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EP3 NEWS

UEM Sunrise builds first landed homes in Puteri Harbour



EP7 LEGAL

Freehold vs leasehold

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That is the question posed to participants of the recent Malaysia Secondary Property Exhibition in Johor Baru.



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# SETAPAK STIRS

The established Setapak neighbourhood has seen the growth in the average value of its high-rise homes outpace Kuala Lumpur's. Its affordable location close to the city centre, coupled with a significant student population that stays on even after graduation, ensures steady demand for the high-rises. Turn to EP4 for the full story.



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Sentul moves up

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## NEWS ROUNDUP

For more news go to [theedgeproperty.com](http://theedgeproperty.com)

### OSK Property listed in Forbes Asia's 'Best Under A Billion' 2015

OSK Property Holdings Bhd has been listed on Forbes Asia's Best Under a Billion 2015, which picks 200 high-performing Asia-Pacific public companies with an annual revenue of between US\$5 million (RM18.9 million) and US\$1 billion.

OSK Property is one of two property developers among the 11 Malaysian companies that made the list.

In a statement on July 1, OSK Property executive director Ong Ju Xing said the listing validates OSK Property's position "as one of the leading developers in the country's competitive real estate industry, where we have been inspired by so many of our industry peers."

The Forbes Asia annual Best Under a Billion lists the most dynamic publicly traded companies with positive net income for at least a year. From 17,000 companies, candidates were screened based on profitability, growth and modest indebtedness.

The selected 200 are companies that produced the highest sales and earnings growth in the past 12 months and over three years, and gave the strongest five-year returns on equity.

### Scientex buys land in JB for RM219 million

Scientex Bhd has proposed to buy a total of 326 acres of freehold land in Pulai, Johor Baru, for RM219 mil-

lion cash to expand its land bank.

In a statement on June 29, Scientex said the tracts are situated near Scientex's integrated township development in Skudai known as Taman Mutiara Mas, and various other mature residential areas.

The group's wholly owned subsidiary Scientex Quatari Sdn Bhd has entered into conditional sale and purchase agreements with two different vendors to acquire 252 acres from Bukit Gambir Company Sdn Bhd and 74 acres from Jayaplus Bakti Sdn Bhd.

The proposed acquisitions will be funded by internally generated funds and bank borrowings, according to the statement.

Pending approvals from shareholders at an upcoming extraordinary general meeting and from the relevant authorities, the acquisitions are expected to be completed in the fourth quarter of 2015.

Located under the jurisdiction of Majlis Perbandaran Johor Baru Tengah, the tracts are about 33km from Johor Baru City Centre, and 25km from the customs checkpoint of the Malaysia-Singapore Second Link.

### Bukit Kiara Properties to sell prime parcel on Jalan Tun Razak

Bukit Kiara Properties Sdn Bhd (BKP) has placed a prime parcel in Jalan Tun Razak, Kuala Lumpur — located opposite Bangunan Tabung Haji — up for sale, reports *The Edge*

Malaysia in its June 29 issue.

Known for developments such as VERVE Suites and Hijauan Kiara in Mont'Kiara, BKP had originally planned to develop luxury serviced apartments known as VERVE Suites KLCC on the 39,354 sq ft parcel. However, BKP has now decided to sell the land — situated between the Auto Bavaria showroom and the headquarters of Weststar Maxus Distributors Sdn Bhd — and use the proceeds to diversify its portfolio into suburban areas within Greater Kuala Lumpur.

"It is a freehold parcel with an approved commercial title and a plot ratio of 9.2," BKP chief operating officer LK Fan told *The Edge Malaysia*.

Although he did not say at what price BKP is hoping to close the deal, he indicated that the developer has based the sale price on the land being immediately ready for development as the necessary approvals have been obtained, as well as recent transactions of comparable parcels in the vicinity.

"Some of the notable transactions of smaller sites in the vicinity include the German Embassy parcel on Jalan Tun Razak (1.87 acres @ RM3,188 per sq ft), the Tropicana land on Jalan Bukit Bintang (3.18 acres @ RM3,280 psf), the Oxley Holdings land on Jalan Ampang (3.2 acres @ RM3,300 psf) and former Conlay Club land bought by KSK Group on Jalan Conlay (3.65 acres @ RM3,573 psf)," Fan pointed out.

### Claims of housing glut in Iskandar inaccurate, says IRDA

Demand for medium, affordable and low-cost housing in Johor's Iskandar region remains strong, according to Iskandar Regional Development Authority (IRDA) chief executive Datuk Ismail Ibrahim. Hence, to describe the market as experiencing a "housing glut" is "inaccurate."

"The housing market [in Iskandar] is highly segmented, from the very low-end to the luxurious. If there is any glut, it is limited only to the high-end, high-rise and high-density segment, which mainly comprises serviced apartments," Ismail told *The Edge Property* on July 1.

He was responding to a statement about the risk of a housing glut in Iskandar by London-based property agency, Black Brick.

Black Brick founder and managing partner Camilla Dell, in referring to a warning of a housing glut in Iskandar by the Monetary Authority of Singapore and the Consumers Association of Singapore, had said that deferred property launches, softening prices and sharp increases in housing supply are potential indicators of a looming price collapse.

Ismail conceded that there is a slowdown in demand for the high-end landed segment, but said there is inadequate supply in the medium, affordable and low-cost segments.

"Strictly speaking, there is no such thing as a housing glut in Iskandar Malaysia," he reiterated.

## LAUNCHES & EVENTS

If you have any real estate-related events, email us at [propertyeditor@bizedge.com](mailto:propertyeditor@bizedge.com).



