HERALD®

by Henry Butcher Malaysia

SEPTEMBER 2017

FURTHER ADDING INTO THE PROPERTY POOL

Selangor New Residential Launches H1 2017 vs H1 2016

PLUS

A New Wave in Terengganu

Invigorating Kelantan

Rebounding Singapore Property Market

KDN PP18893/11/2015(034373)

Photo credit: Naz Amir via VisualHunt.com

The peak was during lunch hour, and marketers were in full force answering customer enquiries as well as highlighting the project's various niceties during that time.

SEEING TRIPLE

Continuing Henry Butcher's faith in the potential of Thailand's property market, 30th July saw another exclusive preview for not one project, but three projects, aptly held in Rama V, a well known Thai restaurant located in Jalan U Thant. The projects in question are The Excel Hideaway and The Excel Groove, Bangkok projects by All Inspire Development; and D Condo Ping in Chiang Mai, developed by the reputable Sansiri PLC. As the three projects are located distances apart, potential buyers get to explore and decide which suits their needs or investment requirements.

Excel Hideaway is a low-rise condominium located in On Nut, closer to the city, with all the urban amenities and niceties that come with it. Meanwhile, Excel Groove is a low-rise condominium in Bearing, currently known as a commercial and logistics area. Lastly, D Condo Ping in Chiang Mai is located along "Super Highway Road", a hotspot for property development, and is next to Central Festival Mall, the largest shopping mall in Chiang Mai.

Investors looking to rent their properties will be pleased to know that Excel Groove and Excel Hideaway come with guaranteed rental returns. Excel Hideaway provides guaranteed rental returns for 6% per annum for 3 years; while Excel Groove provides guaranteed rental returns for 6% per annum for 5 years.

The preview saw tables occupied by keen eyes wanting to look at their next investment opportunity. The peak was during lunch hour (around 12pm), where marketers were in full force attending to and briefing guests, as well as answering any investment-related queries.

The encouraging response on Sunday signals an increasing interest from investors looking to diversify their investment portfolio, whether it be to counter the local economic performance or, in some cases, as a holiday home should they land in Thailand.

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Editor's Note

PROPERTY MANAGEMENT AND REAL ESTATE AGENTS – THE AMENDMENTS TO THE BOARD OF VALUERS, APPRAISERS AND ESTATE AGENTS ACT (ACT 242) 1981.

The Board of Valuers, Appraisers and Estate Agents (the Board) have in 2017 made some amendments to Act 242 which govern and regulate the practice of Valuation, Real Estate Agency and Property Management in Malaysia. It is now renamed as the Valuers, Appraisers, Estate Agents and Property Managers Act 1981 (VAEAPM Act).

Important amendments to note are:

1. "The liberalisation of the Property Management Practice"

   Any person who applies within twelve (12) months from the date of coming into force of the amendments for registration as a property manager shall be entitled to have his name so registered if he proves to the satisfaction of the Board that immediately before the date of the coming into force of the amendment –

   a) He had been engaged in property management practice or business; and

   b) He had serviced his clients generally to their satisfaction.

2. Removal of Citizenship Clause

   The Board has also allowed non-citizens to be able to register under the Board thereby being able to practise in Malaysia provided they have the necessary qualifications.

The above liberalisation of the Property Management practice is considered by many to be long overdue as it now allows parties who were working and earning a living as property managers to be registered under the Board and to be supported by the Board's Standards and Processes.

In the past only Registered members of the Board who were qualified with the necessary qualifications were allowed to practise and earn a living as Property Managers. This new amendment therefore legalises existing parties who have been earning a living as property managers, provided they apply within 12 months of the commencement of the amendment in force.

This move is indeed welcome by many in the profession as the industry is now growing rapidly as a result of the tremendous growth of the property market over the boom years with huge supply of strata based properties built and live in throughout the country. On the commercial and industrial sectors there is also a fast and growing need to be kept abreast of the latest technologies and management principles of managing these properties safely, efficiently and profitably.

The bringing together of the professionals involved in such work will therefore be able to harness the multitude of knowledge and experience of these individuals to possibly improve the already existing standards imposed and regulated by the Board.

The setting of this Register is also important in safeguarding the public interest through the proper registration and regulatory control of all the practitioners throughout the country. This therefore, will in a large extent help to alleviate the problem of unscrupulous practices and fraudulent actions.

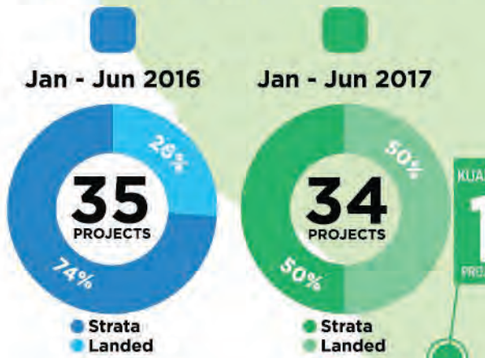
We therefore now look forward to a new era in the growth of the Property Management industry.

