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1Q2024 property transactions up 34.3% to RM56.53 bil

The Malaysian property market saw significant activity in Q1 2024, with transactions rising 34.3% to over 104,297, worth RM56.53 billion. All property sub-sectors experienced growth: commercial (33.4%), residential (16.6%), industrial (14.3%), agriculture (13.7%), and development land (10.7%).

The residential sector led with over 62,000 transactions valued at RM25 billion, making up nearly 60% of market activity. Homes priced at RM300,000 and below comprised over 50% of transactions. New residential launches increased by 19.8%, and serviced apartments saw a 70% increase in completed units.

The Malaysian House Price Index rose 0.5% to 216.9 points, with average house prices at RM468,000. The residential overhang decreased, while the serviced apartment overhang rose by 5.2%. Private office occupancy slightly increased to 72% .

Despite positive trends, global economic risks remain. Initiatives like the **Malaysia My Second Home programme and new economic zones** are expected to further stimulate the market.

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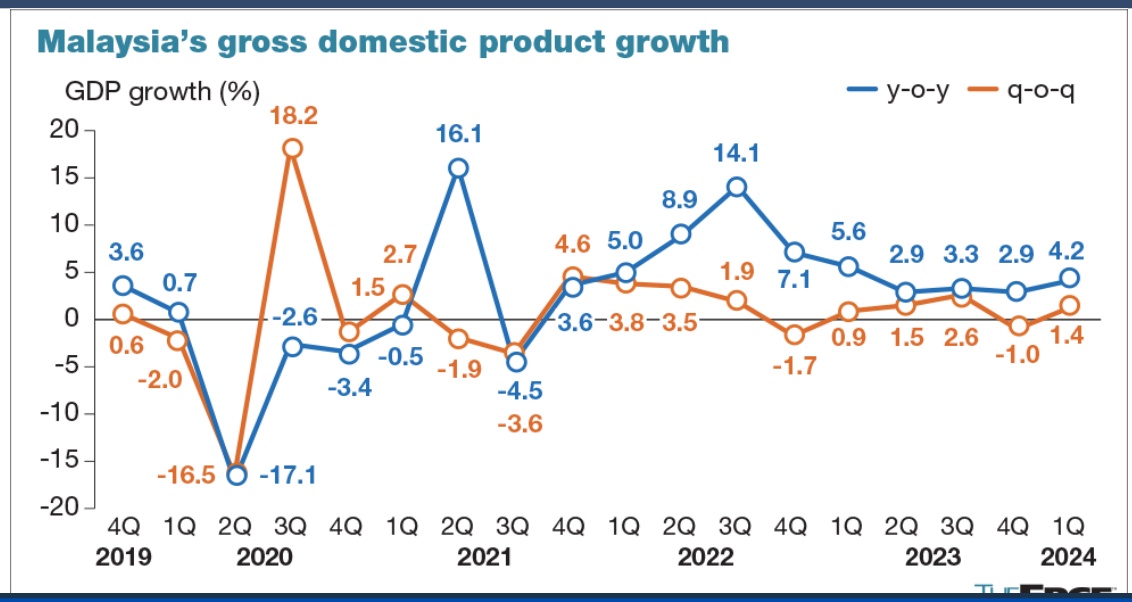

Malaysia's economy grows faster than expected, inflation risks cloud outlook

Malaysia's GDP grew by 4.2% in Q1 2024 (Q4 2023: 2.9%), driven by private expenditure, higher household spending, and a rebound in exports due to increased external demand. Investment activities were supported by capital spending in both private and public sectors.

The manufacturing sector saw growth in both electrical and electronic (E&E) and non-E&E industries, while the services sector was bolstered by retail trade and transport activities. On a quarter-on-quarter seasonally-adjusted basis, the economy expanded by 1.4% (Q4 2023: -1%). Headline inflation rose to 1.7% due to policy adjustments in water tariffs and electricity services tax, while core inflation moderated to 1.8%.

