

| | | | |
|------------|---|-------------|----------------------|
| Headline | New 'Harapan' for the property industry | | |
| MediaTitle | Malay Mail | | |
| Date | 16 May 2018 | Color | Full Color |
| Section | Supplement | Circulation | 100,000 |
| Page No | 26,27 | Readership | 300,000 |
| Language | English | ArticleSize | 1497 cm ² |
| Journalist | Gunaprasath Bupalan | AdValue | RM 17,105 |
| Frequency | Daily | PR Value | RM 51,315 |



By Gunaprasath Bupalan

New 'Harapan' for the property industry

LAST Wednesday, 9 May 2018 was indeed a day of nail biting and edge of the seat falling, where one third of the Malaysian population were glued to their televisions while looking at their blue inked fingers in absolute hope and anticipation as the 14th Malaysian General Elections (GE14) was underway.

A total of 12,299,514 Malaysian from all walks of life carried out their most important social responsibility towards the nation, as they voted for their next governing body. It became agony for many that despite the fact that polling stations closed at 5pm, results weren't finalised until wee hours of the morning. However, this agony was suppressed when a new nation was born as the sun rose that very morning.

Pakatan Harapan (PH) won the elections and Tun Dr Mahathir Mohamad took centre stage as he addressed the media with a promise to lead the nation with positive changes as the new Prime Minister of Malaysia.

Aside from political changes and

implementations, Dr. Mahathir had also addressed many goodies for the property market in Pakatan Harapan's manifesto that was released to the public prior to GE14.

We, as Malaysian citizens can't help but agree that the current property market was heading for turmoil if no immediate remedy was introduced to balance the issue at hand — rise of property price vs. stagnant income growth. Despite a decade of forums, round table discussions by analysts and property experts, articles by various media as well as ideas by associations and bodies, the issue of affordable housing was never sorted out. Aside from many promises, actions 'snailed'

in slowly to tease the public, but no absolute solution were ever presented.

Reading the manifesto given by the new government, the property industry is once again promised many goodies. Would these goodies be fulfilled? We may just have to wait and see.

"The just completed election has shown how mature and how good a democratic system we have. This will, in the long term lend a lot of confidence to the capital markets and real estate market. I think the Council of Elders / Eminent People are already discussion issues in the real estate market and we will see a sustainable long-term relationship estate market in the

country. Short term could see some small hiccups, but sentiment and confidence levels are getting more positive", said Previntran Singhe, CEO of Zerin Properties.

This statement by Previn echoes the new confidence that has been instilled in the hearts of many Malaysians over the past week as the new government has tasked itself to rid off corruption and advance the Malaysian economy to greater heights, as mentioned by Dr. Mahathir during one of his press statements after he was sworn in as the new Prime Minister.

■ CONTINUED ON PAGE 27

| | | | |
|------------|---|-------------|------------|
| Headline | New `Harapan' for the property industry | | |
| MediaTitle | Malay Mail | | |
| Date | 16 May 2018 | Color | Full Color |
| Section | Supplement | Circulation | 100,000 |
| Page No | 26,27 | Readership | 300,000 |
| Language | English | ArticleSize | 1497 cm² |
| Journalist | Gunaprasath Bupalan | AdValue | RM 17,105 |
| Frequency | Daily | PR Value | RM 51,315 |



82% of GE14 registered voters made it a point to brave the traffic and the crowd, to fulfil their social responsibility towards the nation.

| | | | |
|------------|---|-------------|----------------------|
| Headline | New 'Harapan' for the property industry | | |
| MediaTitle | Malay Mail | | |
| Date | 16 May 2018 | Color | Full Color |
| Section | Supplement | Circulation | 100,000 |
| Page No | 26,27 | Readership | 300,000 |
| Language | English | ArticleSize | 1497 cm ² |
| Journalist | Gunaprasath Bupalan | AdValue | RM 17,105 |
| Frequency | Daily | PR Value | RM 51,315 |

COVER STORY

FROM COVER PAGE

The Group of Elders / Eminent People that was recently introduced consist of former Finance Minister Tun Daim Zainuddin, former Bank Negara Malaysia governor Tan Sri Zeti Akhtar Aziz, former Petroliaam Nasional Bhd President and chief executive officer Tan Sri Hassan Merican, as well as businessman Robert Kuok Hock Nien and prominent economist Dr Jomo Kwame Sundaram.

Set up to advise the government on economic and financial matters during this transitional period, this elite group of individuals are believed to look closely into the property and real estate market too as this is one of the biggest markets that effect the national economy.

"I think the property market is set to see better days after a long hiatus. The previous administration was saddled with the IMDB factor and other economic scandals like FGV. These issues caused some uncertainty and it was a big concern for property investors, local and foreign, including the many investors I dealt with from Singapore. Dr. Mahathir has an excellent track record with managing the economy and one of the most prominent things he has done is to create the council of elders comprising some of the best brains this country has", said Ikhram Merican, managing director of LivingSpace Hospitality Sdn Bhd.

