

SARAWAK PROPERTY BULLETIN

“Work Together With You”

PPK 344/6/2004

2004 PROPERTY MARKET OUTLOOK

With the expected strong economic growth (National GDP forecasted by BNM at between 6.0% and 6.5% and Sarawak at 6%), the wealth effect from the rising KLSE stock market, rising commodities prices and the increasing number of households in Sarawak, we expect the Sarawak property market to be buoyant in 2004.

House prices are expected to go up, fueled by low interest rates of end financing and the increase in the cost of development land and building materials.

WTW Research summarized the 2004 market direction for the various property sub-sectors in the major towns of Malaysia in the right table.

2004 MARKET DIRECTION								
	Office	Retail	Shophouse	Residential	Industrial	Hospitality	Development Land	Agricultural
Kuala Lumpur	↑	↔	↑	↑	↔	↑	↑	N.A.
Petaling Jaya	↔	↔	↑	↑	↔	↔	↑	N.A.
Klang	↔	↔	↔	↑	↔	↔	↑	↑
Alor Setar	↔	↔	↑	↑	↔	↔	↔	↔
Georgetown	↔	↓	↑	↑	↔	↔	↑	↑
Butterworth	↔	↔	↑	↑	↔	↔	↑	↔
Ipoh	↔	↔	↑	↑	↓	↔	↑	↑
Seremban	↔	↔	↔	↑	↓	↑	↑	↔
Malacca	↔	↔	↔	↑	↓	↑	↑	↑
Batu Pahat	↓	↔	↔	↑	↓	↔	↑	↔
Johor Bahru	↓	↔	↔	↑	↔	↔	↑	↑
Kuantan	↔	↑	↑	↑	↔	↔	↑	↑
Kuala Terengganu	↔	↓	↔	↑	↔	↓	↑	↑
Kota Bharu	↔	↔	↑	↑	↔	↔	↑	↑
Kota Kinabalu	↔	↑	↔	↑	↔	↑	↔	↔
Sandakan	↔	↑	↔	↑	↔	↔	↑	↑
Tawau	↔	↔	↔	↑	↔	↑	↔	↑
Lahad Datu	↔	↑	↑	↑	↑	↔	↑	↑
Labuan	↔	↔	↔	↑	↓	N.A.	↔	N.A.
Kuching	↔	↔	↔	↑	↔	↔	↑	↑
Sibu	↔	↑	↑	↑	↑	↔	↑	↑
Miri	↔	↔	↔	↑	↔	↑	↑	↑
Bintulu	↔	↔	↔	↑	↔	↔	↑	↔

WTW Research, February 2004
N.A. - Not Applicable

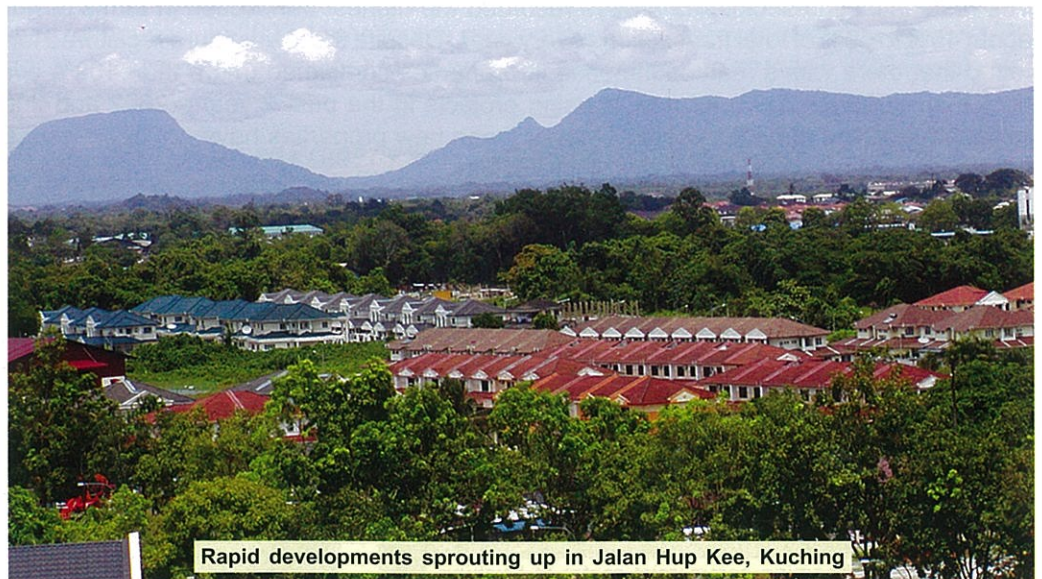
2004 will see more projects being launched with more diversity and variety of choice for the property buyers. Double-storey terraced and semi-detached units will continue to dominate the market. Nevertheless, developers should conduct proper feasibility and market studies before embarking on new development projects to avoid property overhang.

Demand for commercial and industrial properties are also expected to pick up in 2004 due to increased investment in the State especially with the increased Federal Budget allocation of RM2.7 billion for development in Sarawak, of which a large portion would be spent on the development of industrial estates in key locations like Demak Laut, Kuala Baram, Kota Samarahan, Sama Jaya and Tebedu and the new divisional towns of Betong and Mukah.

Whilst the growth of the commercial and industrial sectors are basically economically driven, the main impetus for continued growth in the residential sector would be the growing number and age composition of the population. Sarawak has the advantage of a young population with 30% in the economically active group of between 25 and 40 years. This group forms a big potential market for housing.

