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CORPORATE REAL ESTATE HIGHLIGHTS

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2024 Budget: Simplifying MM2H and Bolstering Infrastructure to Offset Foreign Property Stamp Duty

Malaysia's 2024 budget will ease MM2H rules, increase infrastructure projects, and extend the SJKP program to counteract a 4% stamp duty on foreign property transactions, according to MIDF Research.

Budget 2024 includes adjustments to MM2H requirements that may attract more foreign buyers, and initiatives like the RM10 billion allocation for SJKP extension, the revival of five Light Rail Transit Line 3 (LRT3) stations, and the Penang LRT development are expected to boost real estate demand in Klang Valley and Penang.

However, the 4% stamp duty on MOT for non-citizens and foreign-owned firms might deter some foreign buyers. Property loan demand increased in August 2023, indicating growing interest in property purchases. Loan approval rates also improved, aligning with the increased demand.

Overall, the property sector is poised for positive growth in 2024, driven by MM2H relaxation and infrastructure investments. [READ MORE](#)



Propel Global is buying land in Pahang for RM14.7 million for a proposed commercial development

Propel Global Bhd is purchasing two plots of land in Kuala Kuantan, Pahang, for RM14.7 million. Their subsidiary, Propel Global Development Sdn Bhd, has entered agreements with Goldhill Deluxe Sdn Bhd, the vendor, for the acquisition.

The plan is to develop 34 three-storey shop lots, with construction beginning in October 2024 and completion expected in September 2026. The acquisition aligns with their strategy to meet the growing demand for commercial properties, driven in part by the upcoming East Coast Railway Line launch in 2027.

The purchase price was determined after considering the project's potential and the parcels' market value assessed by valuer Laurelcap Sdn Bhd.

The acquisition will be funded through internal resources or company share issuance, with completion expected by the end of 2023. [READ MORE](#)



Minho has purchased land in Kuala Selangor for the construction of factories and warehouses

Timber manufacturer Minho (M) Bhd has announced its acquisition of a substantial 7.84-hectare piece of freehold land located within an industrial zone in Kuala Selangor, at a purchase price of RM18.41 million.

The company's strategic objective involves the development of factories and covered warehouses on this newly acquired land, marking a significant step in its long-term plan to facilitate the relocation of its operations and current tenants from their current site situated along Jalan Kapar.

This strategic land acquisition has been revealed through an official filing with Bursa Malaysia, where Minho disclosed that its wholly-owned subsidiary, Syarikat Minho Kilning Sdn Bhd, is the entity responsible for procuring the land.

The acquisition cost will be entirely covered by cash, drawn from internally-generated funds and bank borrowings, as reported by Minho. [READ MORE](#)



Perak is actively searching for a 400-hectare site to establish a new technology industrial park

The Perak government is in the hunt for a suitable site to establish a new, sizable high-tech industrial park in the northwestern region, potentially spanning a substantial 405 hectares, which is ten times larger than the allocation made prior to the 2024 Budget announcement.

Potential locations include Parit Buntar or Bagan Serai, with a focus on affordability and proximity to Penang Port and the airport. The new high-tech park is expected to complement the existing industrial park in Seberang Perai and the Kulim high-tech park.

The move is seen as beneficial for the local housing market, potentially leading to land development projects by developers like Eco World Development Group Bhd and Tambun Indah Land Bhd.

Developers like Eco World Development Group Bhd and Tambun Indah Land Bhd may explore opportunities in the vicinity, benefiting from increased investment diversion from China due to the ongoing US-China trade tensions. [READ MORE](#)



Wasco is divesting land in Klang for RM40 million to support working capital and reduce debt

Wasco Bhd, previously known as Wah Seong Corporation Bhd, has announced that its subsidiary, Wasco AgroTech Sdn Bhd, has sold a piece of freehold land in Klang, Selangor, for RM40 million.