The central bank maintained its 2024 growth projection of 4-5% and forecasted inflation at 2-3.5%, with potential reforms to subsidies pending. Analysts warned of potential headwinds from rising costs, weaker US demand, and policy adjustments. The central bank has kept the Overnight Policy Rate (OPR) steady since May 2023 at 3.00%.

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Malaysia to host first ever China-Asean Housing Ministers summit in July and Asean Property summit in 2025

Malaysia will host the China-Asean Housing Ministers meeting for the first time on July 3, with ministers visiting **TRX Residences**, among other properties, according to Housing and Local Government Minister Nga Kor Ming.

Malaysia will also become the Asean chair next year. Nga announced that Malaysia will host the inaugural Asean Property Summit, with TRX Residences being promoted as a landmark for modern city living. The developers of TRX Residences attained the strata title over two months before physical completion, underscoring their commitment to protecting buyers' rights.

Lendlease Malaysia chairman Dinesh Nambiar and TRX Residences project director Eric Chan highlighted the project's focus on community, sustainability, and urban living. All available units have sold out. Future plans include developing two additional plots under the TRX Residences brand, with Plot 2 adjacent to The Exchange TRX mall.

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MPH Bookstores debuts new flagship at The Exchange TRX

MPH Bookstores has reopened its flagship store at The Exchange TRX following a temporary closure of its Mid Valley Megamall outlet.

The grand reopening attracted media, book enthusiasts, MPH MRewards members, and community leaders. CEO Martin Cross, senior GM Bobbie Low, and The Exchange TRX project director Mitch Wilson officiated the event with a ribbon-cutting ceremony.

Cross expressed his anticipation for the store's role in MPH's revival and its mission to unite families and communities through reading.

The 20,000 sq ft space boasts versatile event areas suitable for book launches, author interactions, workshops, and masterclasses, aligning with MPH's vision to become Malaysia's premier bookstore chain fostering a book-loving society.

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Berjaya Asset officially launches Times Square 2

Berjaya Asset Bhd officially launched Times Square 2, a luxury serviced apartment development next to Berjaya Times Square in Jalan Imbi, Kuala Lumpur. It is designed to complement Berjaya Times Square, which also houses a shopping mall, serviced apartments, an indoor theme park, a hotel and offices.

The project, consisting of 629 units in a 41-storey tower, will be launched in two phases. The first phase has 375 units, 50% of which are already sold. The selling price starts at RM1,500 psf. The apartments range from 488 sq ft (one bedroom) to 1,356 sq ft (three bedrooms).

Some of the facilities provided at Levels 7 and 41 are a 40m infinity pool, sauna room, viewing point, herb garden, barbeque area, pets' play area, multipurpose hall, playground, garden walk and outdoor gym. In addition, the project will have 15 retail units, inclusive of a rooftop speciality restaurant lot and a drive-through. The project has a **GDV of RM625 million**, with expectations to sell out by the end of the year.

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Building Lifestyles, Building Trust

Eupe Corp buys RM69m plot in Kuala Lumpur for residential high-rise

Kedah-based property developer Eupe Corp Bhd is acquiring a 2.46-acre freehold land in Kuala Lumpur for RM69.18 million to develop a high-rise residential project. The plot is identified as Lot 51863, Mukim Kuala Lumpur, Daerah Kuala Lumpur.

Eupe Bangsar Sdn Bhd, an indirect wholly-owned subsidiary, signed a sale and purchase agreement with MCL Land (Pantai View) Sdn Bhd. The acquisition will be financed through internal funds and borrowings.

Eupe Corp aims to expand its land bank and property development portfolio to boost income. The board expects this acquisition to enhance the group's future revenue and profitability by efficiently utilizing its financial resources for better shareholder returns.

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Expanding OSK Property's footprint

OSK Property Holdings Bhd plans to expand its land bank and launch projects worth RM1.7 billion in gross development value in 2024.