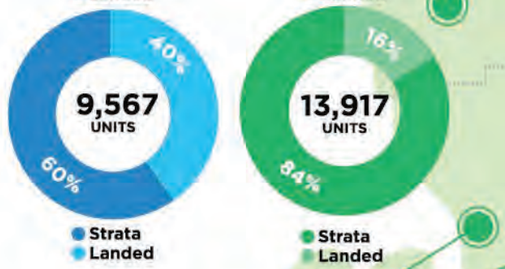
Long Tian Chek
Director, Henry Butcher Malaysia

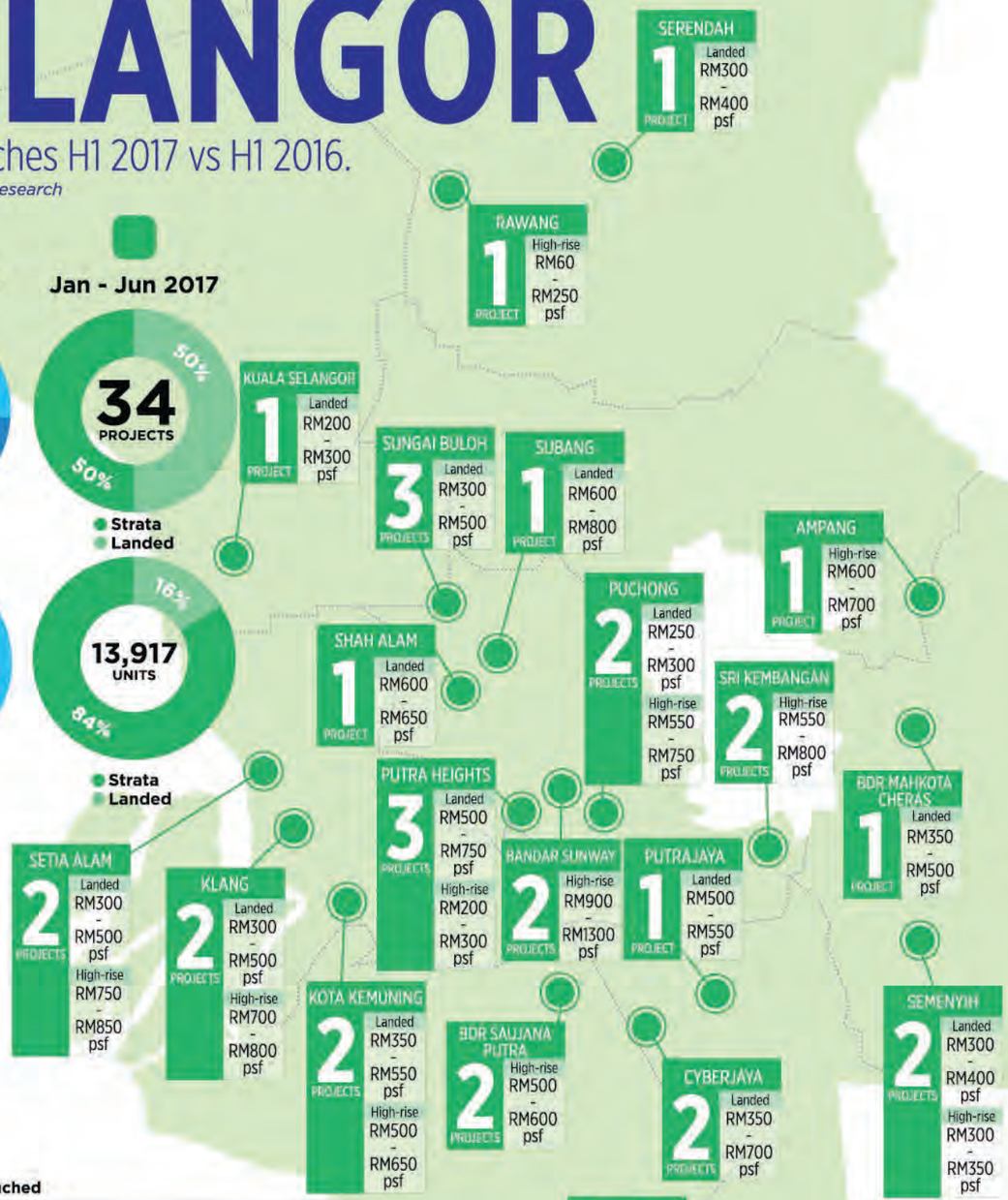
SELANGOR

New Launches H1 2017 vs H1 2016.