### International launch of The Park Collection at Woodberry Down, London

**Date:** Tomorrow and Sunday  
**Venue:** Level 2, Topaz Room, Mandarin Oriental Hotel, Kuala Lumpur  
**Time:** 10am to 7pm  
**Contact:** (012) 326 3800 / (016) 290 0353

The Park Collection is a high-rise residential development, equipped with swimming pool and gymnasium, in Zone 2, London. A short walk from Manor House tube station and surrounded by 14 acres of parkland and gardens, and 42 acres of open waters, it is slated to be completed by the third quarter of 2017.

### "The How" seminar by L&G Bhd

**Date:** Tomorrow  
**Venue:** Astoria Ampang Gallery, Kampung Berembang  
**Time:** 11am to 5pm  
**Contact:** (03) 4252 3336  
Real estate experts Dr. Daniele Gambero, Ho Chin Soon and

Vince Chia will share investment insights. Topics include: how to make profitable, and choose demand-driven, property investment in challenging times; how Ampang will benefit from Greater KL infrastructure programmes; and how to maximise mortgages for investment.

### Malaysian Furniture & Furnishings Fair (MF3)

**Date:** Today, tomorrow and Sunday  
**Venue:** Kuala Lumpur Convention Centre  
**Time:** 10.30am to 9pm  
**Contact:** (03) 6140 1202

Where some 10,000 sq m of exhibition halls will be filled with not only the latest furniture from more than 200 brands, but also games and activities such as Spend and Win, Spend and Redeem and Facebook 'Like' and Win — and admission is free!

### Fun-filled activities in Setia Eco Glades@Cyberjaya

**Date:** Sunday  
**Venue:** Setia Eco Glades, Sales Gallery, Cyberjaya  
**Time:** 10am to 6pm  
**Contact:** (03) 8008 2228  
When was the last time your children got to see a pony, horse, duck, rabbit, chicken, skunk, hedgehog, ferret and sugar glider — all in one place? Here's their chance — at the family-friendly fun day organised by S P Setia, which includes a petting zoo, fish-

ing duckies and game stalls. Two free shuttle buses (11am and 2pm) will be provided from the KLCC and Bukit Jalil LRT stations.



### Official Launch of Trilby Apartments at Collingwood, Australia

**Date:** Tomorrow and Sunday  
**Venue:** The Laundry Bar, Ground Floor, The Curve Shopping Mall, Mutiara Damansara  
**Time:** 10am to 6pm  
**Contact:** (03) 7726 3663 / (013) 388 8787

The freehold property in the heart of Smith Street, Melbourne, 4km from CBD and Melbourne University, is equipped with a rooftop garden and outdoor cinema facilities. Two seminars on each event day discuss legal advice on Melbourne property contracts and taxation advice on Australian investment.

### 16 Sierra's Open House

**Date:** Tomorrow and Sunday  
**Venue:** Sierra 6 show unit, Persiaran Sierra Utama, Bandar 16 Sierra, Puchong  
**Time:** 11am to 5pm

**Contact:** (03) 8944 9999  
IOI Properties Group Bhd is opening its doors to visitors to showcase the project and the company's easy-payment buying package. Fun, family-friendly activities include Sun Catcher, air-dry clay figuring and a chance to win movie tickets.

### Official opening of Tiara Hills' show house

**Date:** Tomorrow and Sunday  
**Venue:** GPS coordinate: 3°09'09.69"N 101°73'09.42"E

**Time:** 10am to 6pm  
**Contact:** (03) 9134 8399  
Developed by Modern Age Development Sdn Bhd, Tiara Hills sits on elevated land in Cheras, with a magnificent view of the KL skyline and a lush 1-acre park. It is connected to a major highway and surrounded by retail hubs, a hospital, shopping mall, university and an MRT station. The super semi-D homes have built-ups from 4,973 sq ft.

### Launch of Saville@Cheras

**Date:** Tomorrow and Sunday  
**Time:** 10am to 5pm  
**Venue:** Sales Gallery@Saville Residence, Old Klang Road, Kuala Lumpur  
**Contact:** (03) 7981 0901 / (019) 333 8551

The 43-storey freehold, mixed development by MKH Bhd consists of serviced apartments and retail shops, and is directly connected to the soon-to-be-ready Sri Raya MRT station.

# UEM Sunrise builds first landed homes in Puteri Harbour

Estuari Gardens offers 350 units of 2-storey superlink houses in Phase 1

BY ZATIL HUSNA WAN FAUZI

NUSAJAYA: UEM Sunrise Bhd will launch its first landed residential development in Puteri Harbour this weekend.

The guarded and gated freehold development, named Estuari Gardens, has a gross development value (GDV) of RM7 billion, and spans 394.4 acres. The first phase of the project, costing RM634 million, consists of 350 units of 2-storey superlink houses on a 47.8-acre tract.

"We are excited about this landed development and understand that the market sentiment here likes landed residential properties," said UEM Sunrise acting chief marketing officer Zadil Hanief Mohamad Zaidi on Wednesday.

"There isn't any landed residential development in Puteri Harbour, and we believe Estuari Gardens is the next-most interesting thing that's happening here."

The 2-storey superlink units come in three types, with a built-up area of between 2,708 sq ft and 3,550 sq ft. The selling price starts at RM1.39 million.

Construction of the first phase, which began at the end of last year, has progressed 30%; completion is due in 2017.

To-date, the group has seen 500 expressions of interest, of which 10% are buyers, mainly from Johor, some of whom work in Singapore.



Artist illustration of Serenity Briza (Type B) offered in Estuari Gardens.

He added that Estuari Gardens will be developed in 10 phases over seven to 10 years.

Head of project Jeff Saw Seong Keat said the entire residential development will see the creation of terraced houses, semi-detached houses, bungalows, zero-lot bungalows and some low-rise apartments, as well as a seven-acre neighbourhood centre comprising commercial units.

