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CORPORATE REAL ESTATE HIGHLIGHTS

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UEM Sunrise selling upscale apartments in Kelana Jaya for a price exceeding RM1,000 per square foot

UEM Sunrise Bhd has announced its plans to redevelop Kelana Jaya's Giant Mall into a mixed-use development featuring retail lots and high-end apartments with a potential price exceeding RM1,000 per square foot.

The company has secured a sale and purchase agreement with Kwasa Properties Sdn Bhd, a subsidiary of the Employees Provident Fund Board (EPF), to acquire the 3.7-hectare site for RM155 million.

The project, scheduled for launch in 2025, is expected to have a gross development value of RM1.1 billion.

UEM Sunrise aims to rebalance its landbanking portfolio and expand its presence in the central region, emphasizing multigenerational living opportunities in the mature SS6 Kelana Jaya neighborhood.

The acquisition of Giant Mall marks EPF's eighth retail asset sold this year, with total assets sold surpassing RM880 million.

UEM Sunrise's net gearing is projected to increase to 48.1 percent after the acquisition, and the company has also divested legacy assets to focus on property development in the Klang Valley region.

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Kuala Lumpur ranks as the 35th priciest city for expatriates in Asia and holds the 175th position worldwide in terms of cost of living.

Kuala Lumpur is the 35th most expensive city in Asia and ranks 175th globally for expatriates, according to ECA International's cost of living analysis.

Other Malaysian cities like George Town, Kota Kinabalu, and Johor Bahru also experienced declines in their rankings. Lee Quane, the regional director for Asia at ECA International, noted that many Asian locations saw a decrease in rankings due to lower inflation rates compared to other regions.

However, Singapore rose in the rankings due to significant rent increases, becoming the fifth-most expensive location worldwide. Seoul and Yangon also saw improvements in their rankings.

Bangkok dropped to the 60th position, while Manila and Jakarta also fell in the rankings. Hong Kong is now the second-most expensive location globally, after New York, ending its four-year reign at the top.

Chinese cities like Shanghai and Guangzhou fell in the rankings due to a weaker yuan and lower inflation rates. Tokyo also dropped in the rankings, becoming relatively cheaper compared to previous years. [READ MORE](#)



JCorp records a net profit of RM808 million in the fiscal year 2022

Johor Corp (JCorp) achieved an imposing surge in group net profit, more than doubling to RM808 million in FY22 from RM379 million the previous year, driven by a 12% increase in revenue to RM5.7 billion.

The company's strong performance was supported by growth in its agribusiness segment, with revenue reaching RM1.85 billion, and its wellness and healthcare segment, which saw a 13% increase in revenue.

Despite challenges in the food and restaurants segment due to ongoing restructuring and supply chain disruptions, JCorp remains focused on its 3.0 Reinvention Plan, aiming for resilience, agility, and sustainability.

President and chief executive officer Datuk Syed Mohamed Syed Ibrahim said JCorp's 3.0 Reinvention Plan had culminated in the successful results. "Our remarkable performance for FY2022 has been driven by a very successful corporate restructuring plan. Coupled with this, our asset rationalisation and financial restructuring efforts have also had a positive impact," he added.

The company appreciates the support from the Johor state government and shares a commitment to the wellbeing and prosperity of the people and the state of Johor. [READ MORE](#)



Developers will report significant profitability in the year 2023, as the trend of increased sales is anticipated to persist

CGS–CIMB, a research firm, expects property developers to experience a positive revenue and earnings trajectory in 2023, driven by their optimistic outlook on higher sales supported by a strong domestic economy.

The firm believes that an improved mortgage loan approval–to–application ratio and a stable labor supply indicate a more favorable outlook for the sector. CGS–CIMB reports that larger developers, such as Mah Sing Group Bhd and SP Setia Bhd, have set ambitious sales targets for the year.

The research firm also highlights that developers under its coverage have a significant number of unbilled sales, totaling RM20 billion in the first quarter of 2023. Additionally, CGS–CIMB mentions the potential for increased earnings resulting from stabilized raw material costs, citing a decline in steel prices and a slight increase in cement prices.