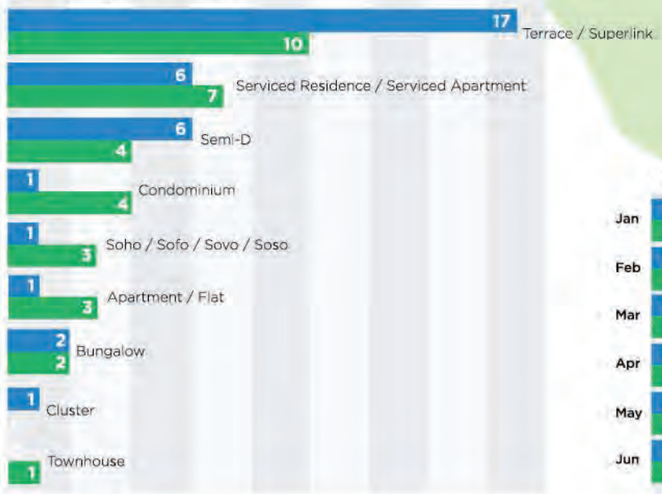
by Henry Butcher Research



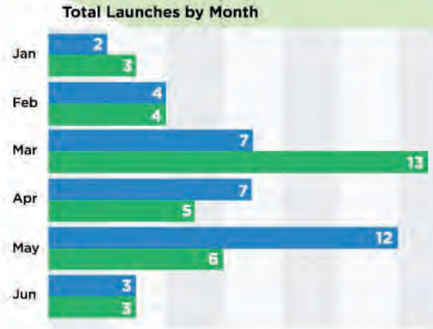




Types of Projects Launched



Total Launches by Month



Further adding onto the property pool.

Just like Kuala Lumpur, the state of Selangor saw encouraging growth in H1 2017, compared to the same period in 2016, a sign of recovery from what was perhaps a slightly turbulent scene in 2016, what with the local economic downturn coupled with political happenings.

Looking at the numbers, there wasn't much difference in terms of projects launched - 34 in H1 2017 compared to 35 in H1 2016 - but as we delve into the number of units, we see a gap of 4,350 units, with H1 2017 seeing the addition of 13,917 new units into Selangor's property pool, compared to 9,567 in H1 2016 - an increase of 45%. March 2017 saw the most activity in H1 2017, with 13 projects launched. This differs from H1 2016, where May was the most active month - one could infer that developers were more cautious and adopted a "wait and see" approach in 2016, while they were bolder to get projects up and running in 2017.

Selangor, with available land banks to develop from, still has space for landed properties, as reflected in our data for both periods. For both H1 2016 and 2017, terraces and superlinks took the majority, with 17 out of 26 landed projects (H1 2016) and 10 out of 17 landed projects (H1 2017). Developers put their focus on landed projects in H1 2016, occupying 74% of the total projects launched (26 landed; 7 highrises), while there was an even split in H1 2017 (17 landed; 17 highrises).

Zooming in on new units, H1 2017 saw the addition of 11,722 highrise units and 2,195 landed units, whereas H1 2016 saw 5,710 highrise units and 3,857 landed units. Judging from these numbers, it's safe to say that developers are going vertical in their expansion and developments.

H1 2017, based on the numbers, seemed to be focused on providing smaller living spaces for interested buyers, with 17 projects - 50% out of the 34 new launches in the period - offering units with an area below 1,000 sq ft, followed by 9 projects (26%) offering units sized between 1,001 to 1,500 sq ft. This is perhaps developers answering the call to cater to young working adults and families.

This is in contrast with H1 2016, which saw the attention placed on units with built-up areas between 2,000 to 2,500 sq ft, with 12 out of 35 projects (25%) offering units falling within that range. Next in the list were projects offering units below 1,000 sq ft and 1,501 to 2,000 sq ft, with 9 projects each (25%) offering such configurations.