There will be 24-hour security, wide walkways and cycling paths, parks, landscaped open areas, children's playground and outdoor gymnasium, with the streets designed for safety and privacy.

Saw said another attraction is Raffles American School, which is being built a two-minute drive away.

On the issue of tightening bank loans, Zadil explained that developers should work closely with banks to offer solutions to suit developers, banks and buyers.

"We want to help the first-time homebuyers and owner-occupiers," said Zadil.

UEM Sunrise has another 200-acre tract in Puteri Harbour, also planned for landed residential development, tentatively named Residential South. Details of the development are being finalised.



SHAHRIN YAHYA/THE EDGE PROPERTY

## Berkeley Group offers two high-end projects in KL

BY LIM KIAN WEI

KUALA LUMPUR: UK-based Berkeley Group will be launching two high-end London residential projects in Kuala Lumpur this year. The Park Collection launches this weekend, and South Quay Plaza in mid-September.

"London has attracted investors all over the world who are looking to export their capital for future generations... where they can enjoy yield and great capital growth. It is a very safe place to invest your money," Berkeley Homes South East London managing director Harry Lewis (*pic*) told *The Edge Property* after a press conference in Kuala Lumpur yesterday.

The Park Collection comprises 185 apartment units in three buildings — The Parkhouse, Odell House and The Kingly Building — which vary in scale from nine to 19 floors. The apartments have a built-up area ranging from 520 sq ft to 1,100 sq ft and are priced from £437,500 (RM2.58 million).

The three buildings are scheduled for completion between end-2017 and the third quarter of 2018.

The Park Collection is located in Woodberry Down, adjacent to Beis Chinuch Lebonos Girls School. It is a five-minute walk from the Manor House tube station on the Piccadilly Line.

The project is part of the group's £1 billion, 64-acre regeneration project in Woodberry Down, which will offer a total of 5,517 new homes and more than 50,000 sq ft of retail space when completed.

In mid-September, Berkeley Homes will be launching Phase 1 of its high-end residential project called South Quay Plaza in Kuala Lumpur, with a UK launch on July 15.

South Quay Plaza will offer 888 residential units in two towers of 36 and 68 storeys. The project spans one million sq ft and will include cafes, shops and restaurants.

The project is about 600m from the Canary Wharf underground station that runs on the popular Jubilee Line. Residents will also benefit from the Canary Wharf Crossrail station located adjacent to the underground station and due for completion in 2018.

South Quay Plaza is located in London E14 and has a gross development value of £650 million. Construction is scheduled to begin in January next year. Its first phase is expected to be completed in 2021, and the second and final phase in 2022.

Citing data from a Jones Lang LaSalle Inc's report, Lewis said the future Crossrail station and doubling of the workforce in Canary Wharf makes the prices on offer very attractive for investors.

"You have the growth forecast which is very attractive of 37% over four years allied to a very good yield of 4%. Besides, the project is a real jewel in the sky."

Foster + Partners is the architect and interior designer for South Quay Plaza, which offers units with a built-up area of between 486 sq ft and about 2,500 sq ft. The starting price for a unit is £490,000.

JLL is the marketing agency for both projects.

# London City Island opens new bridge and welcomes the English National Ballet

BY CHAI YEE HOONG

LONDON: Eco World Ballymore Holdings Co Ltd celebrated the completion of the new London City Island bridge and its partnership with the English National Ballet in London on July 1.

The bridge between the Leamouth Peninsula (now rebranded London City Island) and Canning Town has finally been completed after having been on the cards for over a decade. Designed by Davies, Maguire and Whitby, the 80m bridge is installed across the Lea River in East London.

"With the new bridge completed, visitors to the site will be able to appreciate how accessible it is to and from the city, West End, Canary Wharf, the airports, and every other major destination in London," said chairman of Eco World Ballymore Tan Sri Liew Kee Sin.

Eco World Ballymore is a joint venture between Eco World Investment Co Ltd, a private company controlled by Liew, and the Ballymore Group, a UK-based developer with more than 20 years' experience in the London property market.

Work on the pre-fabricated steel bridge, which has been designed to be raised vertically to allow boat access up the Lea River, began in August last year.

The bridge allows residents of London City Island direct access to the Jubilee Line and the Docklands Light Rail at the Canning Town Station. The future Crossrail Station at Canary Wharf will be under 10 minutes away.

Meanwhile, Eco World Ballymore's partnership with English National Ballet, which was announced in May, entails the latter's



Artist impression of London City Island.

relocation to London City Island. The ballet company will share the new building with the English National Ballet School. The move is due to take place in 2018.

The English National Ballet is currently based at Jay Mews in Kensington and the English National Ballet School inhabits part of the listed Carlyle building in Fulham. Both the company and school announced their intention to find a new home in July 2014, and appointed national commercial property consultancy Lambert Smith Hampton to advise on the process.

According to Eco World International Sdn Bhd president and CEO Datuk Teow Leong Seng, the 69,000 sq ft building's core and shell are paid for by Eco World Ballymore, while the cost of fitting out the new space will be borne by English National Ballet.

The event follows the launch of the second phase of London City Island in May, which was held simultaneously in London and Kuala Lumpur, offering 417 units of one to four

bedrooms over two blocks. The units were launched at approximately £800psf, and 85% have been taken up.

Meanwhile, a third block was recently launched in Hong Kong at around £870 psf (RM4,724). London City Island has an estimated gross development value (GDV) of £614 million and spans 12 acres. Its second phase comprises six blocks of apartments with 1,145 units.

Liew said the company plans to roll out subsequent launches of London City Island, Embassy Gardens (GDV: £995 million) and Warden London (GDV: £591 million) in the next six months, and to complete launching all three projects in London within two years.

