billion is an indicative value based on internal estimation. [READ MORE](#)



Able Global to sell Kuala Langat land for RM18 mil in RPT deal

Able Global Bhd — through its 70%-owned subsidiary Able Development Sdn Bhd (ADSB) — plans to sell its 23.538-acre land in Kuala Langat, Selangor, for RM18.45 million.

In a bourse filing on Thursday (March 9), Able Global said ADSB, being the vendor of the deal, had entered into a sale and purchase agreement with the purchaser Able Perfect Sdn Bhd (APSB).

The transaction is deemed to be a related party transaction (RPT) as Ng Keng Hoe, also known as Huang Qinghe, is the director of ADSB, as well as the director and major shareholder of APSB with a 40% stake.

“Barring any unforeseen circumstances, the disposal is expected to be completed in 36 months,” said the group in its filing.

The land is expected to have a net book value of RM13.5 million, with a realised gain of about RM5 million. [READ MORE](#)



Teladan Setia buys Negeri Sembilan land for RM24.1 mil

ACE Market-listed property firm Teladan Setia Group Bhd is acquiring freehold land in Negeri Sembilan for RM24.12 million in cash.

The land, measuring 70,020 sq m, is planned for mixed development, said Teladan Setia in a bourse filing on March 7 (Tuesday).

“This proposed acquisition is in line with our strategy of replenishing our land bank at locations with strong growth potential and to scale up our property development activities to generate long-term sustainable income,” it added.

According to Teladan Setia, its wholly-owned subsidiary Pavilion Link Sdn Bhd had on March 7 entered into a sale and purchase agreement with the vendor Complete Achievement Sdn Bhd (CASB) for the land acquisition.

The proposed acquisition of land, which is not subject to shareholders’ approval, is expected to be completed by the third quarter of 2023.

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Kwasa Land partners EXSIM for RM1.6bil GDV project

Kwasa Land Sdn Bhd is partnering with EXSIM through their wholly owned subsidiary, EXSIM MX4 Sdn Bhd, on a new RM1.6bil mixed development at Kwasa Damansara.

Kwasa Land is a wholly-owned subsidiary of the Employees Provident Fund Board (EPF) and the master developer of Kwasa Damansara.

In a joint statement, the companies said the project would entail the construction of serviced apartments on a land area totalling 15.91 acres.

Situated at a plot known as MX-4(ii), the development will feature five (5) apartment blocks. Each block will feature its own signature design and build features while still complementing the overall development.

“With a gross development value (GDV) of approximately RM1.6bil, the project which is expected to provide homes for over 10,000 people, will be delivered in phases with the first phase expected to be completed in 2027,” it said. [READ MORE](#)



Tropicana Miyu in Petaling Jaya fully sold

Tropicana Miyu, a 51:49 joint venture residential project in Petaling Jaya between Tropicana Corp Berhad and Temokin Holdings Sdn Bhd with a total development value of RM280 million, has been fully taken up.

The hallmark development's strategic position and contemporary design, mixing heritage and modernity, drove demand for its 271 condominium units, according to Joanne Lee, Tropicana's deputy chief executive officer.

"We built Tropicana Miyu as a place for 'me' and 'you', balancing the past and present. This theme runs throughout the development, from its location near modern amenities such as malls and MRT stations along with established, historic areas and neighbourhoods, as well as our focus on intergenerational living," she said.

Launched in September 2020 from RM780,000 to RM1.5 million (an average of RM910 psf), Tropicana Miyu features built-ups from 600 sq ft to 2,183 sq ft, with expected completion by August 2024.

According to Lee, the majority of buyers are domestic, especially from Petaling Jaya, who are buying for their stay or their children. She said that these demographics demonstrate the success of the company's tailored marketing strategy for Tropicana Miyu. [READ MORE](#)



168 Park Selayang sales gallery officially launched

168 Park Selayang Sdn Bhd has officially launched the sales gallery for the 168 Park Selayang development in Jalan Kuching here.

Formerly known as Selayang Star City, the 168 Park Selayang development was previously developed by Leadmont Group offering three high-rise residential towers, a serviced suites block and a mall. The first phase, with over 600 designer suites in Block C, was launched in 2014 before the project was eventually abandoned in 2017.