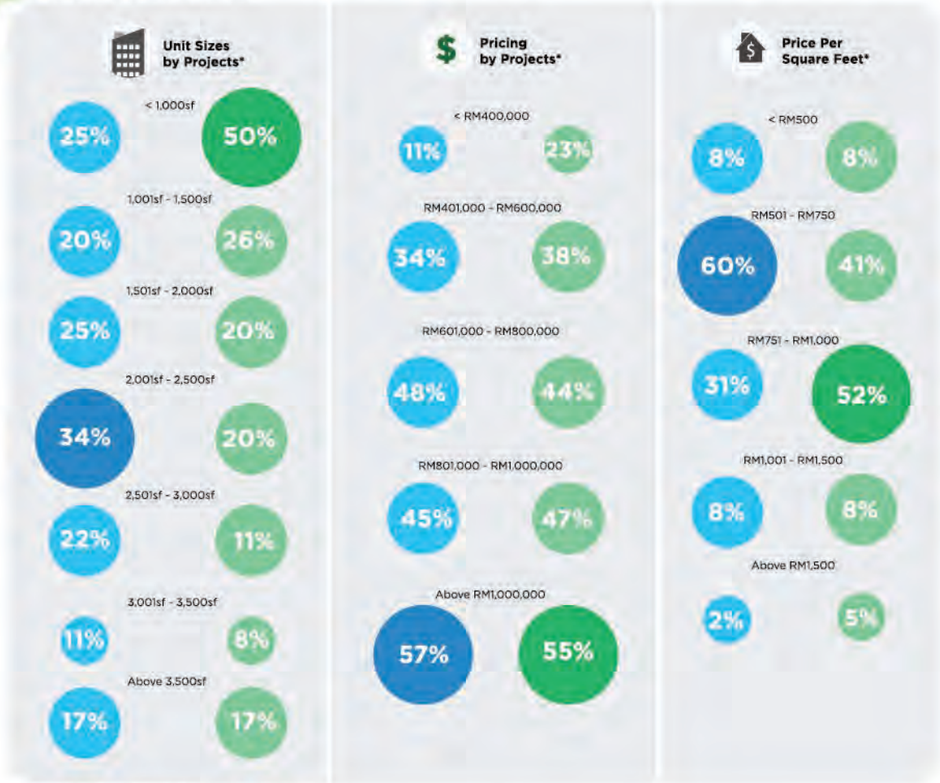
Price per sq ft had a bump in H1 2017, with 18 of the 34 projects offering units priced at RM751 to RM1,000 per sq ft, followed by 14 projects (41%) offering units priced at RM501 to RM750 per sq ft. This differs from H1 2016, where 21 of 35 projects offered units priced at RM501 to RM700 per sq ft, and 11 projects (31%) with prices between RM751 to RM1,000 per sq ft.

For pricing, units from both periods were roughly similar. There were 12 (H1 2016) and 13 (H1 2017) projects with units that had an asking price of RM400,001 to RM600,000; 17 (H1 2016) and 15 (H1 2017) with units priced at RM600,001 to RM800,000; and 16 units across both periods with units that are priced at RM800,001 to RM1,000,000. Higher-end units are also in play, with 20 projects (H1 2016) and 19 projects (H1 2017) with units exceeding RM1,000,000.

There is some minor overlap for both periods geographically, with new projects in select areas across H1 2016 and H1 2017. These areas include Rawang, Klang, Putrajaya, Sepang, Setia Alam and Puchong. For H1 2017, emphasis seems to be placed on more connected areas - ones which are closer to Kuala Lumpur, and some do have a form of rail connectivity, with areas like Sungai Buloh, Putra Heights, Semenyih, Puchong, Bandar Sunway, Rawang and Ampang.

Projects in Bandar Sunway command the highest prices for H1 2017, ranging from RM900 to RM1,300 per sq ft for a highrise unit. Those looking for landed properties might want to consider Kuala Selangor, with an affordable range of RM200 to RM300 per sq ft; otherwise, areas like Semenyih, Kota Kemuning, Klang, Sungai Buloh, Serendah and Bandar Mahkota Cheras prove more palatable to the middle-class budget, albeit located further from the nation's capital.

H1 2017 is indicative that developers are regaining their momentum from the slowdown that was 2016, developing and adding more units into the market, while also catering to the needs of the current buying generation of young adults and families. Barring any global or local slowdowns, expect to see Selangorians gearing up to purchase.



** Based on total number of projects launched.*

Disclaimer & Caveat
Please note that the data collected and analysed are based on information that are publicly available and have been compiled to the best of our ability. We do not by any means claim it to be comprehensive. You should not rely solely on our data for your investment decisions and are strongly advised to conduct your own investigations and research before taking any actions.

The commercial property market in Terengganu has experienced significant price expansion over the past 7 years.

A NEW WAVE IN TERENGGANU

The state of Terengganu has several projects lined up, which are expected to encourage growth in the state. These major projects include:

- 623-meter draw bridge linking Kuala Terengganu City Centre and Bukit Rakit;
- Menara MBKT in Kuala Terengganu
- The Coast Kemaman in Cukai
- Movenpick Spa Resort in Chendering
- Pulau Bayas Tax-Free Zone in Tasik Kenyir

Residential

The residential market was the most active sub-sector in the state of Terengganu. Despite the continuing weak market, prices of residential properties are expected to remain resilient. Demand is still strong, especially in desirable areas such as Kuala Terengganu City Centre, Dungun and Cukai. Prices of double-storey terraced houses in Kuala Ibai have maintained at RM450,000 to RM480,000 per unit. However, prices for strata-titled properties such as apartments and condominiums will be facing downwards pressure after first quarter of 2017.

Office

Transaction of purpose-built offices remains scarce and rental levels generally indicated a stable trend. The vacancy rate in early 2017 remains the same as 2016 with the exception for Menara PERMINT, when a large tenant - the Inland Revenue Board of Malaysia - vacated from the building and moved to PB Square. Upon the completion of the 30-storey Menara MBKT by the end of 2017, the existing office stock of 3,660,000 sq ft will be increased substantially. Prevailing rentals remained at RM30 to RM50 per sqm.