Meanwhile, Eco World International Bhd has withdrawn its plans to list as a special purpose acquisition company that was to raise RM1.5 billion from the exercise. Instead, it is seeking a direct listing on the Main Market of Bursa Malaysia to raise RM2 billion, and to list the company by early next year, Liew said.

PHOTOS BY SHAHRIN YAHYA



Setapak has a mix of old and new condominiums, apartments and serviced apartments to cater for different demographics.

# Setapak: A vibrant rental market

A strong rental market and urbanisation have driven demand for properties mainly in the medium to medium-high range

BY LAM JIAN WYN

**S**etapak, a large and established suburb in the district of Gombak, Kuala Lumpur, has seen the average values of its high-rise homes outpace that of Kuala Lumpur's on the back of a strong rental market, affordability and good access via road and light rail transit.

According to research by theedgeproperty.com, prices of such homes in Setapak surged 30.9% y-y in 3Q2013, propped up by subsale market transactions at Setapak Green, the third-most expensive condominium in the area (average price, RM631,375 per unit). Due to cooling measures announced during the tabling of Budget 2014, growth of average values slowed to 12.5% in 3Q2014, bringing average prices to RM389 psf.

However, it still outpaced Kuala Lumpur's average high-rise home price — the Kuala Lumpur High-Rise House Price Index by the National Property Information Centre (Napic) rose only 7% and 9.6% in 3Q2014 and 3Q2013, respectively.

Despite its tremendous capital appreciation, Setapak is still nonetheless an affordable option for property buyers. In fact, data from theedgeproperty.com shows that even the most expensive condos fall well within the mid-market segment. For instance, Platinum Hill PV 8, which theedgeproperty.com identified



KL Festival City mall is one of the malls in Setapak.

as the most expensive high-rise home by average price, clocked in at a relatively affordable RM708,000. Notably, the average price was raised by two transactions of RM1 million each in 2014.

In the 12 months to 3Q2014, about 63.5% of Setapak's high-rise home transactions fell into the RM201-RM400 psf range, while 32.9% fell into the RM401-RM600 psf range.

## What drives interest in Setapak?

According to Hartamas Real Estate (OUG) Sdn Bhd negotiator Jack Tian, Setapak high-rise homes attract higher-than-average rental demand. "Due to higher rental demand, the homes are more for investment, with about a 60:40 ratio [of owner-occupiers to investors]," he tells *The Edge Property*.

He says owner-occupiers are drawn to



Platinum Hill PV 8 is the most expensive condo in Setapak by average price, yet its prices fall well in the mid-market segment.



Teratai Mewah Apartments, one of the most affordable apartments in Setapak, also recorded very strong growth.

the good accessibility offered by a number of major roads and public transport — the area is serviced by the Kelana Jaya LRT line and a number of stations, including Sri Rampai, Taman Melati and Wangsa Maju — as well as tourist attractions nearby such as Bukit Tabur, Berjaya Hills Resort, and Genting Highlands that make for nice weekend getaways.



Students of Tunku Abdul Rahman College prefer to live in condos around Jalan Genting Klang and Taman Melati due to the abundance of eateries and shops and a free shuttle-bus service provided by the college.



The Kelana Jaya LRT line runs through Setapak with a few stops such as Wangsa Maju, Sri Rampai and Taman Melati.

According to Tian, typical tenants of these apartments include professionals, and university and college students mainly from the Tunku Abdul Rahman University College (TARC) at Taman Bunga Raya, just off Jalan Genting Klang.

“Working professionals enjoy Setapak’s good accessibility to major highways such as the Middle Ring Road 2 (MRR2), the Karak Highway, the Duta-Ulu Kelang Expressway, and access roads such as Jalan Genting Klang and Jalan Danau Kota,” he explains.

Meanwhile, students appreciate the convenience offered by public transport, eateries, entertainment outlets and proximity to TARC.

“There is also demand for commercial space by businesses such as restaurants, entertainment, sports, electronics, grocers, offices, salons and so forth,” he observes.

Vivahomes Realty senior

Tian: Typical tenants of high-rise homes in Setapak include professionals, and university and college students mainly from the Tunku Abdul Rahman College at Taman Bunga Raya.



negotiator Jantson Loh notes that Setapak’s proximity to Ampang, Cheras and Kuala Lumpur’s city centre — less than 35km away — coupled with its affordability and the presence of TARC makes it easy to sustain the area’s rental market.

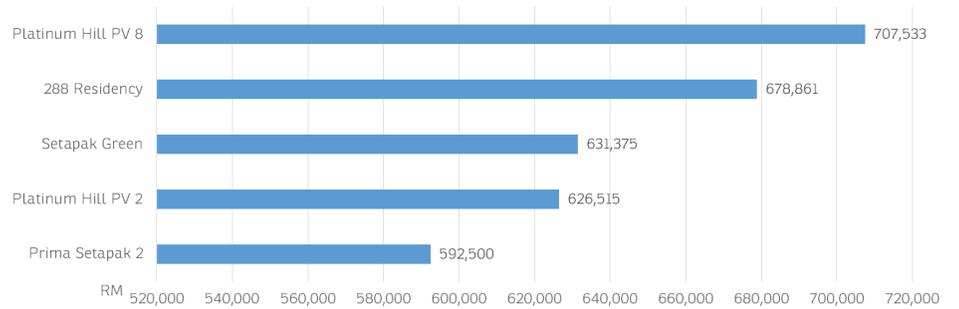
“Many students who stay here will graduate and choose to work in KL, because it is near the city centre and they are already familiar with the place. So some will graduate and buy an apartment here, because they realise if they keep paying rent, it is like ‘burning’ their money,” he tells *The Edge Property*.

Loh notes that students tend to prefer condos in the vicinity of Jalan Genting Klang such as PV 12, PV 13, PV 14, PV 15 and PV 16, as well as condos in Taman Melati. This is due to the abundance of eateries and shops, and a free shuttle-bus service by TARC that covers these areas.