Highlights:

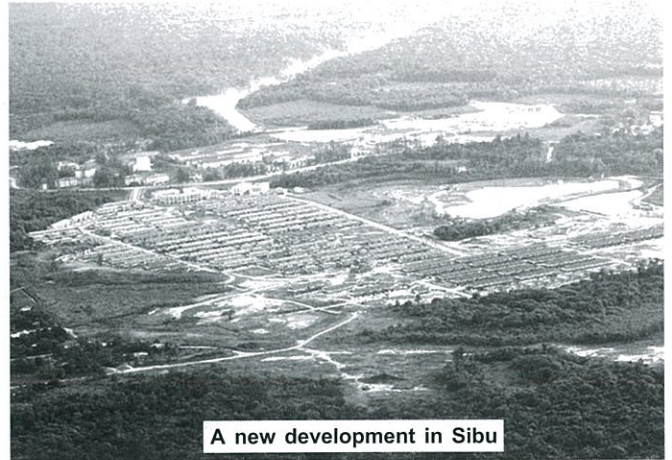
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Rapid developments sprouting up in Jalan Hup Kee, Kuching

2003 PROPERTY MARKET OVERVIEW

With the Iraq war and SARS over, the Malaysian economy began to pick up momentum in the 2nd half of 2003, with rising consumer and business confidence and strong underlying economic fundamentals spurred on by low interest rates. An important development was the stronger expansion in investments. Because of that, Malaysia recorded a stronger-than-expected GDP growth of 5.2% for 2003 with an estimated 5.0% growth for Sarawak. The main driver was the manufacturing sector backed by domestic demand and robust exports. The agriculture and mining sectors also posted a stronger performance due to higher production of crude palm oil and rubber and crude oil production respectively.



A new development in Sibul

The Sarawak Property Market 2003

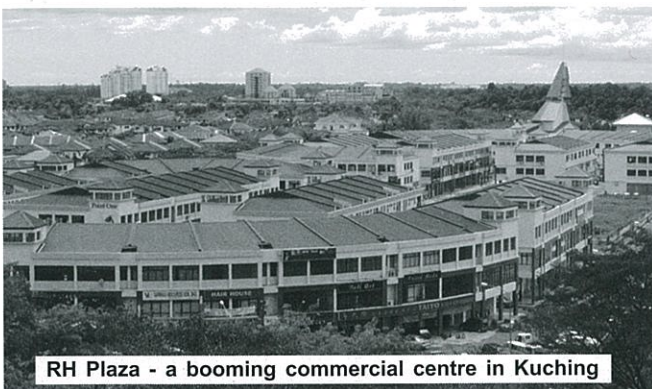
The property stock in Sarawak continued to increase substantially in 2003 as manifested in the continuous suburban growth away from the city centres. There were increased property launch activities in the last quarter of 2003 with residential properties registering the highest volume. The restored confidence has pushed up prices of double-storey units by 10% to 15% despite the slower take up rates in certain places. This is the result of strong predominantly local demand from the increasing population and the growing household income.

The registered sales transactions for Sarawak for the 1st 3 quarters of 2001, 2002 and 2003 are summarized below.

Registered Property Sales Transactions for Sarawak, 2001-2003 (Jan-Sep) *

Sector	Total Transaction (No. of Units)			Transaction Value (RM)		
	Jan-Sep 2001	Jan-Sep 2002	Jan-Sep 2003	Jan-Sep 2001	Jan-Sep 2002	Jan-Sep 2003
Residential	10,047	9,110	6,702	875,789,332	925,037,200	639,470,891
Commercial	2,070	1,305	1,307	425,170,950	238,004,648	235,781,474
Industrial	515	243	355	105,495,524	53,485,642	56,597,666
Agricultural	8,874	6,946	6,598	563,794,325	531,368,601	500,025,925
Others	104	31	37	13,408,588	23,801,119	25,640,650
Total	21,610	17,635	14,999	1,983,658,719	1,771,697,210	1,457,516,606
* Exclude sale of properties for which titles have not been issued.						
Source : Compiled by WTWY Research, 2004						

The residential sub-sector has always recorded the highest transaction in terms of number and value, making up about 45% to 50% of total transactions every year. Despite the lower figure registered for 2003, our WTWY Research found that there was a marked increase in properties completed (more than 100% over 2001 for 2002 and about 50% over 2002 for 2003) for new housing projects in the past 2 years (2002 and 2003) due to pent-up demand released from the previous years. Most of these new properties have not been issued with titles and thus, would not be accounted for in the above computation.



RH Plaza - a booming commercial centre in Kuching



Desa Senadin - Integrated City, Miri

2003 PROPERTY MARKET OVERVIEW (Cont'd)

The economic factor

Apart from population and household growth, the property market in 2003 was further facilitated and supported by

- *The economic stimulus package*
- *Growth in real estate financing*
- *Low interest rate*

□ *The economic stimulus package*

The economic stimulus package introduced in 2003 to run from 1 Jun 2003 to 31 May 2004 contains the following incentives for the housing sector :

- *Stamp duty waiver;*
- *Tax relief on interest loan payment;*
- *Waiver of RPGT;*
- *Expediting issuance of CFOs*

□ *Bank Financing Activities*

Statistics released by BNM indicated that a total of RM8,302.22 million loans were approved for the broad property sector in Sarawak in 2003, representing 35.5% of the total loans approved for all sectors during the period.



On-going extension at Bintulu Port

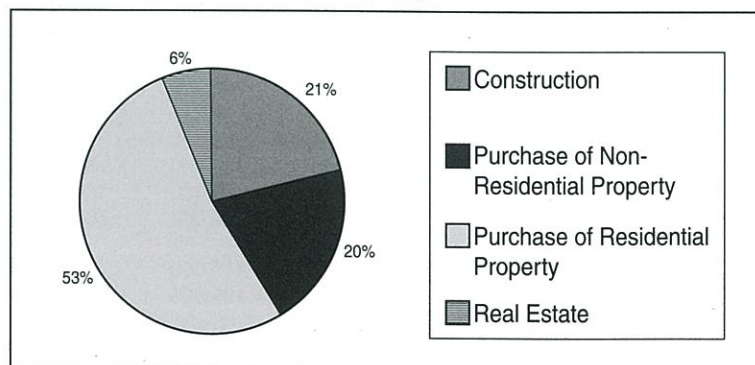
Loans approved for Broad Property Sector in Sarawak, 2001 - 2003

	SECTOR	2001		2002		2003	
		RM'000	Share (%)	RM'000	Share (%)	RM'000	Share (%)
1	Construction	1,652,943	23.96%	1,666,507	22.68%	1,756,677	21.16%
2	Purchase of Non-Residential Property	1,337,523	19.39%	1,388,172	18.89%	1,665,458	20.06%
3	Purchase of Residential Property	3,333,165	48.31%	3,775,276	51.38%	4,376,660	52.72%
4	Real Estate	575,840	8.35%	518,509	7.06%	503,421	6.06%
	Broad Property Sector (Total)	6,899,471	31.95%	7,348,464	33.04%	8,302,216	35.50%
	Loans for All Sectors	21,591,530	100.00%	22,243,631	100.00%	23,383,520	100.00%

Source : BNM

The demand for bank financing for purchase of residential properties continued to grow over the past 3 years, reflecting a sustainable demand for houses. In 2003, loans for the residential sub-sector accounted for about 52.7% of the total loans approved for the broad property sector. As in previous years, residential loans form the biggest portion.