The firm expects challenges related to labor shortages to gradually ease with the implementation of the Foreign Workers Employment Relaxation Plan. Furthermore, the average mortgage loan approval–to–application ratio has improved over the past year, indicating positive trends in mortgage lending.

Lastly, the overnight policy rate has returned to pre–pandemic levels at 3 percent, further supporting the notion of a resilient domestic economy. [READ MORE](#)



SkyWorld plans to introduce 208 million new shares and transfer 192 million existing shares as part of its listing on Bursa

SkyWorld Development Bhd is planning to list on Bursa Malaysia and is offering a total of 400 million shares, consisting of new and existing shares.

They have partnered with Kenanga Investment Bank Bhd for their initial public offering (IPO). The company aims to be listed in the third quarter of 2023.

The IPO includes a retail offering of 75 million shares, with 50 million available for the Malaysian public to apply through balloting. Additionally, 25 million shares are reserved for directors, management, employees, and contributors.

The institutional offering comprises 325 million shares, with 150 million specifically for approved Bumiputera investors and the remaining 175 million for institutional and selected investors.

The funds raised from the IPO will be used to expand SkyWorld's landbank, repay loans, increase working capital, and cover listing expenses. The company's founder, Datuk Seri Ng Thien Phing, is optimistic about improving their market position and providing long-term value.

Kenanga Investment Bank Bhd recognizes SkyWorld's high-quality properties and strategic location, positioning them as a leading property developer with growth potential. [READ MORE](#)



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TRANSFORMING CITIES

Batu Kawan remains a favored destination among developers in the state of Penang

Batu Kawan, previously a quiet town located in the southern part of Seberang Prai in Penang, is garnering attention from developers, including NCT Alliance Bhd.

The property developer has recently commenced construction on its latest residential project called Ion Vivace Residences. Datuk Seri Yap Ngan Choy, the executive chairman and group managing director of NCT, believes that the development will contribute to the district's ongoing economic progress as it has been steadily expanding despite the uncertainties prevalent in the real estate market.

The establishment of Bandar Cassia, an area acquired by the Penang Development Corporation (PDC) in the early 1990s, along with the Batu Kawan Industrial Park (BKIP) and the completion of Penang's second bridge in 2014, have played significant roles in the area's growth.

The groundbreaking ceremony for Ion Vivace Residences was recently held, marking a significant milestone for NCT Alliance as it expands its presence in Penang. The project consists of two serviced apartment blocks, offering a total of 528 dual-key, two-bedroom, three-bedroom, and studio units with varying sizes. The prices range between RM344,000 and RM747,000, and the project is expected to be completed in early 2027, with a total development value of approximately RM300 million. [READ MORE](#)



EUPE Corporation has initiated the second phase of Villa Natura in Sungai Petani

EUPE Corporation Bhd (EUPE) has introduced the second phase of Villa Natura at its showcase village in Sungai Petani, Kedah on June 3rd. This phase, valued at RM47.5 million, includes 159 single-storey terrace houses with two different layouts: Type C and Type D.

Type C homes have a built-up area of 20ft by 50ft and a land size of 20ft by 70ft, while Type D homes have a built-up area of 25ft by 50ft and a land size of 30ft by 80ft. Prices for these units start at RM238,000, and the completion is projected for 2025.

EUPE had previously launched Phase 1 of Villa Natura in March 2023, which has experienced a high demand with 99% of the units being sold since then.

Datuk Beh Huck Lee, the managing director of EUPE, expressed satisfaction with the response to Phase 1, emphasizing the affordability of the housing options offered by Villa Natura.

The attractively priced villas and bungalows cater specifically to younger market segments seeking luxurious homes at affordable rates. [READ MORE](#)



The MM2H program has undergone notable enhancements, leading to the accumulation of nearly RM1 billion in funds

The Malaysian government's recent tightening of the Malaysia My Second Home (MM2H) program's requirements has not only helped curb spying activities but has also significantly increased the program's financial value compared to the previous five years.