The High Court granted permission for Infra Segi Sdn Bhd — the parent company of 168 Park Selayang Sdn Bhd — to relaunch the project. The project was subsequently renamed 168 Park Selayang.

Chief executive officer Edward Lum noted that this development is set to appeal to first-time homebuyers eyeing affordable properties located close to the Kuala Lumpur city centre, with a variety of units that presents potential homeowners with a wide selection to suit their lifestyle and budget.

The two remaining high-rise residential towers, Block A and B, will comprise 1,433 units. Units in Block A come in eight sizes, ranging from 560 to 1050 sq ft, with a starting price of RM297,000. Meanwhile, Block B units come in four sizes. [READ MORE](#)



IJM Land launches two more phases of Sierra Hijauan

The launch of Sierra Hijauan's fifth and sixth phases (2E and 2H) is another feather in the cap that solidifies IJM Land's reputation as one of the pre-eminent property developers in Malaysia.

And given the scarcity of new landed, gated, and guarded projects with a green milieu within the coveted Ampang address, this puts Sierra Hijauan in good stead as a resort-style development with a focus on a balanced lifestyle. Sierra Hijauan is notable for being a low-density development with only 310 units within its 32.77-acre spread.

The launch of the two phases is a continuation of the progress of Phase 2C and Phase 2D launched in 2021, which are fully sold, and comprise link villas, semi-detached homes, and bungalows that are scheduled to be completed as scheduled next year.

With a gross development value (GDV) of RM60,087,000 and sized at 2.78 acre, Phase 2E will comprise 25 units of 2½ storey semi-detached homes and 3-storey bungalows priced from RM2,329,800 to RM3,339,800. The larger 5.51-acre Phase 2H has a GDV of RM116,123,400 and will comprise 78 units of 2- and 2½ -storey link villas priced from RM1,419,800 to RM1,785,800. There will be two final phases that are targeted to be launched in the Q4 2023. [👉](#)

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Palaterium to spend RM60mil on 85 new HWC Coffee shops in Malaysia

Palaterium Sdn Bhd, which operates Malaysia's newest specialty coffee chain HWC Coffee, will invest RM60 million to establish up to 85 stores by December next year.

"We have a very good perspective for the coffee market, so we are rapidly growing. To attract more people to enjoy our coffee, we will increase our marketing spending and promotional efforts," said Hoe Kian Choon, the founder of HWC Coffee Malaysia.

To capitalise on the expanding coffee market, Hoe said Palaterium would invest RM25 million this year to open 35 shops and RM35 million in 2024 to open 50 stores. The RM25 million investment this year was also to open a coffee academy, a flagship store and a new corporate office at Millerz Square in Old Klang Road, he told the New Straits Times.

Last year, Palaterium invested a total of RM10 million to launch up to 15 HWC locations in Malaysia. The first location was established in One Utama in April 2022. The company currently has 18 outlets, with Gardens Mall, Pavilion Bukit Jalil, and One Utama housing the most profitable ones said Hoe. [READ MORE](#)



UDA to issue RM1bil in sukuk wakalah to fund property development projects

UDA Holdings Bhd would issue RM1 billion in sukuk wakalah Islamic medium-term notes (IMTN) and Islamic commercial papers (ICPs) to fund commercial, housing, industrial, and wakaf projects.

Its president and chief executive officer, Datuk Mohd Salem Kailany, said that the funds from the sukuk wakalah issuances will be used by the UDA group asset management for solar energy applications in UDA-managed buildings.

According to him, the sukuk wakalah issuance has been given the MARC-1IS/AA-IS rating by MARC Ratings Bhd based on UDA's performance record in property development, robust cash flow as well as recurring income sources from property investment.

Mohd Salem said that UDA has total assets worth RM3.7 billion and that he is confident in the group's experience of more than 50 years in the property development sector, as well as being a pioneer and best model for wakaf land development.

He said that the total value of UDA development projects done through the end of September 2022 is RM494.8 million. [READ MORE](#)