% of loans approved for Broad Property Sub-Sectors for Sarawak in 2003

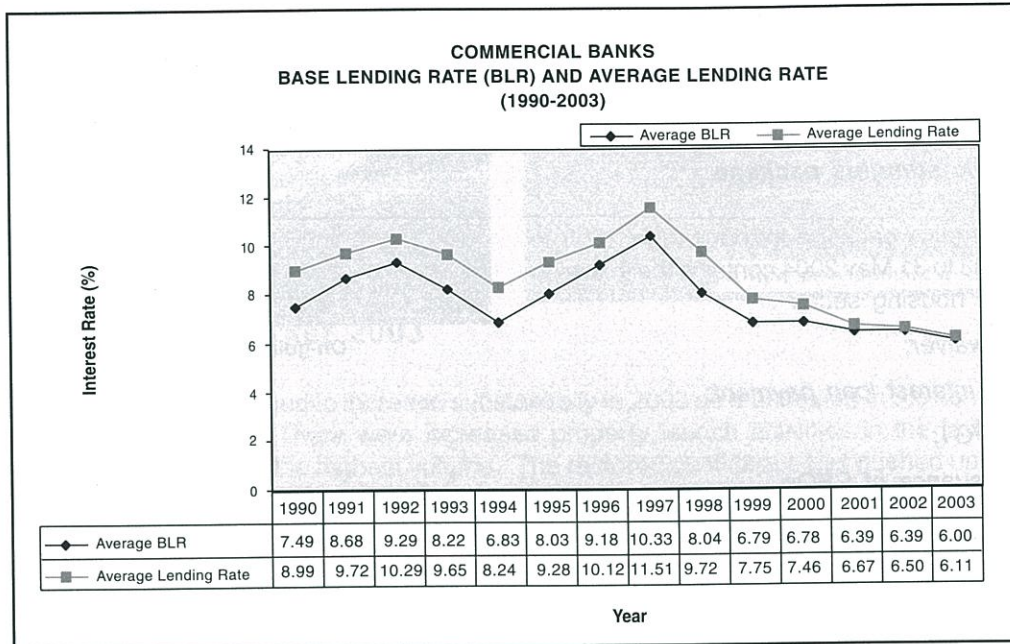


Source : Compiled by WTWY Research, 2004

2003 PROPERTY MARKET OVERVIEW (Cont'd)

Interest Rates

2003 saw the base lending rate and average lending rate of commercial banks reaching the lowest rate ever recorded in the past decade. This has greatly encouraged house purchase especially for 1st time house buyers.



Source : Compiled by WTWY Research, 2004

House Prices In Sarawak

Prices of new houses reached an all-time high in Sarawak by end of 2003. Generally, the house prices for the major towns in Sarawak in 2003 registered the following range :



		SELLING PRICE PER UNIT (RM)	
TOWN	TYPE	Prime	Secondary
KUCHING	Single-Storey Terrace	165,000 - 180,000	120,000 - 165,000
	Double-Storey Terrace	250,000 - 295,000	225,000 - 250,000
	Single-Storey Semi-Detached	220,000 - 350,000	160,000 - 220,000
	Double-Storey Semi-Detached	360,000 - 420,000	280,000 - 330,000
SIBU	Single-Storey Terrace	110,000 - 140,000	80,000 - 110,000
	Double-Storey Terrace	185,000 - 210,000	165,000 - 180,000
	Single-Storey Semi-Detached	-	-
	Double-Storey Semi-Detached	300,000 - 350,000	250,000 - 280,000
MIRI	Single-Storey Terrace	100,000 - 120,000	80,000 - 110,000
	Double-Storey Terrace	185,000 - 225,000	150,000 - 170,000
	Single-Storey Semi-Detached	180,000 - 220,000	160,000 - 180,000
	Double-Storey Semi-Detached	330,000 - 360,000	260,000 - 300,000
BINTULU	Single-Storey Terrace	90,000 - 115,000	-
	Double-Storey Terrace	165,000 - 195,000	155,000 - 175,000
	Single-Storey Semi-Detached	-	-
	Double-Storey Semi-Detached	290,000 - 350,000	250,000 - 290,000

Source : WTWY Research, 2004

RECENTLY LAUNCHED PROJECTS

Location	Type of development	No. of units	Wall-up area (m ²)	Land area (pts)	Selling price (RM)
KUCHING					
Jalan Sultan Tengah	3 Storey Shophouse	106	18.3 x 6.10	-	399,888 - 468,888
Jalan Stutong	2 Storey Terrace	24	6.4x10/6.4x13.1/7x13.1	4.0 - 16.0	330,000 - 621,000
	2 Storey Semi-detached	6	7x13.1/7.6x13.1	8.3 - 19.5	540,000 - 741,000
Jalan Batu Kawa	4 Storey Apartment	128	74.5 - 80.7	-	From 99,888
Jalan Kuching-Serian	2 Storey Terrace	-	-	-	180,000
Off Taman Hui Sing	2 Storey Semi-detached	18	-	9.75 - 13.11	From 500,000
13th Mile Jalan Kuching-Serian	1 Storey Semi-detached	30	103.4	From 8.3	From 189,000
Off Lrg Stampin Tengah 5	2 Storey Semi-detached	34	181.3	7.9 - 17.8	428,800 - 611,800
	2 Storey Terrace	37	166	4.8 - 12.0	298,800 - 438,800
Off Jalan Matang	2 Storey Terrace	11	146.6/165.5	4.6 - 14.3	228,800 - 335,000
	2 Storey Semi-detached	2	163	8.9 - 10.0	342,000 - 348,000
SIBU					
Sungai Merah	4 Storey Shophouse	12	516.82	3.3	750,000 - 850,000
Jalan Salim	2 Storey Terrace	86	159.42 - 165	4.5 - 11.1	220,000 - 275,000
	2 Storey Semi-detached	12	173.91	8.8	330,000.00
Jalan Quarry	2 Storey Terrace	35	158.12	4.3 - 12.2	175,000 - 240,000
MIRI					
Jalan Bakam	2 Storey Terrace	102	-	-	-
	2 Storey Semi-detached	50	-	-	From 330,000
	2 Storey Detached	13	-	-	-
	2 Storey Shophouse	5	-	-	-