Retail/Shophouse

The commercial property market in Terengganu has experienced significant price expansion over the past 7 years, with increased prices at several districts. However, due to oversupply, prices and rental for traditional shophouses/offices have shown slight downward movement, especially in sub-urban areas.

A three-storey shop office in Dataran Austin changed hands recently at a price of RM1,100,000, a drop of 10% to 15% from the sale price of RM1,200,000 to RM1,300,000 in 2015. In the city centre, the newly completed projects (Panji Curve and Dataran Alamanda) have recorded a slow take-up rate 2 years after launch. The shophouse/office sub-sector for 2017 is expected to experience even higher vacancy rates due to the current economic uncertainties with the ringgit at an 18-year low.

COAST Kemaman (Source: udaproperty.com.my)

Movenpick Chendering (Source: binapuri.com.my)

The shophouse/office sub-sector for 2017 is expected to experience even higher vacancy rates.

The proposed East Coast Rail Line (ECRL) will transform the economic and social landscape of the east coast states, especially Terengganu.

Industrial

The industrial sector remained stable and there were no additional industrial developments in recent years. Prices of industrial sites stabilised at between RM45 to RM50 per sq ft in Gong Badak Industrial Estate. The government's aim of creating an industrial corridor in the east coast through the improvement of infrastructure within the East Coast Economic Region (ECER) will definitely benefit the state. The proposed 600km East Coast Rail Line (ECRL) from Kuala Lumpur to Tumpat, Kelantan will transform the economic and social landscape of the east coast states, especially Terengganu. The notable new player in the industry sector is the steel mill by Eastern Steel Sdn Bhd in Kerteh, Kemaman. The mill, which is under construction, covers 1,260 acres on land undertaken by a China-Malaysia joint venture company.

Outlook

The property market is expected to continue to be weak for the next 9 months. The sense of buoyancy that once marked the city out however has been replaced with a sense of hesitancy. This situation has been induced by everything from price disparity to the weakness of the ringgit. However, on a positive note, the proposed East Coast Rail Link (ECRL) will spur a new wave of development to realise the socio-economic potential for Terengganu.

Upcoming infrastructure projects are set to realise Kelantan's potential.

Source: Albert Freeman via Wikimedia

INVIGORATING KELANTAN

The property market in Kelantan firmed up in H1 2016, and is one of the states in the country that recorded positive growth.

According to the "H1 2016 Property Market Report" published by the National Property Information Centre (NAPIC), there were 6,447 transactions recorded totalling RM651.23 million, up by 38.2% and 17.8% in volume and value respectively against H1 2015. The agricultural sub-sector spearheaded the market performance with 44.5% of the total market share, followed by residential, development land, commercial and industrial sub-sectors with 41.2%, 10.2%, 3.9% and 0.2% of market share respectively. Market activity across all sub-sectors showed positive movements. The agricultural sub-sector recorded the highest increase of 69.1%, followed by residential (21.9%), commercial (16.7%), development land (16.5%) and industrial (9.1%) sub-sectors. In terms of value, all sub-sectors except industrial sub-sector saw similar uptrend.

Residential

Prices for residential properties in Kelantan were generally stable with an upward trend noted in selected locations. Construction activity was livelier in the sub-sector as seen from the rising numbers of completions and starts. Completions recorded 1,189 units, up by 59.0% whilst starts increased by 57.4% with 1,247 units. However, new planned supply chartered a 59.4% reduction to 301 units.

Several upcoming residential projects in Kelantan are:

- Troika Residence, a condominium project situated along Jalan Sultan Ibrahim and Jalan Mahmood, Kota Bharu.
- Tijani@Raja Dewa, a mixed development project situated along Jalan Kuala Krai comprising serviced apartment units, 3-storey semi-detached and 3-storey super link terraced houses.
- Prima Lagenda Lifestyle Apartment, a serviced apartment project situated in Bandar Baru Tunjong, Kota Bharu.
- Al-Waqf Garden, a serviced apartment project situated along Jalan Kuala Krai adjacent to the proposed Mydin Mall site.

The PRIMA projects approved by Federal Government in Kelantan are:

- Prima@Lubok Jong, Pasir Mas, built on 127-acre Malay Reserve land with a leasehold of 99 years which will comprise 1,669 units of single- and double-storey terraced houses, double-storey semi-detached houses and apartment units.
- Prima@Tok Bali, Pasir Puteh, built on 37.83 acres of freehold land which will comprise 500 units of single and double storey terraced houses.
- Prima@Kok Lanas Zon, Pasir Puteh.

Che Siti Village Mall (Source: pmtkk.com.my)

PRIMA Tok Bali (Source: sales.prima.my)

Troika (Source: goldentriangleklg.com.my)

Office

The office sub-sector in the state sustained its firm performance as last year's, with an overall occupancy of 97.1%. New office developments comprised only one building (4,608 sqm) which has commenced construction. As at the end of H1 2016, there were 287 existing purpose-built offices (381,462 sqm) with the two other buildings (13,060 sqm) in the coming supply.