He says condos in Taman Melati, Genting Klang and Wangsa Maju usually enjoy an occupancy rate of above 90%. Newer partly furnished three-bedroom units can be rented out for at least RM1,800 a month while older units with a similar number of rooms and furnishings can command at least RM1,500 per month.

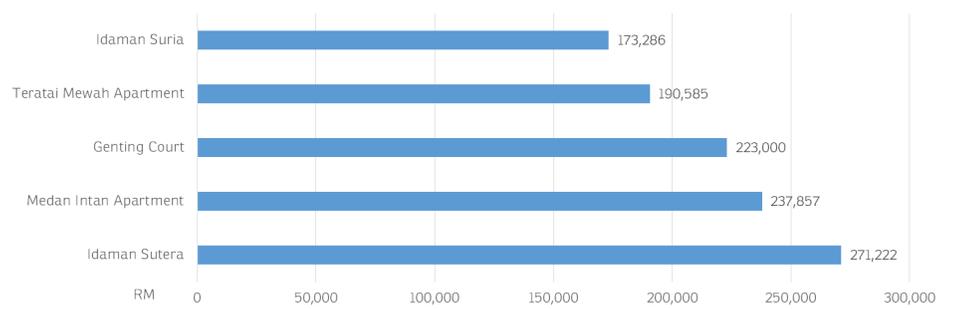
Source: theedgeproperty.com

**Chart 1: Setapak Top 5 most expensive condominiums/apartments by average transacted price**



Source: theedgeproperty.com

**Chart 2: Setapak Top 5 least expensive condominiums/apartments by average transacted price**



Source: theedgeproperty.com

**Chart 3: Top 10 condominiums/apartments in Setapak with highest indicative asking rental yield**

Project Name	Average Transacted Price (RM/psf)	Average Asking Monthly Rent (RM)	Average Asking Monthly Rent (RM/psf)	No. of Listings	Indicative Asking Rental Yield
Idaman Sutera	319	1,320	1.52	15	5.7%
Sri Pelangi	390	1,321	1.77	7	5.4%
Setapak Ria	304	1,363	1.25	8	5.0%
Idaman Putera	326	2,000	1.34	6	4.9%
Platinum Hill PV 6	352	1,908	1.44	26	4.9%
Platinum Lake PV 10	365	1,835	1.47	37	4.8%
Prima Setapak	330	1,695	1.33	22	4.8%
Platinum Hill PV 5	359	1,826	1.42	42	4.8%
Platinum Lake PV 12	386	1,873	1.52	60	4.7%
La Villas Condominium	384	1,571	1.49	12	4.7%

Rentals of condos and serviced apartments — such as those in Taman Setapak, Taman Gombak, and the Platinum Victory condos in Danau Kota, Genting Klang, Taman Melati — range between RM1.30 psf and RM1.70 psf, depending on furnishings offered, says Tian.

He estimates that the average return on investment for these homes is between 3.8% and 4.6%. Meanwhile, theedgeproperty.com research shows that the top 10 high-rise homes in Setapak yield an average return of 4.7% to 5.7%.

**What’s new in Setapak?**

According to Tian, some roads have been widened while new ones are being built to improve the area’s accessibility.

For instance, the portion of Jalan Genting Klang in front of TARC that links Jalan Wangsa Maju, Jalan Genting Klang and Jalan Danau Kota to the MRR2 was recently widened. Meanwhile, the six-lane, 9km Tun Razak Link that will run from Jalan Tun Razak to Jalan Gombak is under construction. “This is estimated to relieve traffic congestion by 30% during peak hours,” he says.

Meanwhile, there are also a few new projects that are coming up, which include

high-rise and landed residential projects as well as commercial projects comprising shopoffices, and small offices/home offices (Sohos).

These projects are being built by local stalwarts and bigger national players, such as Platinum Victory Development Sdn Bhd, Sime Darby Property Bhd, Sunway Bhd, Kerjaya Prospek Sdn Bhd, UOA Development Bhd and MKH Bhd.

**What is the outlook for Setapak?**

Hartamas Realty’s Tian says Setapak’s rapid urbanisation has fuelled population growth that has, in turn, driven demand for residential and commercial properties.

“In recent years, upscale shopping malls were established to support the activities in this vicinity, namely Wangsa Walk mall and KL Festival City mall. More mixed-development projects have been proposed in Setapak. This would supply not only commercial activities but also jobs in Setapak,” he says.

He reckons that high-rise homes in Setapak will continue to attract younger buyers such as graduates and those who have just joined the workforce, given that it is an affordable option for people looking for homes near Kuala Lumpur’s city centre.

See property listings for this area on [Market Watch EP6](#)

**FOR SALE** [in Setapak, Kuala Lumpur]**Platinum Hill PV 8**

**Type:** Condominium/ serviced residence  
**Tenure:** Freehold  
**Asking price:** RM950,000  
**Built-up area:** 2,180 sq ft  
**Bedroom(s):** 3 + 1  
**Bathroom(s):** 3  
**Description:** Platinum Hill PV 8 is located in Taman Melati Utama. This fifth-floor unit comes with a balcony and two covered parking bays. It is spacious, fully furnished, and offers a view of KLCC. Within walking distance of LRT station and schools.  
**Agent/negotiator:** RS Lan of Reapfield Properties (Seri Kembangan) Sdn Bhd  
**Tel:** (018) 248 0992  
**Email:** roslan@reapfield.com