In the Klang Valley, they will introduce a 709-unit serviced apartment project in Shorea Park, Puchong; a 297-unit condominium project in Taman Melawati, Kuala Lumpur; and the first phase of Mori Park in Shah Alam, featuring retail lots, flexi suites, and serviced apartments.

In Kedah, the new 50-acre Taman Lang Aman development in Sungai Petani will include terraced houses, medium- and low-cost homes, apartments, and shop offices. Additionally, they will launch the final phase of residential development at Bandar Puteri Jaya. OSK Property also plans new phases at Iringan Bayu in Seremban and Harbour Place in Butterworth, Penang.

CEO Ong Ghee Bin highlights the company's efforts in land acquisition and obtaining necessary approvals for these projects.

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Epicon lands RM50m sub-contract for Segambut residential development

Epicon Bhd said that its wholly-owned subsidiary, Transnational Builder Sdn Bhd, has secured a RM50 million sub-contract from Axventure Sdn Bhd.

The contract entails structural reinforced concrete works for Tower 1 and Tower 2 within a high-rise residential project located at Lot 82332 in Mukim Batu, off Jalan Segambut, Kuala Lumpur. With a duration of 24 months, the project is slated to begin on May 20, 2024, and conclude on May 19, 2026.

Epicon anticipates a positive contribution to its earnings for the financial years ending December 31, 2024, and beyond as a result of this venture. Additionally, the company's total outstanding order book has surged to RM979 million following the awarding of this contract, marking an increase from the previously disclosed figure of RM929 million on March 21.

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Mitrajaya clinches RM174m hospital project in Shah Alam

Mitrajaya Holdings Berhad announced that its wholly owned subsidiary had accepted and executed the Letter of Award on the contract awarded by Avisena Healthcare Sdn Bhd for the development of one block of hospital comprising 11 floors for a contract sum of RM174 million.

The contract is for a duration of 36 months from the date for possession of site on 23 May 2024 and is expected to complete by 21 May 2027.

Mitrajaya believes the contract is expected to contribute positively to the earnings and net assets of MHB Group for the financial years ending 2024 to 2027.

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SAMA Square By SkyWorld, Setapak's First Lifestyle Hub, Now Pre-Opened

SkyWorld Development Bhd's commercial project, SAMA Square, located within the 42-acre SkySanctuary township in Setapak, Kuala Lumpur, has garnered 10,000 visitors since its pre-opening on May 11.

CEO Lee Chee Seng highlighted two primary aims for SAMA Square: to redefine commercial spaces in Setapak, offering convenience to residents, and to diversify income streams by venturing into retail.

With a net lettable area of 58,000 sq ft spread over 4.15 acres, SAMA Square comprises 40 retail lots, with 90% already leased out. SkyWorld sees SAMA Square as a pilot project for future development sites, aiming to generate passive income while strategizing long-term use.

The tenants mix in SAMA Square includes Inside Scoop, Zus Coffee, Subway, Guardian, Shabuyaki by Nippon Sushi, Hainan Village Kopitiam, Butter Kaya Kopitiam, Vivace Dance Academy, AllCare Dental Centre, BS Optometry, MemiZooZoo Grocer, emart24, Klinik Alam Medic and Nasi Kandar Al Yahya.

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PPB Group to invest RM327 mil in film segment over next five years

PPB Group Bhd plans to invest RM327 million in its film exhibition and distribution segment, focusing on Golden Screen Cinemas (GSC) over the next five years.

GSC, wholly owned by PPB, aims to open seven new cinemas in Terengganu, Sarawak, Penang, and the Klang Valley region within three to five years. CEO Koh Mei Lee highlighted the shift towards future-ready lifestyle cinema entertainment like Aurum TRX, diversifying into F&B and events to combat competition from other platforms.

