



by Sonia Ramachandran

SELLING prices of new property launches in most peninsular states have remained relatively stagnant in the second half of last year amidst cautious market sentiments.

However, Negeri Sembilan appears to have bucked the trend as the state saw a rise in property prices of new launches.

The Real Estate and Housing Developers' Association Malaysia's (Rehda) Property Industry Survey 2H 2015 and Market Outlook 2016 says the majority of residential properties launched in Negeri Sembilan had doubled in price to between RM500,001 and RM1 mil during the second half of last year, compared to between RM200,001 and RM500,000 in the first half.

"The only state that saw an increase in selling price during the last six months [second half] was Negeri Sembilan," says Rehda president Datuk Seri FD Iskandar.

"The increase was in different locations and types of houses.

"In the first half, we saw a lot of houses launched and sold in Bandar Sri Sendayan. However, the second half saw a lot more launches and sales in Nilai," he says.

Negeri Sembilan Rehda chairperson Jenny LP Wang tells **FocusM** that the higher prices in the state are due to its potential.

"In the future, Negeri Sembilan will

Negeri Sembilan property market bucks the trend

Future infrastructure projects and its relative closeness and reasonable prices compared to Klang valley said to be reasons



Negeri Sembilan's potential plays a part in its rising property prices, says Wang

have the Malaysian Vision Valley (MVV), better highway connectivity and infrastructure. Location plays a part too," she says.

The MVV covers an area of 108,000ha from Nilai to Port Dickson and has a gross development value (GDV) of RM640 bil. The projects span 30 years.

Wang says prices in Bandar Sri Sendayan started lower but increased as the township developed.

"After it became more mature with private and international schools, as well as factories, the prices went up.

"In Nilai, only some developers launched at higher prices in the second half. This could be due to better demand, location, amenities and design," she says.

The area that registered the highest number of residential units sold in Negeri Sembilan was Seremban, followed by Nilai and Senawang.

Although prices of new properties in Negeri Sembilan remain lower than in the Klang Valley, this may not be the case for much longer as prices are already rising.

"Negeri Sembilan is definitely a good place to invest in now before prices go up [further]. Prices are stable and there is still room for improvement," says Rehda's Wang.

Already, many major property developers are making their presence felt in



the state with huge launches.

Negeri Sembilan-based Matrix Concepts Holdings Bhd has an established presence and changed the landscape of the state property market with its massive integrated development.

One of its flagships sits on a 2,117ha plot in Bandar Sri Sendayan. An integrated township, it comprises residential, commercial, industrial, leisure and institutional properties.

Other developers with projects in Negeri Sembilan include Sime Darby Property Bhd, Mah Sing Group Bhd, IJM Land Bhd, OSK Property Holdings Bhd and GUH Holdings Bhd.

Land & General Bhd also has a presence with its Sena Parc project which has a GDV of RM800 mil (**see sidebar**).

Location is key

Sime Darby Property managing director Datuk Jauhari Hamidi believes Negeri Sembilan's strategic location is a reason developers can command higher prices.

"The need for daily commutes to the Klang Valley has dwindled due to economic activities created by Putrajaya, transport hubs like the KL International Airport, and industrial areas in Nilai.

"Negeri Sembilan is strategically

L&G's reputation draws buyers

LAND & General Bhd (L&G) is launching its first project called Sena Parc in Negeri Sembilan this year.

The company is banking on its track record and reputation in its belief that the project will be a sell-out.

"This freehold project is located in a quiet area surrounded by greenery.

"It is a new township and there is potential for growth in Seremban, especially with land in Kuala Lumpur getting more expensive, contributing to limited landed properties," says a source familiar with the project.

He says L&G's reputation should draw buyers and investors, especially those who had previously dealt with the company.

The source says Sena Parc development, which will be built in three phases on an 89ha plot in Senawang, Negeri Sembilan, will offer house buyers unique designs at affordable prices.

"Phases one and two of the project will have a gross development value (GDV) of RM500 mil while phase three is earmarked for future development with an estimated GDV of RM300 mil," the source says.

He says there will be more than 1,000 residential units in the first two phases, which comprise terraced houses, semi-detached units and apartments.