**Platinum Hill PV 6**

**Type:** Condominium/ serviced residence  
**Tenure:** Freehold  
**Asking price:** RM560,000  
**Maintenance fee:** RM0.15 psf  
**Built-up area:** 1,328 sq ft  
**Bedroom(s):** 4  
**Bathroom(s):** 2  
**Description:** Fully furnished with kitchen cabinets, two air-conditioning units, dining set, and a covered parking bay. Owner looking to sell urgently. Platinum Hill PV6 is easily accessible via Duke and MRR2. Convenient public transport: Taman Melati LRT station is 500 metres away. Kuala Lumpur's central business district is also minutes away. The area is a serene and tranquil environment, with breathtaking views of the landscaped lake and lush, green surroundings.  
**Agent/negotiator:** Derice Kong of GS Realty Sdn Bhd  
**Tel:** (017) 663 1034  
**Email:** derice.realty@gmail.com

**Platinum Lake PV 12**

**Type:** Condominium/ serviced residence  
**Tenure:** Leasehold  
**Asking price:** RM498,000  
**Built-up area:** 1,207 sq ft  
**Bedroom(s):** 3  
**Bathroom(s):** 2  
**Description:** Well-kept unit, bumi lot. Comes with kitchen cabinet. PV12 is a 5-minute walk to Festival City Mall, near Sekolah Menengah Kebangsaan

Danau Kota, and a 2-minute drive to Columbia Asia Hospital and Setapak Golf Range.

**Agent/negotiator:** Derice Kong of GS Realty Sdn Bhd  
**Tel:** (017) 663 1034  
**Email:** derice.realty@gmail.com

**Platinum Hill PV 2**

**Type:** Condominium/ serviced residence  
**Tenure:** Freehold  
**Asking price:** RM700,000  
**Built-up area:** 1,450 sq ft  
**Bedroom(s):** 3  
**Bathroom(s):** 2  
**Description:** Partly furnished, high-floor unit, with a balcony, air conditioning, and water heater.  
**Agent/negotiator:** Anthony Chong of Oriental Realty  
**Tel:** (012) 390 6893  
**Email:** hing1979@hotmail.com

**288 Residency Setapak**

**Type:** Condominium/ serviced residence  
**Tenure:** Freehold  
**Asking price:** RM720,000  
**Built-up area:** 1,408 sq ft  
**Bedroom(s):** 4  
**Bathroom(s):** 3  
**Description:** Partly furnished, mid-floor unit with full KLCC view. Available now.  
**Agent/negotiator:** Danny Chow of GS Realty Sdn Bhd  
**Tel:** (014) 666 6876  
**Email:** jy6118@gmail.com

**Idaman Puteri**

**Type:** Condominium/ serviced residence  
**Tenure:** Freehold  
**Asking price:** RM600,000  
**Built-up area:** 1,431 sq ft  
**Bedroom(s):** 3 + 1  
**Bathroom(s):** 3  
**Description:** Located on Jalan Meranti (13/21A), Medan Idaman, Setapak. Numerous amenities, such as SRJK (C) Lee Rubber (Nan Yik Chinese primary School) next door. Easily accessible via Jalan Gombak which connects to Jalan Genting Klang, Jalan Pahang and Duke. Taman Melati LRT station is about 2km away. The LRT shuttle bus stops right in front of the condominium. The unit is partly furnished with air conditioning, cooker hob, hood and water heater.  
**Agent/negotiator:** King Tiew of Property Hub Sdn Bhd

**Tel:** (012) 637 2637  
**Email:** king.tiew@propertyhub.com.my

**Platinum Lake PV 16**

**Type:** Condominium/ serviced residence  
**Tenure:** Leasehold  
**Asking price:** RM770,000  
**Built-up area:** 2,333 sq ft  
**Bedroom(s):** 3  
**Bathroom(s):** 2  
**Description:** One of selected units with a lanai and on the same level as the condo's recreational area. Platinum Lake PV16 is an exclusive condominium developed by Platinum Victory. This 2-tower leasehold development represents phases 4 and 5 of the Platinum Lake project, with numerous phases to follow. Facilities include covered parking bays, swimming pool, clubhouse, gym, playground, 24-hour security, BBQ area, jacuzzi, jogging track, tennis court, squash court, mini market, nursery and cafeteria. PV16 is located close to Columbia Asia Hospital, Tesco, Giant, Danau Kota Tawakal Hospital, KL Hospital and Festival Mall. TAR College and UTAR are 2km away. LRT Wangsa Maju and LRT Melati Utama are nearby. Connected via Jalan Genting Kelang, MRR2, Duke and Karak Highway.  
**Agent/negotiator:** Henry Yeoh of CBD Properties Sdn Bhd  
**Tel:** (010) 812 8181  
**Email:** henryy8181@gmail.com or henry.yeoh@cbd.com.my  
**mailto:**henry.yeoh@cbd.com.my

**Platinum Hill PV20**

**Type:** Condominium/ serviced residence  
**Tenure:** Leasehold  
**Asking price:** RM638,000  
**Built-up area:** 1,333 sq ft  
**Bedroom(s):** 3  
**Bathroom(s):** 2  
**Description:** Brand new unit with two covered parking bays. Amenities include Festival Mall, Jaya Jusco, Columbia Asia Hospital, Uptown Danau Kota and LRT Wangsa Maju.  
**Agent/negotiator:** Jack Tian of Hartamas Real Estate (OUG)  
**Tel:** (01) 643 44681  
**Email:** jacktian@hartamas.com

**Sri Pelangi Condominium**

**Type:** Condominium/ serviced residence  
**Tenure:** Freehold  
**Asking price:** RM450,000  
**Built-up area:** 927 sq ft  
**Bedroom(s):** 3  
**Bathroom(s):** 2  
**Description:** Sri Pelangi condo is on Jalan Genting Kelang, with easy access to Jalan Ibu Kota.  
**Agent/negotiator:** Mabel Soh of GS Realty Sdn Bhd  
**Tel:** (010) 234 2468  
**Email:** e3ling88@gmail.com