GSC aims to increase market share in key locations while consolidating non-performing or older cinemas, having closed two cinemas in 2023 and three in 2024. Despite closures, the company opened five outlets in 2023 and two in 2024. Anticipating market recovery with more Hollywood content expected in 2025-2026, GSC plans to invest in local and regional film co-production to reduce reliance on Hollywood amid disruptions like writers' and actors' strikes.

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Menang diversifies into healthcare biz with wellness park in Negeri Sembilan

Menang Corp (M) Bhd, a property development and management firm, is expanding into healthcare with a health and wellness park development in Negeri Sembilan.

In collaboration with Alpro Alliance Sdn Bhd, Menang will develop a 25.8-acre health and wellness park in Menang Park, Seremban 3. The memorandum of understanding (MOU) outlines a two-year partnership where both companies will jointly develop the healthcare facility land, focusing on ambulatory care and rehabilitation facilities.

This move reflects Menang's strategic expansion into the healthcare sector to diversify its business activities. Leveraging the expertise and resources of both parties, the collaboration aims to capitalize on opportunities and enhance shareholder value.

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NCT Group inks JDA to develop 127-acre commercial and industrial land at Delapan SBEZ in Kedah

NCT Group has signed a Joint Development Agreement with Northern Gateway Group (NGX), a subsidiary of Minister of Finance Inc., to develop 127 acres of commercial and industrial land at Delapan Special Border Economic Zone in Bukit Kayu Hitam, Kedah.

This project, following NCT's NCT Smart Industrial Park in Selangor, targets high-tech industries like semiconductor and smart logistics. NCT will handle project development, while NGX manages infrastructure and regulatory aspects.

Expected to complete in six years, the development aims to strengthen Malaysia's border trade within ASEAN.

Delapan's strategic location near the Thailand border and Penang Port is poised to enhance regional trade dynamics and attract top-tier investors, supported by federal and state government incentives.

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Aurelius Technologies buys 2 vacant lands to develop RM450m facility

Aurelius Technologies Bhd, through BCM Electronics Corp Sdn Bhd, purchased two industrial lands at Northern Technocity, Kulim Hi-Tech Park, to develop a BCM automotive and IoT hub.

The 13.16-acre site will house a RM450 million facility spanning 243,977 sq ft, with 12,945 sq ft of cleanroom space, slated to be operational by Q4 2024. This hub aims to enhance Aurelius's advanced manufacturing capabilities for automotive components and IoT applications.

Northern Technocity head Gan Seng Keong praised Aurelius for supporting multinational ecosystems, aligning with the government's vision for internationalizing Malaysian companies. Northern Technocity, developed by MMC Group, offers a "plug-and-play" model to accelerate investor development.

BCM Electronics, with three decades of expertise, provides high and medium mix manufacturing solutions.

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Sin-Kung Logistics Bhd to see double capacity upon completion of new warehouse in Penang

Sin-Kung Logistics Bhd plans to double its warehouse capacity with a new facility in Penang, targeting the electrical and electronics (E&E) industry in northern Peninsular Malaysia.

The Valdor Office and Warehouse, initially expected by Q4 2026, is now anticipated to be operational by early 2025.

Electronics companies have shown interest in the new warehouse, indicating strong demand. The facility will double Sin-Kung's current capacity of 192,000 pallets. RM10.02 million from the IPO proceeds will be allocated for the warehouse, with RM7 million for racking systems and the remainder for incidental expenses.

Sin-Kung currently operates five warehouses in Selangor and Penang and focuses on trucking services, including airport-to-airport road feeder and container haulage services.

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Thong Guan teams up with Kedah agency to develop RM200m GDV property project

Thong Guan Industries Bhd is partnering with Kedah State Development Corporation (PKNK) to develop 221 shop and office units on a 20-acre plot, with an estimated gross development value (GDV) of RM200 million.