Similar to the previous year's trend, office space on upper floors of suitably located traditional shophouses/shop offices remained the most preferred by tenants. The first floor rentals of traditional shophouses in Kota Bharu Town ranged from RM10 to RM12 per sqm per month whilst the second floor rentals ranged from RM6 to RM8 per sqm per month. The upper floors rentals of purpose-built office buildings ranged from RM16 to RM27 per sqm per month (inclusive of service charges) depending on size, level and location.

Commercial

In the shop sub-sector, prices and rentals of shops were generally stable. Prices of 2- and 3-storey shophouses located in the prime area of Kota Bharu is in the region of RM500,000 to RM700,000 and RM900,000 to RM1,100,000 respectively whilst prices of similar properties located in secondary areas ranged from RM380,000 to RM450,000 and RM650,000 to RM750,000 respectively. Rentals of ground floor shops ranged from RM2,500 to RM6,000 per month or RM19 to RM46 per sqm per month, with premium rental recorded in Jalan Pintu Pong and Jalan Parit Dalam.

In the retail sub-sector, the performance strengthened with an average occupancy rate of 91.6% against 89.0% in 2015. The newly completed AEON Mall located in Kota Bharu Waterfront City offers 66,877 sqm of new space into the market. As at the end of H1 2016, there were 24 existing shopping complexes with a Nett Lettable Area (NLA) of approximately 287,447 sqm. The upcoming retail centres in Kelantan are:

- Lagenda Galleria with an NLA of approximately 200,000sf.
- Al-Waqf Garden Mall with an NLA of approximately 350,000sf.
- Giant Hypermarket@Bandar Baru Tunjong (NLA : not available).
- Che Siti Village Mall with an NLA of approximately 490,000sf.

Generally, the retail rental market remained stable at last year's level. Kota Bharu Trade Centre (KBTC), KB Mall, TESCO and Podium Block Kota Sri Mutiara registered higher rentals of over RM100 per sq m per month.

Industrial

With no new supply of industrial sites, the industrial sub-sector has remained quiet for the year. Kelantan has only seven (7) industrial estates located at Pengkalan Chepa, Lundang, Tanah Merah, Lubok Jong (Pasir Mas), Jeli, Kuala Krai and Gua Musang. Pengkalan Chepa is the largest estate covering a total area of about 240 hectares.

The current market prices of industrial sites in Kelantan are as follows:

Location	Market Price (per sqm)
Pengkalan Chepa	RM108 - RM194
Lundang	RM194 - RM250
Tanah Merah	RM32 - RM54
Pasir Mas	RM38 - RM65
Jeli	RM16 - RM27
Kuala Krai	RM27 - RM38
Gua Musang	RM38 - RM48

2017 Market Outlook

In 2017, Kelantan's property market is expected to consolidate, backed by infrastructure projects under the Economic Regional Programme, ECER (East Coast Economic Region). These include the development of port in Tok Bali as well as the Pasir Puteh Integrated Development Project, the construction of Kota Bharu-Kuala Krai Highway and a 600km railway line from Kuala Lumpur to Tumpat. With the completion of these infrastructure projects, it is expected to invigorate the property market activity in the state.

REBOUNDING SINGAPORE RESIDENTIAL PROPERTY MARKET

Billion dollar bids for Government land, larger and larger quantum paid for private projects for redevelopment and new launches of condominiums sold out in a day! These have been the eye catching headlines for Singapore's private residential property market.

Since June last year, we have noticed a change in developers' and consumers' appetite for private properties. The tipping point was the successful launch of the GEMS Residences, a 578-unit private condominium in the suburb of Toa Payoh, one of the oldest public housing estate in Singapore. The developer did an excellent job of marketing the project with some clever gimmicks like car rental, 24-hour concierge and private chef services. Since then, the market has gone from strength to strength.

While there are many favourable factors going for Singapore, investors need to look at things in perspective to avoid over-paying for sites or homes. Here are our observations in Singapore private residential market.

Billion dollar bids for land

In our opinion, one of the reasons for the surge in the number of billion-dollar land bids is the sites offered for sale by the Government are located at the relatively good locations. More importantly, it is the Government's deliberate effort to push out larger sites for sale. As seen in Figure 1, the average gross floor area of the sites sold in 2017 is 29% higher than that of the sites sold in 2016.

Foreign developers are more active

Another reason would be the depleting land bank that caused developers to bid aggressively, especially the foreign developers. It is notable that foreign developers have outbid traditional local big-boys in 3 out of 8 Government land sites in 2017. This is because they have different cost structures, returns requirements and strategic objectives. Their active participations had made the land bidder exercise very competitive in Singapore.