**FOR RENT** [in Setapak]**Prima Setapak**

**Type:** Condominium/ serviced residence  
**Tenure:** Leasehold  
**Asking rent:** RM1,550  
**Built-up area:** 1,231 sq ft  
**Bedroom(s):** 3  
**Bathroom(s):** 2  
**Description:** Comes with heater, cooking stove, fridge, washer and one covered parking bay. Newly painted. Many surrounding shops; Festival City Mall. Convenient public transport: 15 minutes to KL city. Students or working professionals preferred.  
**Agent/negotiator:** Meifen Low of Huttons OneWorld Sdn. Bhd.  
**Tel:** (012) 653 0714  
**Email:** meifen.low@gmail.com

**Platinum Lake PV 20**

**Type:** Condominium/ serviced residence  
**Tenure:** Leasehold  
**Asking rent:** RM1,800  
**Built-up area:** 1,333 sq ft  
**Bedroom(s):** 3  
**Bathroom(s):** 2  
**Description:** Unit with a city view. Facilities include swimming pool, gym, clubhouse, mini market, playground, barbeque area, housekeeping services and covered car park. Close to KL Festival Mall, AEON, Hospital Besar Kuala Lumpur, Uptown Danau Kota, food and convenience shops and UTAR.  
**Agent/negotiator:** Louie Tan of Landers Real Estates  
**Tel:** (012) 229 5553  
**Email:** jingsuan.gs@gmail.com

**Seri Maya Condominium**

**Type:** Condominium/ serviced residence  
**Asking price:** RM3,500  
**Built-up area:** 1,325 sq ft  
**Bedroom(s):** 3  
**Bathroom(s):** 2  
**Description:** Fully furnished unit with KLCC views. Seri Maya is a modern condominium in Setiawangsa, off Jalan Jelatek. Beautiful landscape, high-speed broadband and tight security. Just 3 km away from KLCC by road. Convenient LRT and bus service. Setiawangsa LRT station is just across the road, and KLCC is four stops away. Also accessible via the Ampang-Kuala Lumpur Elevated Highway (Akleh) which has an entrance and exit off Jalan Jelatek.  
**Agent/negotiator:** Danielle Soh of Metroworld Realty Sdn Bhd (Sunway)  
**Tel:** (016) 626 0908  
**Email:** daniellesoh.property@gmail.com

**The Loft @ ZetaPark**

**Type:** Condominium/ serviced residence  
**Tenure:** Leasehold  
**Asking rent:** RM2,000  
**Built-up area:** 1,087 sq ft  
**Bedroom(s):** 3  
**Bathroom(s):** 2  
**Description:** Partly furnished, mid-floor unit. Nice views.  
**Agent/negotiator:** Jack Tian of Hartamas Real Estate (OUG)  
**Tel:** (016) 434 4681  
**Email:** Jacktian@hartamas.com  
**mailto:**Jacktian@hartamas.com

**Sri Pelangi Condominium**

**Type:** Condominium/ serviced residence  
**Tenure:** Freehold  
**Asking rent:** RM1,500  
**Built-up area:** 927 sq ft  
**Bedroom(s):** 3  
**Bathroom(s):** 2  
**Description:** Public transport include the LRT Wangsa Maju, LRT Sentul Timur and LRT Taman Melati  
**Agent/negotiator:** Mabel Soh of GS Realty Sdn Bhd  
**Tel:** (010) 234 2468  
**Email:** e3ling88@gmail.com

**Zen Suites @ Zeta Park**

**Type:** Condominium/ serviced residence  
**Tenure:** Leasehold  
**Asking rent:** RM1,900  
**Built-up area:** 704 sq ft  
**Bathroom(s):** 1  
**Description:** Zeta Suites are soho units. This unit comes fully furnished with quality furniture and is in move-in condition. Available now.  
**Agent/negotiator:** Danny Chow of GS Realty Sdn Bhd  
**Tel:** (014) 666 6876  
**Email:** jy6118@gmail.com

**Setapak Green**

**Type:** Condominium/ serviced residence  
**Tenure:** Freehold  
**Asking rent:** RM2,500  
**Built-up area:** 1,450 sq ft  
**Bedroom(s):** 3 + 1  
**Bathroom(s):** 2  
**Description:** Partly furnished orner unit with breathtaking view of KLCC, covered parking bays. Spacious, comfortable environment. Banks, restaurants, workshops, clinics petrol kiosks, SRJK Mun Yee and a Korean International school are nearby. Easily accessed via Jalan Gombak, Jalan Genting Klang, Duke and MRR2.  
**Agent/negotiator:** Jack Tian of Hartamas Real Estate  
**Tel:** (016) 434 4681  
**Email:** Jacktian@hartamas.com

**288 Residency**

**Type:** Condominium/ serviced residence  
**Tenure:** Freehold  
**Asking rent:** RM2,800  
**Built-up area:** 1,500 sq ft  
**Bedroom(s):** 4  
**Bathroom(s):** 3  
**Description:** The unit has a balcony, air conditioning and a city view.  
**Agent/negotiator:** Alex Yip of ECG Affirm Holdings Sdn Bhd  
**Tel:** (016) 517 8626  
**Email:** alexyipprop@gmail.com

# Freehold vs leasehold

THE EDGE FILE PHOTO



## Should the status of the land your future property sits on affect your decision to buy it?

BY CHRIS TAN



Chris Tan is a lawyer, author, speaker and keen observer of real estate locally and abroad. He is founder and managing partner of Chur Associates.

If you have questions that you would like to ask Tan, please go to the **Tips section of [theedgeproperty.com](http://theedgeproperty.com)**.

Disclaimer: The information here does not constitute legal advice. Please seek professional help for your specific needs.