"We have Tan Sri Zeti who is perhaps one of the best central bank governors in the world, Dr. Jomo, a very respectable economist who was the United Nations assistant secretary general for economic development, Tan Sri Hassan Merican, who did a great job at Petronas, and former finance minister Tun Daim whose statement today, that the council will meet everyday for the next 100 days to get the economy on track, is very reassuring. This really bodes well for the Malaysian economy and as a result I see the property market as bullish this year", he added.

According to Datuk Ng Seing Liong, managing director of Kota Kelang



Dr. Mahathir - The 7th Malaysian Prime Minister aims at growing the economy of the country to greater heights.



Development group, patron and past president of the Real Estate and Housing Developer's Association Malaysia (REHDA) and chairman of the Malaysia Property Expo (Mapex), the new government should concentrate on helping developers provide more affordable housing for the lower income population. There should also be a way to provide easier financing with affordable rates, especially to the youth such as graduate, for their first home. The youth also needs to be properly educated on purchase priorities, where owning a home supersedes buying cars.

In the earlier mentioned manifesto, many promises were given that addresses Datuk Ng's concerns. According to the manifesto, tax incentives will be given to companies that focus on affordable housing, especially to encourage them to use the latest cheaper technologies such as the Industrialised Building System (IBS) so that cost to buyers can be reduced. It was also stated that PH would work with the state governments to convert land status if developers want to build affordable houses. This will substantially increase the affordable houses quota. PH also

plans to build one million affordable homes across Malaysia within two terms of the PH government.

For the buyer, the manifesto states that a special housing loan scheme will be tailored for youths who want to buy their first property. PH also plans to take over maintenance costs in low-cost housing areas in order to lower the burden of residents. The manifesto also states that the rent-to-own scheme will be widened nationally through cooperation with commercial banks by enabling the rent-to-own scheme to be introduced in the primary and secondary market. This will enable those who are currently renting to have the opportunities to migrate to rent-to-own scheme if they qualify.

Speaking to Chang Kim Loong, National House Buyers Association (HBA) secretary-general, there is no solution to salvaging abandoned housing projects. He says that the current system of monitoring, supervision, policing and enforcement by the Ministry of Housing are lacking and lax. Hence, the culminating issue of housing projects abandonment needs to be prevented so that the innocent and naïve Rakyat doesn't fall victim to it.

"Such a noble desire to buy a home has now become a nightmare both financially and emotionally to these victims", he said.

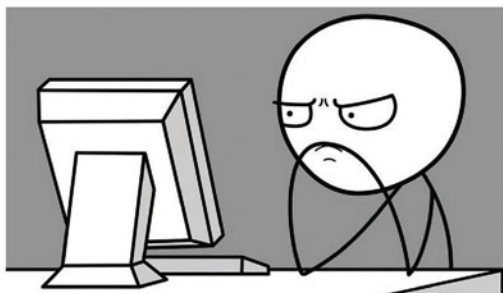
"With the new PH Government, we hope to urge the government to adopt the Built Then Sell 'BTS 10:90' which is a far safer mode of home delivery system. Under the BTS 10:90 system, house buyers only need to fork out the initial down payment of 10per cent when booking a house and do not need to make any further payment until the vacant possession of the property is delivered to them. As such, the servicing of the end-financing loans do not kick in until the houses are completed with

all the certifications obtained and keys with vacant possession are presented to the buyers. The laws has already been set in place since year 2012 and we just need the 'political will' to make it happen. Most of the PH politicians have constantly highlighted issues faced by abandoned projects victims. It's now up to them to make the BTS 10:90 system a reality since they are now the government", he added.

A more detailed insight into the Pakatan Harapan manifesto and HBA's views on it, please see page 28, which is a two part VIEWPOINT series.

According to Nordin Abdullah, founding chairman of the Malaysian Global Business Forum, he believes that in the short term there is a very good possibility that with the new government in place, confidence will increase in the stock market which will in turn increase confidence in the property market. In the medium term, he believes we might see more Malaysians returning from overseas which will push up demand for mid-range properties. However, he says that the immediate concern of affordable housing for the people will still need to be addressed, getting the formula right while addressing a myriad of other challenges will be a benchmark for the new government's ability to deliver something that has remained elusive for previous administrations.

It is believed that the PH manifesto carries lots of goodies for the property market, and along the way, new policies will be introduced and the new government will improve some already in place policies as the stated goal is to strengthen the economy and help the Rakyat. With much hope in all our hearts, we look forward to a better Malaysia and a better property market from here onwards.



Many were stressed out watching the election results that dragged until wee hours of the morning.