The sale was executed through a sale and purchase agreement with Array Metal (M) Sdn Bhd on October 12. Array Metal specializes in manufacturing cable support systems, perforated steel materials, and flexistrut channel metal framing.

Wasco's decision to divest the property is aimed at unlocking the land's value and improving the group's liquidity and financial standing. As a result of this sale, Wasco anticipates a one-time net gain of RM31.8 million.

The proceeds from the sale will primarily be allocated for working capital and debt repayment. The transaction is slated for completion in the first quarter of 2024. Wasco's shares closed unchanged at 98 sen, with a market capitalization of RM759.39 million. Year-to-date, the stock has recorded a 53.12% increase. [READ MORE](#)



Japanese company Koa Corp is injecting an extra RM1 billion into expanding its operations in Melaka

Koa Corporation, a Japanese company, is investing an additional RM1 billion in Melaka to develop its chip, microchip, and electronics plant in Phase 2.

The expansion is expected to create approximately 950 job opportunities by 2025, increasing to 1,820 by 2028. Koa Denko, a subsidiary, aims to produce 8.2 billion chip resistors per month by the end of 2028, primarily serving the automotive, industrial equipment, and telecommunications sectors.

The company is also collaborating with technical and vocational education and training (TVET) institutions to provide skilled workers and job opportunities for graduates.

Melaka's government is actively acquiring land to create a new industrial area, with the goal of making the region an attractive investment destination. [READ MORE](#)



EP Manufacturing is planning to establish an electric vehicle (EV) manufacturing facility in Melaka

EP Manufacturing Bhd plans to establish a cutting-edge automotive manufacturing facility in Melaka, focusing on energy-efficient vehicles (EEV) and electric vehicles (EV).

The facility, which will be developed in multiple phases at the Hicom Pegoh Industrial Park, comes at an estimated cost exceeding RM100 million.

This project is expected to generate approximately 1,000 new job opportunities in Melaka. The initial phase of the facility is projected to have an annual production capacity of 30,000 vehicles.

The company is partnering with BAIC International Development Co Ltd and aims to make Malaysia a key hub for EV and EEV production in the ASEAN region, aligned with sustainability and technological goals. [READ MORE](#)



Micron has inaugurated its second production facility in Penang

Micron Technology Inc., a US-based computer memory and data storage manufacturer, has inaugurated a cutting-edge assembly and testing facility in Batu Kawan Industrial Park.

This marks Micron's second manufacturing plant in Penang, following its initial facility established in the Perai Industrial Area in 2015. The new facility is expected to enhance Micron's ability to deliver high-quality products to its customers with reduced cycle times and increased scalability, underlining their commitment to advancing semiconductor development and manufacturing excellence.

Penang Chief Minister Chow Kon Yeow praised Micron's commitment, with over US\$2 billion invested and 4,500 jobs created, exemplifying the state's focus on high-quality investments.

He expressed optimism about Micron's future expansions, indicating available land for additional buildings in the coming years. [READ MORE](#)



US-based Alton's investment has led to the occupancy of all three phases of T Industrial Park

With a significant RM800 million investment from US-based Alton Industry Ltd Group, T Industrial Park in Pontian, Johor, has successfully filled three of its nine development phases.

Alton plans to establish its Alton Intelligent Super Factory on a 45.2-acre site in the first phase, followed by 109.4 acres in the second phase and 245.0 acres in the third phase.

This facility will serve as the company's primary overseas manufacturing base, producing various products. Alton also intends to create a research and development building in Malaysia for advancing regional technologies and expertise.

T Industrial Park's strategic location and emphasis on facilities and connectivity have contributed to its strong uptake, making it one of Johor's largest industrial zones, conveniently located near the Port of Tanjung Pelepas and the Sungai Pulai bridge. [READ MORE](#)



AME REIT has increased its portfolio by acquiring Iskandar properties valued at RM26.5 million

AME Real Estate Investment Trust has successfully completed its initial post-listing acquisition of three industrial properties in Iskandar Malaysia for RM26.5 million.