Performance Summary on AUCTION cases conducted by WTWY for 2003

City/Town	Rate of Successful Sale (approximate)	Value of properties put up for auction (aggregate)	Value of properties sold (aggregate)	Average Margin of Sold Price over Reserve Price	Most popular type of property sold
Kuching	35%	61,500,000	13,400,000	6.50%	Vacant land
Sibu	50%	738,480	584,820	<1.00%	Vacant land
Miri	45%	12,900,000	7,350,000	5.00%	1-storey semi-detached
Bintulu	80%	1,820,000	1,250,000	5.60%	2-storey terrace

Source : WTWY Research 2004



"MALAYSIA MY SECOND HOME" PROGRAMME

The new programme for foreigners to set up homes in Sarawak better known as the "Malaysia My Second Home" programme aims at encouraging foreign retirees to stay in Sarawak. The stay will be on a 3-year Social Visit Pass.



Under the new programme

1. All foreigners (except Israel, Montenegro and Yugoslavia) are entitled to apply;
2. Applicants should be not less than 50 years old (no age limit for spouse);
3. Applicants should receive a monthly pension or other royalties amounting to RM10,000 for a couple and RM7,000 for an individual; OR
4. Applicants should have a bank savings in the form of a Fixed Deposit in Malaysia (Sarawak) amounting to a minimum of RM150,000 for a couple and RM100,000 for an individual;
5. Applicants are not allowed to work or do business except for voluntary work.

This programme which aims at making Sarawak a 2nd home will help encourage the sale of residential properties to foreigners, especially higher end properties costing above RM300,000.

Free Real Estate Tips

PREPARING A PROPERTY FOR SALE

3 most important factors in property sale :

- Location
- Pricing
- Condition of the property

2 issues that can make or break the sale :

- Price – Overpricing your property will help other properties in the vicinity to be sold.
- Condition – Improving the condition of the property will increase the chances of sale.

THE "WALK THROUGH" LIST

1. **Exterior** - 1st impressions are everything
 - Overall Appearance-Remove any rubbish, clean/paint the façade and clean the drain and curb.
 - Landscape-Ensure it is neat and trimmed.
 - Gutters and rainwater downpipes-Check and rectify any blockage.
 - Gates, fences, doors and windows-Ensure they are clean and in good working order.
2. **Interior** - A paint job gives the best returns
 - Walls-Paint touch-up
 - Flooring-Touch up the floor finishes
 - Condition-Ensure all electrical points/toilets, taps and doors are in working condition
 - Gates, fences, doors and windows-Ensure they are clean and in good working order
 - Environment-Clean, clutter-free and comfortable

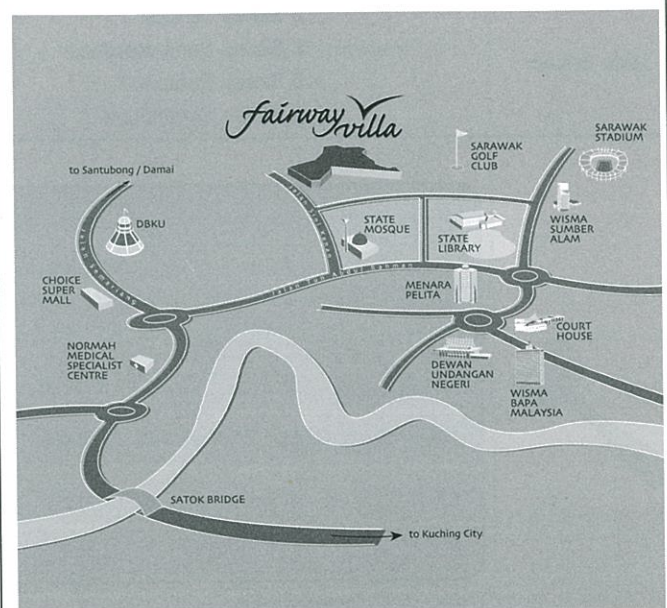
The Viewing—Air and ensure maximum natural lighting into the house by opening all windows and doors, curtains, blinds and coverings.