Home Minister Datuk Seri Saifuddin Nasution Ismail revealed that despite a decrease in the number of applications and approvals, the program recorded a monetary value of nearly RM1 billion in just one year, equivalent to the value recorded between 2015 and 2019.

“...in 2019, prior to the Covid-19 pandemic, there were 3,900 applicants, but with the new conditions, the number of applications is approximately 2,000, which is a 50% decrease.

“However, because we have tightened the application requirements such as a RM1 million in fixed deposit, there are currently 375 applications that have been approved, which means that there is RM375 million in the country’s money market.” he said during the question-and-answer session.

The stricter conditions include a RM1 million fixed deposit and RM1.5 million in liquid assets, along with security vetting. The changes have attracted retirees from various countries, including Japan, South Korea, the US, Canada, and Australia, due to Malaysia's political stability and language proficiency.

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Phase 1B of Balau Homes by Boustead Properties has been met with a 70% rate of occupancy

Boustead Properties Bhd has achieved a 70% take-up rate for Phase 1B of Balau Homes in its Mutiara Hills township in Semenyih, Selangor.

Commenting on the response, Boustead Properties chief executive officer Khairul Azizi Ismail said: “The remarkable response from homebuyers is a testament to Mutiara Hills’ potential as a thriving, sustainable township development that is set to elevate liveability standards in Semenyih.”

The development consists of 90 two-storey linked homes with built-up areas ranging from 1,601 to 1,879 sq ft and land sizes of 20ft by 70ft. Priced from RM535,680 to RM782,000, Phase 1B is scheduled for completion by April 2025.

Prior to the launch of Phase 1B, Boustead Properties had previously launched Phase 1A1 featuring 74 units and Phase 1A2 offering 66 units which are expected to complete by September 2023 and March 2024, respectively.

Mutiara Hills, located in Semenyih, is a 1,200-acre freehold township surrounded by the Titiwangsa Range and Broga Hill. It offers convenient access to major highways such as Lekas, Cheras-Kajang, and Sungai Besi, connecting to various key areas including Kajang, Bangi, Putrajaya, Cyberjaya, Seri Kembangan, Bukit Jalil, and Puchong. [READ MORE](#)



The first phase of the apartment redevelopment project in Cheras is estimated to be completed by 2026

A redevelopment privatization project is underway in Bandar Tun Razak, Cheras, involving several low-cost apartments, namely Sri Pulau Pinang, Sri Melaka, Sri Johor, and Taman Ikan Emas.

The project aims to provide 5,650 replacement housing units for the B40 income group, with 859 units being individually owned and 4,791 units rented under Kuala Lumpur City Hall mentioned by Bandar Tun Razak Member of Parliament Datuk Seri Dr Wan Azizah Wan Ismail.

The Department of Federal Territories is leading these projects through public-private partnerships to enhance the living conditions of residents in aging units lacking essential facilities such as lifts, surau, and halls.

Each new 850 sq ft unit will come with upgraded amenities like a surau, kindergarten, hall, shop units, and management office. The redevelopment project is divided into two phases, with the first phase, encompassing 1,192 units, currently underway and expected to be completed by 2026.

The second phase will follow suit and is projected to be finished by 2030. Residents have expressed their gratitude for the long-awaited realization of the redevelopment project. [READ MORE](#)



PJD Link successfully secured funding amounting to RM922 million

PJD Link (M) Sdn Bhd has successfully secured RM922 million in funding for the Petaling Jaya Dispersal Link (PJD Link Expressway) project.

This funding enables PJD Link to proceed with the remaining phases of project financing, including raising the remaining project costs through the sukuk market.

PJD Link aims to address traffic congestion and accommodate future vehicle growth in the Kuala Lumpur and Klang Valley region.

Additionally, PJD Link has signed a heads of agreement with MCC Overseas (M) Sdn Bhd to appoint them as the engineering, procurement, and construction contractor for the expressway.

MCC Malaysia is a subsidiary of China Metallurgical Group Corporation, a construction engineering conglomerate listed on the Shanghai and Hong Kong stock exchanges. [READ MORE](#)