This achievement occurred ahead of the previously estimated timeline for the first quarter of 2024, facilitated by the Sponsor's construction completion, regulatory approvals, and the lease's commencement. The 98,249 sq ft property has been fully leased to HQPack Sdn Bhd for a 10-year term, extendable for an additional 3 years.

This acquisition has boosted AME REIT's managed property value to RM668.0 million, encompassing 34 industrial properties with a combined lettable area of approximately 1.9 million sq ft, along with 3 industrial-related properties for workers' accommodations.

AME REIT properties are primarily located in three industrial parks in Iskandar Malaysia, developed by the Sponsor, with nearly 98% of the net lettable area occupied by multinational corporations. [READ MORE](#)



Sunsuria forms a collaboration to establish Penang's inaugural cancer center

Sunsuria Bhd has entered into a partnership with Island Hospital Sdn Bhd (IH) to establish its first cancer center in Penang. This cancer center is set to commence operations in early 2024.

Sunsuria's subsidiary, Icon Sunsuria, in which they hold a 30% stake, is collaborating with IH to develop this facility. The primary objective of this collaboration is to provide top-quality cancer care and improve access to cancer treatment in Malaysia and the broader South Asean region.

Penang was chosen as the location for the first Icon Sunsuria center due to its strategic location and reputation as a destination for advanced medical treatment. The collaboration aims to reduce gaps in cancer care access and address healthcare burdens while empowering patients and their families.

This partnership, although significant, is not anticipated to have a major financial impact on Sunsuria's performance for the fiscal year ending on September 30, 2024. [READ MORE](#)



Penang cancels the Umech Batu Kawan agreement

The Penang Development Corporation's (PDC) board of directors has decided to cancel its joint venture (JV) agreement with UMECH Land Sdn Bhd due to changes in UMECH's equity structure.

The alteration in control and leadership of project implementation without prior notification and approval from PDC was a serious issue, prompting the termination of the JV agreement. The termination will be carried out with a three-month notice as stipulated in the PDC – UMECH JV agreement.

Following the contract termination, PDC plans to issue a Request for Proposal (RFP) through mass media channels for potential collaboration on the development of the Batu Kawan Industrial Park 2 (BKIP2).

Concerns were raised earlier about the selection of UMECH as a development partner, but PDC defended the transparency of the selection process and financial arrangements. [READ MORE](#)



The crackdown on commercial properties converted into "bird's nests" rooms will persist

The Ministry of Local Government Development has issued a warning that its crackdown on commercial properties converted into small rental units resembling "bird's nests" will continue.

Minister Nga Kor Ming revealed that some residential property owners have been conducting unauthorized renovations, emphasizing the importance of adhering to safety guidelines and specifications provided by the Malaysian Fire and Rescue Department and local authorities to prevent fire hazards.

The Ministry intends to enforce the law and ensure the safety of people and property. Measures will include issuing fire hazard removal notices under Section 8 of Act 341 (Fire Services Act 1988), allowing property owners a specific period to comply.

Failure to comply could lead to an investigation and possible prosecution. These statements were made following the Fire Hazard Prevention Operation in Taman Maluri, where the owner of tiny rental rooms failed to adhere to a notice regarding unauthorized renovations. [READ MORE](#)



Gamuda Land has introduced 12 tenants for Quayside Plaza

Gamuda Land has signed a memorandum of understanding (MOU) with 12 tenants for its upcoming Quayside Plaza, situated within the twentyfive7 township development in Telok Panglima Garang, Selangor.

The tenants include Jihun Korean Fried Chicken, My BurgerLab, BarTailor, Koong Woh Tong, Kinohimitsu, Anytime Fitness, Regen Healthcare, Alilo, Optimum Train Global, Blubricks, Ace Edventure, and Robothink.