Fairway Villa

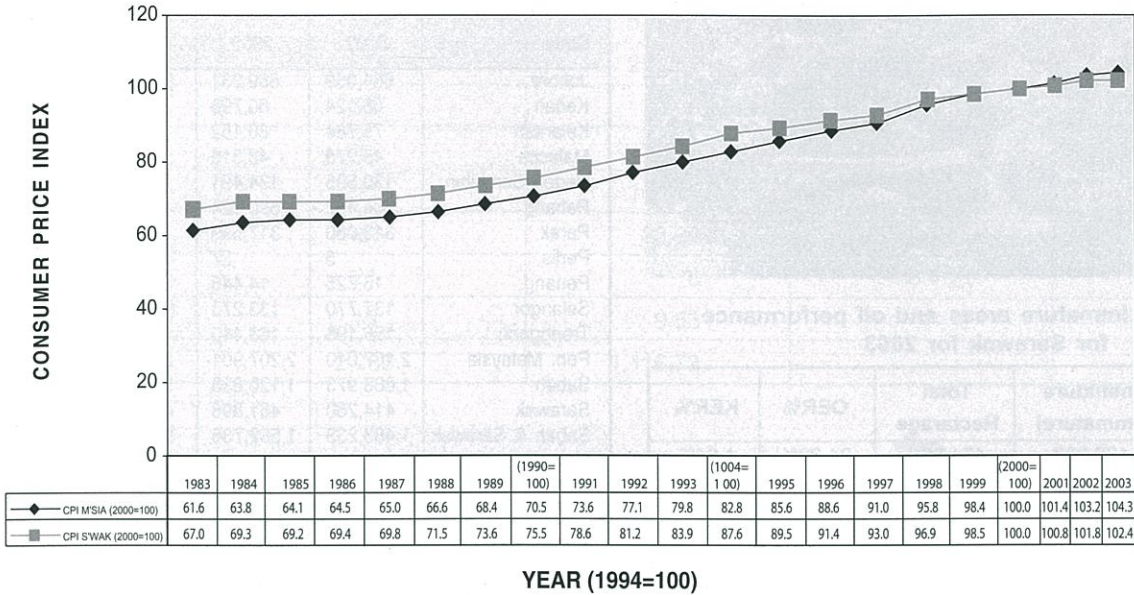
Exclusive Residential Estate

8 exclusive land lots were launched recently as part of Fairway Villa, an exclusive residential estate, jointly developed by PPES Properties Sdn Bhd and SEDC Sarawak. Inspired by the golfing environment of harmony and space, Fairway Villa emphasises on style, design and nature.

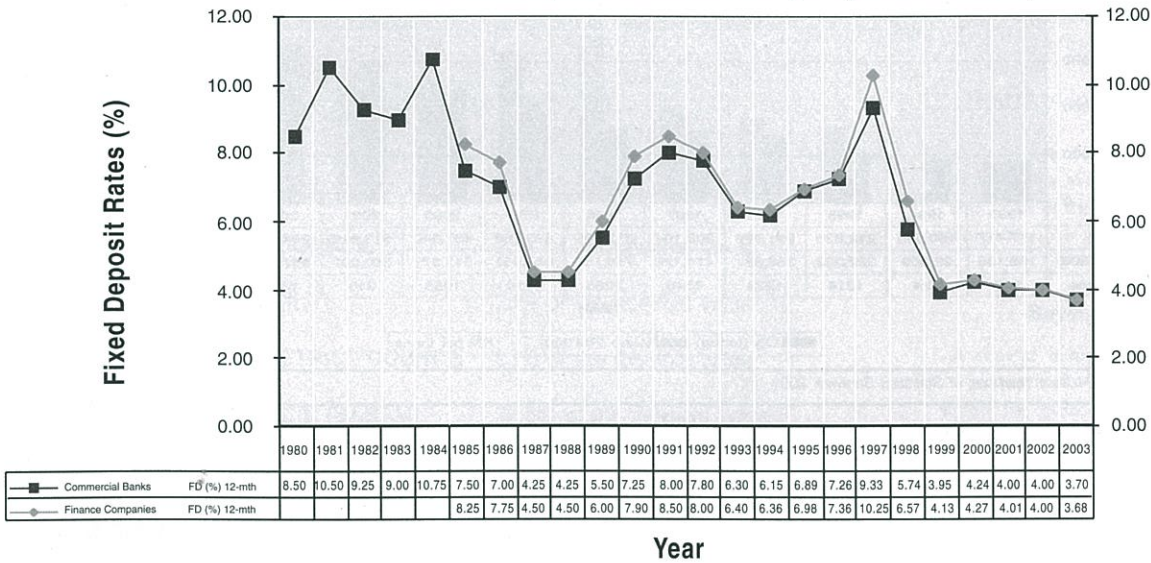
Fairway Villa is a 47-acre estate of 37 exclusive residential lots, gated and guarded with 24-hour security. The recent sales launch offered 3 types of one-storey, 2 types of one half storey and another 3 types of double storey bungalow. With built-up spaces ranging from 3,600 to 6,400 sq. ft., each design comes with 5 or 6 bedrooms, 3 or 4 car parks, large halls for entertaining and spacious living areas. Depending on the design and land area, properties at Fairway Villa are tagged between RM1.5 million to RM2.6 million. These million-ringgit bungalows will be built on Mixed Zone land with a 60-year leasehold title.



CPI MALAYSIA/SARAWAK (1983-2002)
(Base Year=2000)



12-month Fixed Deposit Rates for Malaysia (Banks/Finance)



Source: WTWY Research 2004

BANKING SECTOR TO REMAIN STABLE IN 2004

The banking sector is expected to remain stable in 2004, possibly with further structural changes in the immediate term through a 2nd phase of consolidation, following the success of the 1st consolidation.



Growth areas for the banking sector would be in the Islamic banking and loan portfolios especially in the residential and commercial segments. With the increased understanding and acceptance of Islamic banking and finance, domestically and internationally, the Islamic banking sector is expected to record healthy growth and continue its remarkable development in 2004.

The foreign exchange rate will remain pegged at RM3.80 per US Dollar whilst interest rates will remain low to keep the cost of doing business in Malaysia low.

Adapted from The Sarawak Tribune dated 31/12/2003

OIL PALM INDUSTRY IN SARAWAK 2003 REVIEW



Mature and Immature areas and oil performance for Sarawak for 2003

Mature (hectares)	Immature (Immature)	Total Hectarage	OER%	KER%
339,560	122,338	461,898	21.28%	4.64%