Primary home sales rebounded but are nowhere near peak levels

These aggressive land bid news had generated positive market sentiments. Together with various promotion campaigns introduced by developers, the primary home sales market rebounded. While month-on-month sales momentum has picked up, we found that the number of units sold is far from peak sales level in 2013, where the monthly sales volume reached more than 2,500 units in a month. The median selling price is still lower than the peak in 2014.

Vacancy rate remained high

The increase in primary home sales had contributed to four consecutive quarters of decline in vacancy rates. The overall vacancy rate in 2Q 2017 was 9.1%, which was lower than the peak of 10.4% in 2Q 2016. Despite the decline, vacancy rates remained high compared with historical levels in 2010, where it reached as low as 5%. This is an evidence that the market starts to clear its stock.

Total unsold inventory fell but remained high as compared to historical level

Looking at the total unsold inventory, we noticed that it fell for the fourth consecutive months. Including those units that have not launched by the developers yet, the total number of unsold units held by the developers fell 1% m-o-m and 31% y-o-y to 10,303 units. This represents 24.9% of the total number of units that developers have obtained permits to sell but have not received Certificate of Statutory Completion (CSC) yet. Despite the decline of 12.7% percentage points from the peak of 37.6%, the level of unsold inventory remained high as compared to 19.3% in May 2013, as seen in Figure 6. The market still needs some time to clear the stock.

"...there is increasing interest in luxury properties in Singapore."

Private Residential Property Index continued to decline

While the market continued to clear the stock, the official non-landed Private Residential Property Price Index registered its 15th consecutive quarters of decline in 2nd quarter of 2017. This is the longest period of price decline since 2004. As compared to previous down cycle where the index declined 41.7% during the Asian Financial Crisis, 20.7% during the SARS period and 26.1% during the Global Financial Crisis, the Index has only declined 10% so far in the current down cycle. There is a high possibility that the Index would continue to decline for one or two quarters.

What's ahead for the market then?

In our opinion, the upswing in sentiment amongst the consumers is a result of consumers running out of investment options while any economic pain from Singapore's slower economic growth remains limited. In addition, the announcement by the Singapore Government that they are unlikely to ease any of the taxes triggered investors who have been waiting on the sidelines to bite the bullet and jump onto the bandwagon.

More broadly, Singapore has many positive attributes. It remains one of the premier financial hubs and has a Government that is amongst the few that is cohesively promoting innovation and new technologies. While its economy might have slowed, its general attributes as a great place to conduct business and the conducive living environment have continued to draw the wealthy Asians to allocate some of their funds to Singapore real estate.

For the real estate sector, Singapore remains amongst the most transparent market in the world for investors. The key factors going for Singapore now are that the surge in the sale of private apartments for redevelopments will reap a windfall for the owners which will support another surge in demand for housing.

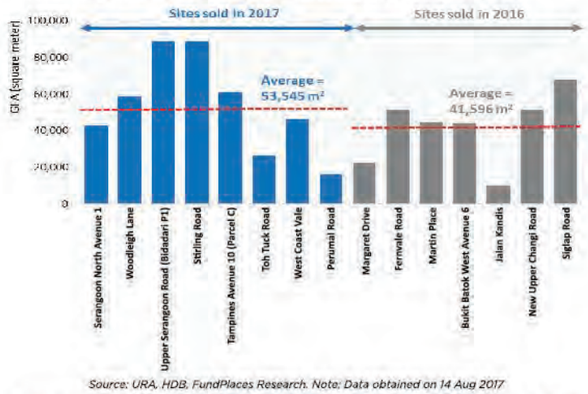
Our recent site visits to various residential projects found that there is an increasing interest in luxury properties in Singapore. The three-bedroom unit in OUE Twin Peak (one of the luxury condominium near Orchard Road) we visited in the morning was sold in the afternoon.

For investors, it is worth looking at luxury properties in Singapore now. We believe the downside of the luxury residential market is limited. We expect Singapore's overall property prices to continue its decline over the next 1 or 2 quarters with a slow recovery thereafter.

Tan Kok Keong is CEO of REMS Advisors and Co-founder of FundPlaces, an alternative investment platform for real estate. He has more than 20 years of experience in real estate, equities, funds and in the civil service.

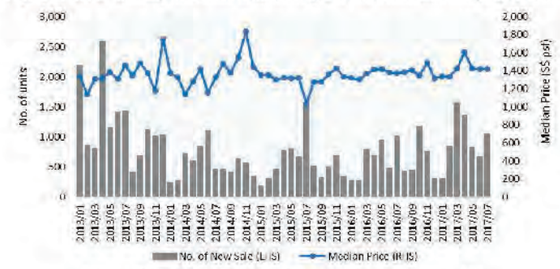
Disclaimer: The views expressed here are solely those of the author and do not in any way represent the views of Henry Butcher Malaysia.