Quayside Plaza spans 4.23 acres and comprises 10 pods and 22 double-storey shop office units. The general manager of Gamuda Land twentyfive7, Suzan Ong, expressed confidence in the demand for commercial units and revealed plans to add more tenants from the education and F&B sectors.

The integrated township development is located in Kota Kemuning, offering convenient access through major highways.

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Sime Darby Property's TRiARA Residences achieves a favorable sales performance

The first phase of TRiARA Residences, Sime Darby Property Bhd's final high-rise residential development in Ara Damansara, was met with a positive response as 216 out of the 304 units released on September 23, 2023, were swiftly sold, amassing RM225.9 million in bookings.

TRiARA Residences occupies a 5.6-acre site and consists of three blocks offering a total of 450 modern, multi-generational units. The units in both phases feature built-up areas ranging from 1,216 sq ft to 1,808 sq ft, with prices starting from RM850,000.

The project's success is attributed to practical designs, competitive pricing, and eco-friendly features, including green spaces, co-working gardens, and dedicated EV car park bays.

It also holds a GreenRE Gold Rating certification, enabling access to green financing options. The development is well-located with easy access to various amenities and transportation options. [READ MORE](#)



The weekend launch of Mah Sing's M Minori and M Senyum projects saw positive interest and take-up

During its weekend launch, Mah Sing Group Bhd sold all 252 non-Bumiputera units in Tower A of its M Minori serviced apartment development in Johor Bahru.

The company also launched Phase 3A of M Senyum in Bandar Salak Tinggi, Selangor, with 90% of the 150 units taken up. Mah Sing is focusing on strong demand and faster sales turnaround for its M Series residential properties and plans to explore potential locations for development in the Klang Valley, Johor, and Penang.

The company aims to achieve its RM2.2 billion sales target this year. M Minori offers a mix of residential units, starting at RM288,000, and includes eco-friendly features and shuttle bus service.

M Senyum's Phase 3B is now open for registration. Mah Sing emphasizes sustainability and a work-life balance concept in its developments. [READ MORE](#)



Vierra Residence by Fajar Land has achieved full occupancy with all units sold out

Vierra Residence, a freehold housing development located in Kinrara, Kuala Lumpur, has achieved an outstanding 100% sales success. The project comprises two towers, Tower A and Tower B, each soaring to 38 and 39 floors, and offering a total of 1,604 units.

Spanning across a generous 6.41-acre land, Vierra Residence provides a variety of resort-style amenities including an Olympic-sized infinity pool. The units, featuring three bedrooms, two bathrooms, and a 900-square-foot area, were sold at a price of RM300,000.

Developed by Fajar Land, the property enjoys proximity to bustling hubs such as Bandar Puchong Jaya, Bukit Jalil, Sri Petaling, and Bandar Sunway. It benefits from excellent connectivity to LRT stations along the Sri Petaling line and major highways like NPE and KESAS, offering residents convenient access to essential services, healthcare facilities, and prestigious educational institutions. The project is slated for completion by 2026. [READ MORE](#)



CDB Group is set to introduce CDB Arcadia later this month

CDB Group, through its subsidiary Saujana Permai Development Sdn Bhd, is preparing to launch CDB Arcadia on October 21. This project in Bandar Saujana Putra, Selangor, features a 30-story development comprising 630 serviced apartment units across two blocks above a retail and parking podium.

The development has a gross development value of RM245 million and includes 36 retail units on the ground and first floors, with apartment units on levels 10 to 30.

CDB Arcadia is strategically located with easy access to amenities and connectivity. It offers 2-bedroom and 3-bedroom layouts priced at RM450 per square foot, catering to investors and first-time homebuyers.

It offers easy access to amenities and connectivity. CDB Group also plans to develop a parcel next to CDB Arcadia with a petrol station and F&B outlets. After CDB Arcadia, the group will unveil 2,230 affordable units in the City of Elmina in 2024 and 2025. [READ MORE](#)