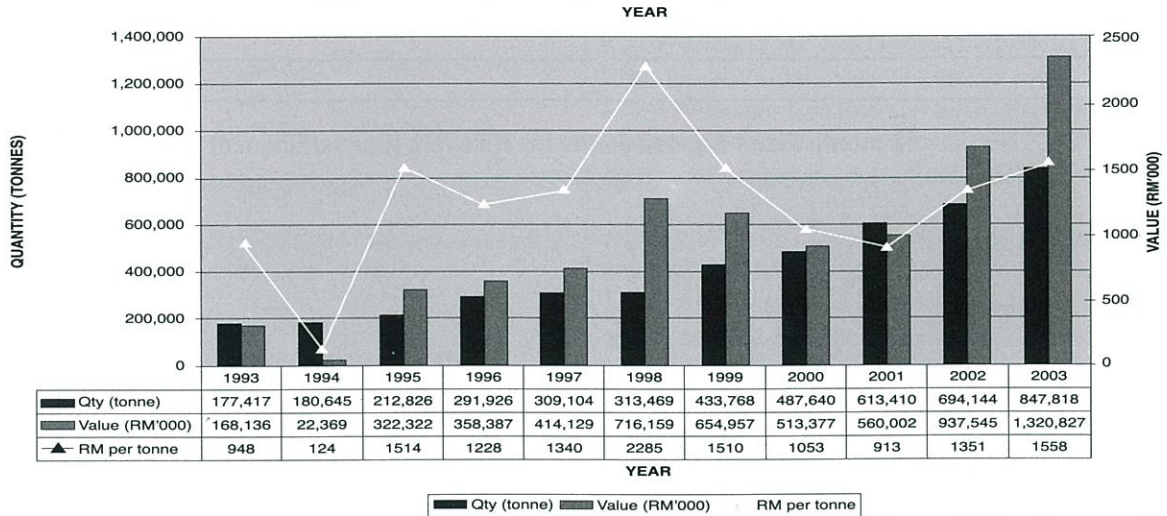
Source : MPOB

Planted area by State 2002/2003

State	2002	2003	Difference	
			(+/-)	%
Johore	664,059	659,231	(4,828)	-0.73%
Kedah	66,124	66,798	674	1.02%
Kelantan	75,784	80,152	4,368	5.76%
Malacca	45,278	48,315	3,037	6.71%
Negeri Sembilan	130,505	134,491	3,986	3.05%
Pahang	584,482	590,124	5,642	0.97%
Perak	313,080	317,599	4,519	1.44%
Perlis	5	27	22	440.00%
Penang	13,725	14,446	721	5.25%
Selangor	137,770	133,273	(4,497)	-3.26%
Trengganu	156,198	163,445	7,247	4.64%
Pen. Malaysia	2,187,010	2,207,901	20,891	0.96%
Sabah	1,068,973	1,120,838	51,865	4.85%
Sarawak	414,260	461,898	47,638	11.50%
Sabah & Sarawak	1,483,233	1,582,736	99,503	6.71%
Malaysia	3,670,243	3,790,637	120,394	3.28%

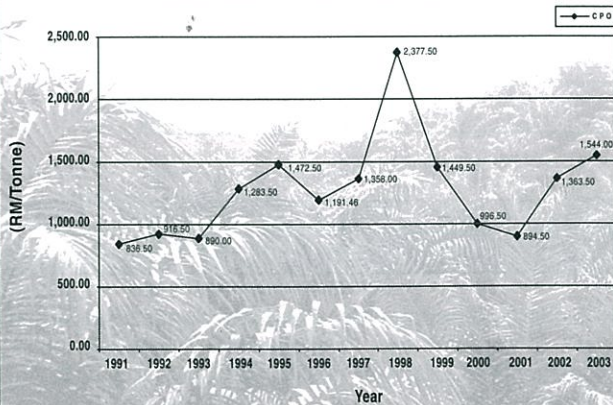
Source : MPOB

SARAWAK PALM OIL (CRUDE AND PROCESSED) EXPORTS

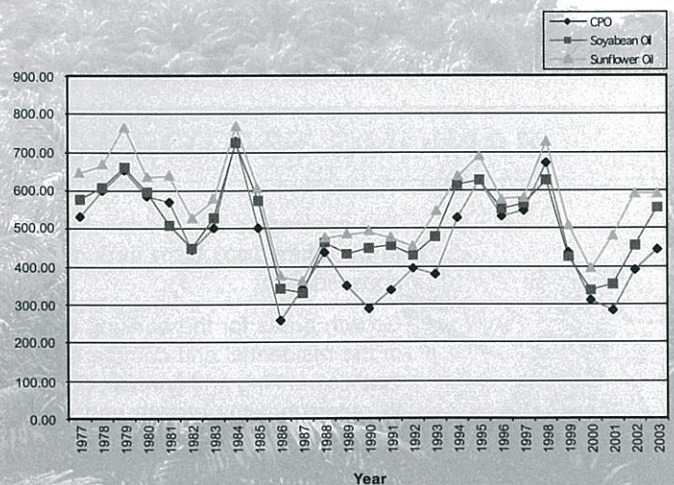


Compiled by WTWY Research 2004 from Yearbook of Statistics Sarawak 2003

PRICE TREND OF CRUDE PALM OIL : 1991-2003



LONG TERM PRICES OF WORLD MAJOR OILS (US \$/TONNE)



Source : Compiled by WTWY Research, 2004 from MPOB data

SARAWAK TIGER PRAWN OPERATIONS

Division	No. of Ponds	Hectarage	Average Farm Size	
			No. of Ponds	Hectares
Kuching	1,004	576.98	1 - 118	0.03 - 74.30
Samarahan	489	229.76	1 - 15	0.33 - 11.17
Sri Aman	55	7.86	16 - 39	3.36 - 4.50
Betong	81	37.01	1 - 17	0.10 - 9.20
Sarikei	225	166.55	2 - 100	0.40 - 100.0
Mukah	188	83.04	1 - 20	0.20 - 15.00
Miri	21	6	0 - 21	0.00 - 6.0
Limbang	19	9.53	5 - 8	1.85 - 4.18
	2,082	1,116.73		

Source : Department of Inland Fisheries, Sarawak

REVISION OF ANNUAL ASSESSMENT RATES

As gazetted up to 12th February, 2004, every owner of rateable holding within the local authority area of each of the following will have to pay the following rates:

BETONG DISTRICT COUNCIL	24% of the rateable value
DALAT & MUKAH DISTRICT COUNCIL	23% of the rateable value
KANOWIT DISTRICT COUNCIL	20% of the rateable value
LAWAS DISTRICT COUNCIL	20% of the rateable value
LIMBANG DISTRICT COUNCIL	24% of the rateable value
LUBOK ANTU DISTRICT COUNCIL	23% of the rateable value
LUNDU DISTRICT COUNCIL	20% of the rateable value
MARADONG & JULAU DISTRICT COUNCIL	23% of the rateable value
MARUDI DISTRICT COUNCIL (BARAM)	22.5% of the rateable value
MATU & DARO DISTRICT COUNCIL	28.5% of the rateable value
MIRI MUNICIPAL COUNCIL	23.5% of the rateable value
PADAWAN MUNICIPAL COUNCIL	31.25 % of the rateable value
SAMARAHAN DISTRICT COUNCIL	19.25% of the rateable value
SARATOK DISTRICT COUNCIL (KALAKA)	25% of the rateable value
SERIAN DISTRICT COUNCIL	21% of the rateable value
SIBU MUNICIPAL COUNCIL	24.5% of the rateable value
SIBU RURAL DISTRICT COUNCIL	20% of the rateable value
SRI AMAN DISTRICT COUNCIL	22% of the rateable value
SUBIS DISTRICT COUNCIL	21.25% of the rateable value

Note: Assessment Rates for other councils have not been gazetted yet.