The Sena Parc project will also include affordable homes costing from RM80,000.

Facilities such as a playground, kindergarten, recreation park/garden, lake,

Reputation is a result of quality and track record. It speaks for itself, says Woo



mosque and guard house will be built to cater to residents in the area. The development will include a commercial area.

The first phase of the project is expected to be handed over at the end of 2018.

"The whole township development will be completed in about seven to eight years," says the source.

Despite the slowing property market, many believe Sena Parc will see a good take-up rate.

Investment and advisory firm IQI Holdings which covers commercial and retail investments and real estate says L&G is a well-established company with a long history.

Its financial education vice-president Alexander Woo says, "Although its origins were not in real estate, L&G has established itself in the industry.

"It has even won the Federation Internationale des Administrateurs de Bien-Consolis Immobiliers (Fiabci) Malaysia Property Award," says Woo.

In 2013, L&G's Damansara Foresta project was awarded the Best Landscape Architecture for Malaysia and the Asia Pacific Region by the International Property Awards.

"Some people may argue that

there are several awards in the market and it is hard to tell which is the most prestigious.

"Just bear in mind that these awards have stringent criteria, and winning any of them indicates a certain quality by a developer," Woo says.

He believes the reputation of a company is a result of quality and a track record.

"It speaks for itself. People buy into projects with a certain expectation that is derived from the developers' past – their reputation.

"It is essential to create and maintain a good reputation in order to continuously get support from investors and home buyers," he says.

The Damansara Foresta project is located next to the Bukit Lanjan forest reserve in Bandar Sri Damansara, of which L&G is the master developer.

Only half of the 17ha the project consists of, is earmarked for residential development. The other half is planted with over 3,000 trees and left as "green lung" for residents.

Located 180m above sea level and situated eight minutes from major highways, the project has a gross development value of RM1.5 bil and will consist of 2,800 residential units.

Damansara Foresta will comprise four phases of fully integrated freehold condominiums.

L&G's Astoria Ampang Serviced Apartments in Jalan Ampang, Kuala Lumpur, which is scheduled for completion in 2019, consists of units between 560 and 1,505 sq ft.

This project boasts vast windows with a 10-ft high ceiling. Prices of units in the development start from RM494,000.

The project features an aqua kitchen, eco lounge, a fully enhanced theatre lounge, indoor recreational lounge, yoga deck, zen garden, sunken tennis court, and sky bridge, says a source.

Jauhari says rising property values in Negeri Sembilan reflect the choice of investors and consumers





Nilai, in Negeri Sembilan, saw a lot more launches and sales in the second half of last year, according to Rehda

positioned within reach of these active areas. With enhanced accessibility, the planned formation of the MVV and high-speed rail facilities to and from Negeri Sembilan, the value of properties and developments in the state has increased.

"However, despite this, Negeri Sembilan properties are still competitively priced compared with those in the Klang Valley," he tells **FocusM**.

Jauhari says rising property values in Negeri Sembilan reflects the choice of

investors and consumers.

Sime Darby, he says, is confident of the success of its projects in the state as it provides value to buyers.

"We constantly introduce innovative products and continuously offer new designs for our residential and commercial properties.

"Our vibrant townships such as Nilai Impian, Bandar Ainsdale, Chemara Hills and Planters' Haven cater to all consumer segments with products ranging from

affordable homes to high-end bungalows," Jauhari says.

Meantime, GUH Holdings Bhd CEO and managing director Datuk Kenneth H'ng believes the property market potential in Negeri Sembilan was previously overlooked.

"As the overall market in the country became more mature, and prices in the Klang Valley went up, people realised the potential of the properties in Negeri Sembilan, particularly Seremban.



Property market potential in Negeri Sembilan was previously overlooked, says H'ng

"It is close to Kuala Lumpur and its property prices are 50% to 70% lower than those in prime areas there.

"Another reason [for the higher launch prices in Negeri Sembilan in the second half] could be the announcement of the High-Speed Rail (HSR) which connects Kuala Lumpur to Singapore. It also stops in Seremban," H'ng says.

He says with the HSR project, property investments in Seremban can be justified. Hence, the strategic location of GUH's project there is a reason the company is confident of its success.