**F**reehold or leasehold? The status of the land your future property will be built on has implications for your ownership of it. This applies whether you are buying from a developer or on the sub-sale market. Developers tend to highlight the freehold tenure of a property to attract public attention. However, should land tenure be of any concern to the home buyer?

Freehold and leasehold are two fundamentally different forms of legal ownership. If you own freehold land, it means you have perpetual ownership of the land and can pass it on to your successors, and they, to theirs, and so on. In contrast, leasehold land tenure is usually for a period of 30, 60 or 99 years. In East Malaysia, the freehold title is virtually non-existent.

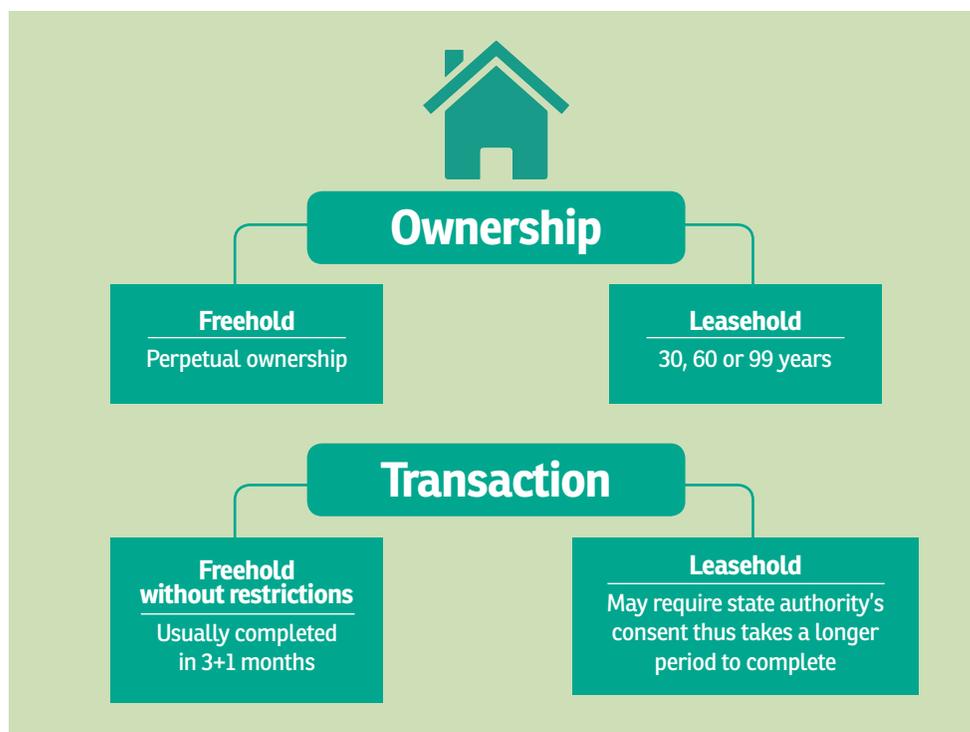
### Extension of lease

Ownership of the leasehold property will revert to the state government upon the expiry of the lease. Thus, owners of leasehold property will have to make an application to the relevant state government authorities for an extension or renewal of the lease before its expiry. Once approval is granted, the owner will be required to pay a premium for the extended tenure.

Nevertheless, the Land Acquisition Act (1960) empowers a state government to acquire land notwithstanding its status, including freehold land. Generally, the compulsory acquisition of land only takes place in the event it is needed for national development purposes and can only proceed with reasonable compensation to the owner.

### Transaction of the property

Transaction of freehold property is often more straightforward than for leasehold property as the sale and purchase transaction of leasehold property usually requires consent from the state authority, which may take a few months to procure. On the other hand, for freehold property without any encumbrances (or restrictions on its



	FREEHOLD	LEASEHOLD
Price and value	appreciation	depreciation
Loan	smoother financing	risky, difficult
Location	undesirable location	strategic area

	FREEHOLD	LEASEHOLD
Similarity	May be acquired by the government	
Summary	less burden to bequeath the family home to children	better location maximises rental income

dealing from claims on it), the transaction will usually take three to four months to complete, which is the standard time frame in a sale and purchase agreement for a purchase on the secondary market. Nonetheless, in certain locations, some transactions of freehold property still re-

quire the consent of local authority.

Generally, the values of freehold and leasehold properties will go up at a similar rate for the first 20 to 30 years. However, freehold property tends to appreciate more in the long run. This is because the value of leasehold property tends to depreciate

nearing the end of its lease period. Uncertainty may arise in the process of obtaining an extension or renewal of the lease from the state authority, and this reduces the marketability of leasehold property. Not many potential buyers are willing to bear the risk of the rejection while they still have other choices in the market.

Difficulties in obtaining loan approval from a financial institution is also a factor that dissuades potential buyers of leasehold property. Financial institutions are generally reluctant to approve a loan for leasehold property with a lease tenure of less than 60 years. Even they do approve the loan, its margin of financing may not be as favourable as it is for freehold properties.

Having said that, leasehold properties are generally located in strategic areas compared with freehold properties, which are usually in less desirable locations. Herein lies the bargaining power of leasehold property owners.

### Purpose of the purchase

Given the fact that the government will be able to acquire either leasehold or freehold land in order to develop or redevelop it for a public purpose, freehold and leasehold properties are equal in this regard. Thus, property buyers should consider the main purpose of their purchase. If it is for investment, buyers can discount the tenure of a leasehold property and gain maximum rental income, thanks to its better location.

On the other hand, since youngsters nowadays are keen to move out of their parents' house to live and work independently, parents bear no burden to bequeath the house to the next generation. Given that there is limited availability of freehold property, the reputation and brand name of property developers also play an important role in a purchase decision, and not just the tenure of leasehold land.

In short, as long as the purchase of the property serves the main purpose of the buyer, whether it sits on leasehold or freehold land is of little concern.

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