*Humor
Column*

A walking economy

This guy is walking with his friend, who happens to be a psychologist. He says to this friend, "I'm a walking economy."

The friend asks, "How so?"

"My hair line is in recession, my stomach is a victim of inflation, and both of these together are putting me into a deep depression!"

Buying Pizza

A central banker walks into a prizzeria to order a pizza. When the pizza is done, he goes up to the counter to get it. There a clerk asks him: "Should I cut it into six pieces or eight pieces?"

The central banker replies :
"I'm feeling rather hungry right now. You'd better cut it into eight pieces."

Building Contractor

A building contractor was being paid by the week for a job that was likely to stretch over several months. He approached the owner of the property and held up the check he'd been given. "This is two hundred dollars less than we agreed on," he said.

"I know," the owner said, "But last week I overpaid you two hundred dollars, and you never complained."

The contractor said, "Well, I don't mind an occasional mistake. But when it gets to be a habit, I feel I have to call it to your attention."

News Clip

Sarawak to issue TOL in special cases

The Sarawak State government will issue TOL (Temporary Occupational Licences) in special cases to families who have to be uprooted and resettled urgently due to development projects. TOL is a temporary permit to occupy a vacant state land given to landless and needy people who have no means of buying their own property. Those with TOL will eventually have to acquire their own permanent land if they are not issued permanent land titles by the state. However, the government will only issue TOL when it is very necessary as TOL does not resolve the problems of the landless poor. Instead, it would prefer to issue permanent land titles to those who deserve it.

Adapted from The Star dated 1/1/2004

Increase in Assessment Rates for MPP

MPP has increased its assessment rates by 4% starting this year. The expenses for 2004 was expected to reach RM30.8 million while MPP only managed to collect RM25.1 million. The increase in assessment rate would only be able to ease the deficit.

Adapted from The Sarawak Tribune dated 1/1/2004

NEW INDEPENDENT OIL TERMINAL AT SENARI

A new RM200 million Independent Oil Terminal (IOT) situated on a 16.2 hectare (40 acres) site, adjacent to Senari Port here, having a storage capacity of 0.5 million kilolitres of petroleum and related products will be ready by 2005.

Adapted from The Sarawak Tribune dated 30/1/2004

KUCHING CITY RIVERBANK TO HAVE NEW LOOK

Malay villages dotting the City's riverbank will have a new look once the waterfront project is completed in August 2004. The project costs RM6 million and the total length of the waterfront will be 800 metres. The 1st phase of the project will front two (2) villages, Kpg Boyan and Kpg Gersik and will be completed in April. The 2nd phase will involve the area at Kpg Sourabaya Hilir and Sourabaya Ulu and will be completed 4 months later. There are plans to introduce food facilities and recreational activities to the rejuvenated waterfront.

Adapted from The Sarawak Tribune dated 6/2/2004

Sibu Town Square

The construction of the RM10 million Sibu Town Square Phase IIA which will start next month is expected to be completed by December 2005. It involves the demolition of the existing unused buildings, construction of river steps, hardscape features and platforms, M & E works, soft landscaping and the preservation of the present Muslim cemetery. The Sibu Town Square would be an 18-acre open green-turf park with a promenade section of hardscaped Riverfront park, all accessed by a riverside avenue driveway.



Adapted from The Sarawak Tribune dated 19/3/2004

NAIM CENDERA PICKED AS A TOP STOCK FOR 2004

Contractor cum property developer, Naim Cendera Holdings Berhad has been picked by analysts as one of the top 10 stocks for 2004 as quoted in The Edge. According to the latter, the top 10 stock picks had to meet a list of criteria pertaining to fundamentals including profitability, track record, growth potential, good management and personalities in the driving seat, good corporate governance, innovation and branding. The prospects of Kuching-based Naim look good and promising due to the fast development of Sarawak which recorded the highest GDP growth for 2001 to 2003 of 4.1% per year.

Adapted from The Sarawak Tribune dated 31/12/2003.

PROPERTY AND CONSTRUCTION TO SEE GROWTH BUT NO BOOM IN 2004

The local property and construction sectors are set for better times in 2004 over expectations of a 5.6% to 6.0% growth in the Malaysian economy, but which is still far from the boom times prior to the regional crisis in 1997.

In the property sector, growth is expected to be achieved amid a continued supply overhang. As for the construction sector, better performance is expected despite the putting on hold of several projects.

Unlike the previous years where the property sector was determined by the performance of the KLSE, the level of employment and income generated would have a greater influence on property purchases.

According to the WTW CEO Property Survey 2004, the substantial surplus of condominiums and apartments and all types of commercial properties are expected to remain. There appears to be renewed optimism for the retail sector as reflected in the opening of Berjaya Times Square and Ikano Power Centre in Kuala Lumpur in the later half of 2003 which put an additional 3.45 million sq ft and 420,000 sq ft of retail space respectively into the market and the soon-to-be-opened The Curve. This is further supported by a MIER Survey for the 3rd quarter of 2003 which showed that retail outlets are either increasing their size or moving to bigger premises. The property industry is set for more confident times with the on-going rationalization exercises among property groups as players see the benefit of becoming bigger and more focused.



Adapted from The Sarawak Tribune dated 1/1/2004

RM66 MILLION SAMARAHAN ROAD PROJECT SECURED BY HOCK SENG LEE

Hock Seng Lee Berhad has procured the proposed new Jalan Samarahan/Kpg Ensengei Hulu/Kpg Sebuyau/Kpg Lubok Bunting road project worth RM66 million from JKR Sarawak. The mode of payment will be in cash and land worth RM24 million and RM42 million respectively, which means Hock Seng Lee will be able to grow its land bank substantially.

Adapted from the Business section of The Borneo Post, 17 March 2004.