This venture aligns with Thong Guan's strategy to diversify into property development. Thong Guan will pay a guaranteed minimum of RM19.75 million to PKNK, including RM15 million in six instalments, and PKNK will receive six commercial units valued at RM4.75 million. Thong Guan retains all proceeds from the project, including unsold units.

The project, funded through internal funds, bank borrowings, or corporate exercises, is expected to be completed within five years.

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LuMIC set to redefine Malaysia's maritime industrial sector — Perak State Development Corp

The Lumut Maritime Industrial City (LuMIC) feasibility study, set to redefine the region as a pivotal hub in Malaysia’s maritime industrial sector.

The Perak State Development Corporation (PKNPk) said this development proposal will be formalised upon the completion of a feasibility study targeted by early 2025, conducted by PKNPk and Port of Antwerp-Bruges International (PoABI) for LuMIC, which assessed Perak and Malaysia’s attractiveness in the port and maritime sector.

The project, funded by a RM9.5 million EU grant, aims to attract significant foreign and local investment, boosting economic and social development. Phase two will focus on green energy assessments and master planning, to be completed by December 2024.

Datuk Seri Mohammad Nizar Jamaluddin emphasized the state's commitment to job creation and global market access. PKNPk's CEO, Datuk Redza Rafiq Abdul Razak, noted the study's role in validating Perak's potential.

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BCB buys 286-acre land in Batu Pahat for RM83.71 mil

Property developer BCB Bhd is purchasing 59 parcels of freehold land in Batu Pahat, Johor, totaling 286.82 acres, from Lian Hup Seng Sdn Bhd for RM83.71 million.

BCB plans to develop a mixed-use project featuring residential and retail components, with an estimated gross development value of RM1.1 billion over eight years, starting in 2027. This acquisition aligns with BCB's landbanking strategy, aimed at increasing market share and product variety for homebuyers in Batu Pahat.

The project is expected to boost sustainable earnings over the medium to long term, given Johor's favorable property market outlook. The acquisition, to be completed by 2025, will be funded through a mix of internal funds and bank financing.

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AME Elite sells land in Pulai to data centre operator for RM209.84 mil cash

AME Elite Consortium Bhd (“AME Elite”) has, via its wholly owned subsidiaries, Pentagon Land Sdn Bhd and Greenhill SILC Sdn Bhd, entered into conditional agreements on 13 May 2024 to dispose of 11 plots of freehold land measuring approximately 34.9 acres in i-Tech Valley to Hong Kong-based data centre operator, Digital Hyperspace Malaysia Sdn Bhd for a total consideration of approximately RM209.84 million.

The disposals will be completed after the conditions precedents in the agreements have been fulfilled. Barring unforeseen circumstances, AME Elite anticipates that the disposals will be completed by the first quarter of year 2025.

i-Tech Valley, a 170-acre industrial park at the Southern Industrial and Logistics Cluster and located in Pulai, Johor Bahru, is AME Elite’s latest ongoing industrial park development project with an estimated gross development value of RM1.5 billion. This sale transaction marks AME Elite’s first transaction in the data centre segment.

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Teo Seng buys Johor land to build new layer farm to boost egg supply

Teo Seng Capital Bhd is buying eight parcels of land measuring 104.87 acres in Batu Pahat district in Johor for RM23.6 million.

In a filing with Bursa Malaysia, the egg producer said the land it is buying from Lim Kim Yam & Sons Sdn Bhd and Lim Thiam Hooi is located in Yong Peng, which is within a short distance from its existing farming facilities, feedmill operation and other business units.

"This acquisition is in line with Teo Seng's expansion plan on layer farming business to build a new layer farm equipped with latest and advanced-technology poultry related facilities and biosecurity system," said Teo Seng.

The layer farming operation expansion will further enhance egg supply in both the domestic and overseas markets, it added. The group said the acquisition of the land will not have any material effect on its earnings, net assets, share capital for the financial year ending Dec 31, 2024 (FY2024).

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