Figure 1: The average GFA of sites in 2017 is higher than that in 2016



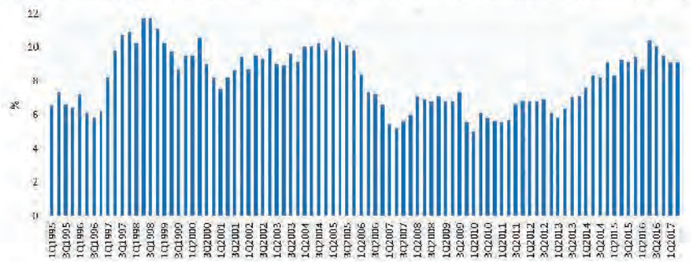
Source: URA, HDB, FundPlaces Research. Note: Data obtained on 14 Aug 2017

Figure 2: No. of monthly new sales is increasing but still lower than the peak in 2013



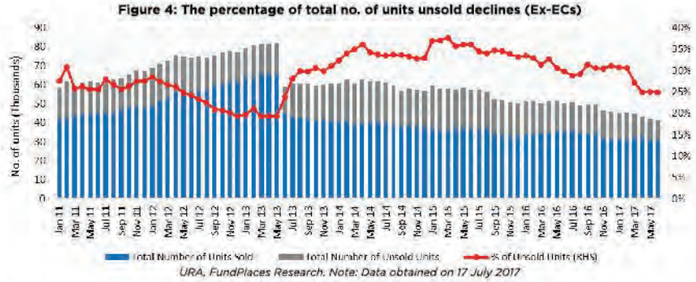
Source: URA, FundPlaces Research. Note: Data obtained on 14 August 2017

Figure 3: Vacancy rate of non-landed residential properties registered 4 consecutive quarters of decline



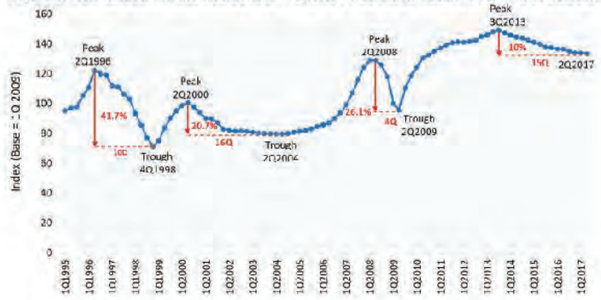
Source: URA, FundPlaces Research. Note: Data obtained on 14 August 2017

Figure 4: The percentage of total no. of units unsold declines (Ex-ECs)



URA, FundPlaces Research. Note: Data obtained on 17 July 2017

Figure 5: Non-landed Private Residential Property Price Index declined for 15Q in 2Q2017



Source: URA, FundPlaces Research. Note: Data obtained on 14 August 2017

SUSTAINABLE SINGAPORE

On 17 August 2017, Mr. Tan Kok Keong, Chief Executive Officer of REMS Advisors and Co-Founder of FundPlaces, on the invitation of Henry Butcher Malaysia, came over to our office to give a talk to our clients and staff on the topic "Is the Upswing in Singapore Property Sustainable?"

KK started his talk by mentioning Singapore's appeal to investors in the region, compared to properties in Hong Kong or Australia, with lower taxes, more manageable holding costs, and lower disposal costs.

Though the market looks favourable, Tan did note that there were some underlying challenges. "Vacancy rates are still very high, so any purchase requires foresight."

He then continued by asking a hypothetical question: will the Singaporean government truly relax its cooling measures? "The Government says that it isn't going to relax the cooling measures, yet there are still people thinking that it will. It is not a realistic proposition. When Singapore formulates property policies, it needs to look at it in context to other markets, typically Hong Kong. You need to keep a certain gateway so that property prices do not go up too fast. It is conscious of this, as it also carries a political cost."

Next, KK mentioned that Singapore has been cutting down its residential supply since last year. "Through larger developments with longer completion times, the market is given space and time to absorb the existing supply." In the course of his talk, he inserted this bit of wisdom: "If you are trying to buy Singaporean property, buy one that caters to local demand."

After presenting the numbers, he concluded by saying, "If you want to enter the market in the next two or three years, go for it - this is a good time."

During the question-and-answer session, KK elaborated on the property types that foreign investors can and cannot buy. "In Singapore, foreigners can buy high-rise units - regardless of its location or type. The only restriction lies in landed houses for which investors would need to acquire approval from the Government, which is increasingly harder to get. Sentosa Cove being the exception."

Aside from Singapore, he also suggested another area of interest: Perth. "Prices have declined for almost nine quarters now due to the global financial slowdown. That said, for the past six months, projects that cater to the local market have been selling very well. The big apartments are selling better, and are in demand. Australians generally don't move beyond 2-3 km of where they currently are, so pay attention to the location, if there are locals around. Another option is the lower priced public housing segment."

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Time:	1pm to 5pm (Talk at 2pm)
Venue:	Le Nouvel KLCC 152, Jalan Ampang, 50450 Kuala Lumpur, Malaysia

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