Event Highlights for 2003



The year 2003 witnessed the continued upgrading of infrastructure facilities in the major towns in Sarawak which would positively affect property development in Sarawak. Some of the events were :

- The construction of the 200 km coastal highway linking Tanjung Manis, a 3,000 hectare township, to Sibu which will give direct access to Sibu and further open it up to inter-migrants and boost the demand for property especially housing as well as industrial since Tanjung Manis, a timber-based town would also have a slight impact on SMI related to timber activities in Sibu;
- The handing over of RM820,142 to 156 landowners whose lands have been acquired for 2 projects in Betong Division;
- The expansion of Oil Palm which led to the opening and transactions of several oil palm plantations e.g. Rinwood Palm Oil (25,000 hectares) in Kenyana, Mukah, Sepakau Estate (9,030 hectares) and Teniku Estate (4,858 hectares) in Miri.
- On 12th September, 2003, Naim Cendera Berhad became the 1st Sarawak property development company to be listed on the KLSE;
- The launching of a pioneer silk farm in Malaysia by Zuhrah Pelangi on 10 December, 2003 at Sematan, 110 km from Kuching;
- The commencement of operations of the Integrated Waste Management Plant in Mambong, Padawan for proper disposal of hazardous and scheduled wastes in Borneo on 15 December 2003;
- The commencement of operation of the new Divisional Office at the newly completed Menara Pehin Setia Raja in Mukah in December, 2003.

Kuching

- The ground breaking ceremony of the RM5 million waterfront project connecting Kampung Boyan and Kampung Gersik in Kuching in March 2003;
- The opening of Dewan Lagenda at the Sarawak Cultural Village in Santubong, Kuching;
- The opening of the RM13 million State JPJ Complex at KM 18.5 Jalan Kuching-Serian;
- Sarawak Builders Expo, SARBEX, held in Kuching on 19 June 2003;
- The opening of a 2nd bridge, Jambatan Salahuddin, connecting Kuching city and Petra Jaya, in September, 2003 which provides an alternative route for travellers commuting between Kuching North and Kuching South.

Sibu

- The opening of Medan Mall, a 2-storey shopping complex developed by Hock Peng Realty Sdn Bhd in April, 2003;
- The opening of Farley Departmental Store occupying 15 units of 3-storey shophouse at Salim in May 2003;
- The ground breaking for RH Hotel, a 15-storey 228 room hotel in Sibu developed by Rimbunan Hijau in Nov 2003;
- The award of RM10 million contract to Sarawak Construction Sdn Bhd to build a city campus for United College Sarawak at the former Sibu airport;
- Start of construction of Sungai Assan bridge by Shin Yang Engineering Sdn Bhd in October, 2003;
- The completion of the new Sibu Central Bus Terminal at Li Hua Jaya, Jalan Pahlawan, Sibu in November, 2003.
- The completion of the Oya Bridge at Oya in October 2003.
- Commencement of construction of Rinwood Resort Hotel in Mukah.

Miri

- Earth-breaking ceremony for the proposed Petroleum Science Museum in Miri in April 2003;
- The opening of the Miri Court Complex in May 2003;
- The construction of a new marina with berthing facilities for "Super Yachts" in Miri.
- The opening of the ASEAN bridge at Kuala Baram between Brunei and Miri which will serve to push up property in that area.

Bintulu

- Opening of the Petronas MLNG Tiga Complex in Bintulu;
- The construction of infrastructure facilities at BDA's industrial estate in Kuala Similajau.

WTWY Offices

KUCHING

No 9 (First Floor)
Jalan Song Thian Cheok
P O Box 2236
93744 Kuching
Sarawak
Malaysia
Tel: 082-246262
Fax: 082-416909
Email: kuching@wtwy.com

SIBU

No 11 & 12, 2nd Floor
Lorong Kampung Datu 3A
P O Box 1467
96008 Sibul
Sarawak
Malaysia
Tel: 084-319396
Fax: 084-320415
Email: sibu@wtwy.com

MIRI

Lot 1139 Ground & First Floor
Miri Waterfront Commercial Centre
P O Box 1121
98008 Miri
Sarawak
Malaysia
Tel: 085-432821
Fax: 085-411786
Email: miri@wtwy.com

BINTULU

1st Floor, 35 BDA/Shahida
Commercial Centre
Lebuhraya Abang Galau
P O Box 363
97008 Bintulu
Sarawak
Malaysia
Tel: 086-335531
Fax: 086-335964
Email: bintulu@wtwy.com

Visit Us On The Web

www.wtwy.com

A NEW TOWNSHIP – TABUAN JAYA BARU



Aerial View of Tabuan Jaya Baru I & 2

Tabuan Jaya Baru is a new up and coming satellite township developed by the Ibraco Group. The project will be carried out in 7 phases. The phases already launched comprise Tabuan Jaya Baru 1 and Tabuan Jaya Baru 2, which flank either side of the middle stretch of Stutong-Kuching Outer Ring Road with a total of 546 residential units.

Project Highlights

Project	Type	No. of Units	Wall Up Area (m ²)	Land Area (pts)	Launch Price (RM)	Launch Date
Tabuan Jaya Baru 1	Terrace	169	147.3 - 179	4.3 - 11.5	222,000 - 329,000	Sep 2002
	Semi-Detached	70	184.5 - 187	9 - 18.7	378,000 - 494,000	
	Detached Lot	5	-	-	-	
Tabuan Jaya Baru 2	Terrace	188	149 - 152	4.3 - 15.9	248,000 - 348,000	Mar 2004
	Semi-Detached	102	171 - 210	8 - 26.5	348,000 - 452,000	
	Detached Lot	12	-	-	-	

Published By **C H Williams Talhar Wong & Yeo Sdn Bhd (24706-T)**
Address No. 9, (First Floor), Jalan Song Thian Cheok,
P.O. Box 2236, 93744 Kuching.
Tel 082-246262

Printed By **WISMA PRINTING SDN. BHD. (287428-U)**
Address Lot 1949, Section 66, KTLD, Pending Industrial Estate,
Jalan Tekad, 93450 Kuching.
Tel 082-338131

C H Williams Talhar Wong & Yeo Sdn Bhd (24706-T)

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Associate Offices: Kuala Lumpur Petaling Jaya Johor Bahru
Ipoh Alor Setar Butterworth Kota Bharu Batu Pahat
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