



LIVING LARGE

Market Update

The luxury property market in the Kuala Lumpur City Centre (KLCC) saw a dramatic decline in number of enquiries and transactions in the second half of 2008 as more unfavourable news of the global financial situation unfolded. Year 2008 wraps with a quiet sentiment as consultants and analysts continue to speculate the future and investors observe with growing concerns.

Prompted by the announcement of the exemption of Real Property Gains Tax (RPGT) along with the relaxation of foreign investment policies by the government, property prices jumped 20% - 30% from the 2nd half of 2007 and through the first half of 2008, a phenomenon that is never seen in the history of Kuala Lumpur property market.

Traditionally, the capital appreciation for properties in the prime locations of Kuala Lumpur is around 10% per annum. This steady trend is seen throughout the last 30 years. During the previous two recessions, property prices were noted to have dipped between 10% and 15% on the average but the market was observed to have recovered quickly. Unlike our neighbouring country Singapore; where the pricing trend is relatively volatile, it took years for the market to recover after the last recession; comparatively the Kuala Lumpur property market is more sustainable.

A 20% decline in property prices from the peak of the price hike is foreseen in the year 2009 but that should not cause too much of a concern as the current price hike was driven by foreign demand. The impending price drop only makes Kuala Lumpur properties more affordable to foreigners, therefore property prices will eventually be driven up in no time. As a matter of fact, opportunistic investors are already waiting at the sidelines to pick up "bargain buys" as the number of anxious sellers increase.

Revise, Refurbish, Reposition, Relaunch

In response to the weakening sentiment, property sellers ought to consider revising their asking prices to a realistic level to stay competitive. Landlords may want to consider refurbishing their properties to increase their rentability. For property developers, repositioning their products and relaunching them would work. Eastern & Oriental Development Berhad is an example of such a forward thinking developer. Its remaining penthouses have been given a good ID touch and packaged with a two-year 6% p.a. rental guarantee program, making these otherwise harder-to-sell properties, appealing to foreign property investors. Some developers, are known to be offering schemes such as “2-year 10% capital guarantee program” and “buy back guarantee program”, while others are delaying the launch of their new projects until next year.

Moving Forward

The launch of Malaysia Property Inc. (MPI), a joint public-private sector initiated to promote Malaysian property internationally is timely. With the help of FIABCI Malaysia, MPI will organise major exhibitions, road shows and seminars; to create awareness among the foreign investment community of the attractive conditions regarding investment in Malaysia’s real estate, and to promote the Malaysia My Second Home scheme (MM2H) that allows home buyers to obtain permanent residency permits. This will attract more foreign investments in the country and stimulate the property market which is an important growth stimulant to the overall national economic development.

Looking ahead, we are confident Malaysia will survive the current economic turmoil and that long-term growth for the country remains favourable. After all, properties in Malaysia are still comparatively cheaper than our neighbouring countries.

One KL

Jalan Pinang, Kuala Lumpur City Centre
(Exp. completion March 2009)

Located in the heart of KLCC, One KL is 5 minutes walk to the Petronas Twin Towers and Suria KLCC.

One KL pioneered the concept of one swimming pool in each apartment and was opened for sale in 2007. Every apartment is a duplex featuring 21ft high ceiling, full height glass walls and private lift access to each apartment. The development boasts to raise the bar of sophistication offering state-of-the-art biometric security system, 24 hour security and concierge, sports car friendly car parks, satellite, Wi-Fi and broadband services.

Units available for sale range between 3,285 sq ft and 3,706 sq ft. Prices range between RM5.9 million and RM8.5 million.



The Gallery @ U-Thant

Jalan Madge, Embassy District of Kuala Lumpur
(Exp. completion 2010)

After One KL's debut of 95 swimming pools and 94 apartments in the KLCC location, The Gallery @ U-Thant quickly followed suit by offering an individual pool in each apartment unit.

50 units in a 10-storey apartment building, The Gallery @ U-Thant is the first in the location to offer a common rooftop garden with soft landscape, fountains, timber deck, children's playground, al-fresco dining area and an outdoor gym, all with views of the Petronas Twin Towers.

Units available for sale range between 4,100 sq ft and 4,600 sq ft. Prices range between RM4.9 million and RM5.8 million.

9Madge

Jalan Madge, Embassy District of Kuala Lumpur
(Exp. completion Aug 2009)

9 Madge, located on Jalan Madge within the Embassy District offers a tropical themed low rise development of 23 units. Within 1.5 km of KLCC and the Petronas Twin Towers, 9 Madge offers 4 exclusive penthouses of 6,000 sq ft – 8,000 sq ft featuring grass-turfed rooftop tropical garden. This development is one of its kind that has a glass lift feature with a view of the sunken garden. One of the notable features is the bright and beautifully finished car park with water wall feature.