The company is involved in developing Taman Bukit Kepayang in Seremban. This 210ha plot makes it one of the largest mixed developments in Seremban. H'ng says Negeri Sembilan is also attractive because of the value for money proposition received in return for higher prices.

"For those working in KL, the selling price of a property in Seremban is very attractive. In the price range of RM500,000 to RM1 mil, one could buy a freehold landed property in Seremban.

"The same price range will probably get you just a high-rise unit in Kuala Lumpur," he says. **FocusM**

Encourage developers to green cities

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"I've always been impressed with the traditional Malay kampung houses which are designed on stilts and use materials such as timber and attap roofs that do not retain heat.

"The result is a comfortable, intelligent and economical way to live in our climate. It has become a benchmark for my designs ever since," Wooi says.

The courtyard house in Bukit Jalil, Kuala Lumpur is among his earlier designs and best-performing houses in terms of energy efficiency (EE).

It eliminates the need for air-conditioning which usually accounts for 40-50% of household energy consumption.

Landscape equation

The effective passive design strategy ensures ample ventilation and natural lighting throughout the day without any active intervention of photovoltaic (PV) cells which are capital-intensive.

Citing Curitiba in Brazil as an example, Wooi says its comprehensive approach encompasses infrastructure and the socio-economy of the community.

A study of this city over its 30-year development would be educational for future projects, he says.

"The big picture is that we must green



Wooi says more can be done to mitigate the effects of climate change

our cities. The small picture is that every little bit counts," says landscape designer Lim In Chong of Inchspace Sdn Bhd.

He says the issue of climate change needs to be addressed on a macro scale.

"A city is made up of many buildings. If it is not covered by canopies, it will be hot because the tarmac and concrete will absorb heat from the sun.

"The rainforest's grounds are always a lot cooler than the city for two reasons - sunlight does not reach the ground and the forest floor is always slightly damp and cool due to moisture evaporation and the presence of tall tree canopies.

"We need to grow trees for canopies and plants to cover our cities. This enables transpiration while preventing the sun's heat from reaching the ground," he says.

Lim says developers must essentially reduce the amount of concrete and tarmac or opt for canopy coverage like tree-lined highways and roof-top gardens which help lower temperatures



Lim says canopy coverage like tree-lined highways and roof-top gardens can help lower temperature in the city

by a couple of degrees Celsius.

"Lowering temperature by one or two degrees Celsius makes a difference in energy savings.

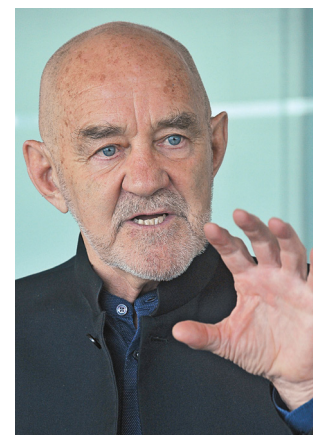
"If you switch on the air-conditioner and the inside temperature of a building is 28 or 29 degrees Celsius instead of 32 degrees, which is the normal ambient temperature, you can reduce energy consumption," he says.

Reality check

Among the reasons for rising temperature is climatic change.

Robert Powell, professor of architecture at Taylor's University, School of Architecture, Building and Design, says architecture can contribute to addressing the problem but it has to be on a large scale.

"We've actually got to solve the problems of our cities. We have to recreate, redesign and reorganise them before we can solve the problem of architecture which is part of all of that.



We have to recreate, redesign and reorganise cities, says Powell

"Architects can contribute in the way they design buildings. Each building or development can be autonomous with its own energy-generating system," he says.

Powell says addressing climate change involves ecological connectivity with architecture and landscaping linking the city and beyond.

"The perception that green buildings are normally more expensive will slowly change as homebuyers demand a more sustainable environment.

"The World Green Council published findings indicating tenancy retention was higher while rental and sales values increased in green projects.

"This further demonstrates that green designs are not only good for the environment but also a financially-sound investment.

"We've got to encourage building designs and developers to invest in solar and wind power, and thermal energy," Powell says. **FocusM**