Units available for sale range between 3,200 sq ft and 6,000 sq ft. Prices range between RM3.2 million and RM6.3 million.



Penggawa Residence

Jalan Penggawa,
Ampang Hilir, Kuala Lumpur
(Exp. to launch 1st quarter 2009)

Coming in the pipeline, located in the greener part of Ampang Hilir, this low density luxury town house development is expected to launch in the 1st quarter of 2009. This development will feature 56 units of townhouses spread over 7 blocks of 5 storey buildings, on a 3.5 acre of freehold land. There will be 14 units that come with a private sunken garden and 14 penthouses, each with a private plunge pool, rooftop garden and an internal lift.

Open for registration.



U-Thant Residences

Jalan Madge, Embassy District of Kuala Lumpur
(Exp. completion end of 2008)

Located in the heart of Taman U-Thant, formerly known as the Embassy Row, U-Thant Residences comprises 77 units of luxury apartments spread over 3 blocks of 6 and 10 storey low-rise buildings of chic contemporary design. The development features an infinity pool & wading pool, children's playroom, multi-purpose function room, BBQ area and 24-hour security with CCTV surveillance.

Units for sale range between 2,400 sq ft and 6,000 sq ft. Prices range between RM950 per sq ft and RM1100 per sq ft.



The Residences Katana

Jalan Madge, Embassy District
of Kuala Lumpur (Completed)

The Residences Katana, comprising 24 duplexes and 6 super triplex penthouses, boasts a "designer luxury" concept and pioneered the 3-dimensional interlocking architectural module in the Embassy District of Kuala Lumpur. Each of these "designer luxury" apartment features a double volume internal water courtyard. The 6 super triplex penthouses come with infinity-edged swimming pools set amidst lush rooftop gardens.

Units available for sale range between 3,788 sq ft and 5,050 sq ft. Prices range between RM5 million and RM10 million.

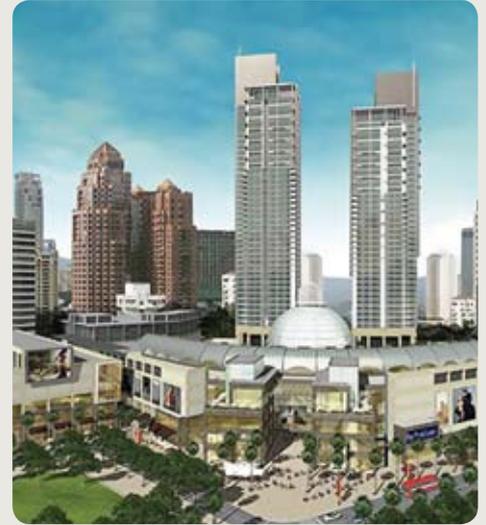
Pavilion Residences

Jalan Bukit Bintang, Kuala Lumpur
(Exp. completion 2009)

Located along Kuala Lumpur's vibrant Bintang Walk shopping and entertainment precinct, Pavilion Residences is part of a 12-acre residential-retail-hotel-office mix development. Comprising 2 elegant towers of 368 luxury apartments, Pavilion Residences offers a 6-star lifestyle and unsurpassed convenience top with commanding views.

Level 7 of the development boasts an oasis within a concrete jungle featuring a sprawling 2-acre Sky Garden. Facilities include swimming pools, tennis court, health club, gymnasium and aerobics studio, water surrounded sunken yoga courtyard, jacuzzi, outdoor exercise area, and space for children to play in safety, all set amidst shady trees and lush landscaping.

Units for sale are 2 high floor units with the view of the Petronas Twin Towers. Asking price from RM1500 per sq ft.



Park Seven

Persiaran KLCC, Kuala Lumpur
(Completed)

Located on the fringe of the lush 50-acre KLCC Park, Park Seven is a freehold residential development comprising 105 luxury apartments spread over 7 ultra modern buildings of 20 storey each. The design of each of the building is clean and simple and aims to give 270 degree panoramic views to most residents.

Some notable features of the development include private lift lobby and key card access to designated floors, fully equipped kitchen and bedrooms fitted with designer wardrobes, 11 ft high ceiling and expansive use of glass to promote natural light into each apartment.

Level 1 of the development features a recreation deck with multi-purpose function rooms, lap pool, heated pool, gardens with water features, gym, yoga/pilates studio, toddler's room and children's play area.

Units for sale range between 2,080 sq ft and 3,600 sq ft. Prices range between RM3.1 million and RM5.3 million.

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