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Datuk Soam Heng Choon
overcomes challenging
times by focusing on
growth.

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STEERING IJM THROUGH SLOWDOWN

IJM Corp Bhd CEO Datuk Soam Heng Choon

overcomes challenging times by focusing on growth.

By MAK KUM SHI
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WHILE there are challenging times in the property market, they aren't as severe compared to previous market downturns. Driving growth in IJM Corp Bhd will become a priority.

IJM Corp Bhd CEO Datuk Soam Heng Choon said the group has five core businesses, which are construction, industry, infrastructure, plantations and property. His focus will be on growing the company in the next few years.

Every division has been set a target, a key performance index (KPI) to deliver. There is a strategic roadmap for the group to grow for the next five years.

Among the priorities include looking at new areas of growth, areas of improvement, and shareholders and staff goals expectations of the company.

When taking up the position last year, he was told by a lot of people that he comes on at a time when the economy doesn't look that rosy and 2016 is expected to be tougher, where gross domestic product (GDP) growth is expected to be 4% to 4.5%.

However, he is confident that some of the businesses in the group will still be performing well.

He said that there is a very big order book of over RM8.5bil in construction. Plantations is growing in terms of acreage, doubling from 25,000 acres in Malaysia historically to 60,000 acres.

"The acreage in Indonesia is now bearing fruit. The majority of the crops are coming in. Current average age is about four years old. In another two to three years, we will be reaching the peak crop production for Indonesia," Soam added.

The infrastructure division has tolled highways in Malaysia and India, as well as one port in Kuantan.

"Our focus is to grow the infrastructure business and look for new opportunities to build new highways," Soam said, adding that the West Coast Expressway is under construction.

In addition, the Kuantan Port is being expanded to handle more than 52 million metric tonnes of cargo. The depth of the new port will be about 18 metres. Previously, it handled about 25 million metric tonnes of cargo every year, with a depth of about 11 metres.

With the first phase of the expansion to be completed in two and a half years' time, ships of up to 150,000 deadweight tonnes can enter the port, compared to 50,000 deadweight tonnes currently. The second phase is expected to be completed in 2019 or 2020.

With the robust construction industry, the industry division is expected to do well because it produces spun piles, quarry products and ready-mix concrete.

The industry division has nine factories and six quarries in Malaysia.

Prior to delisting last year, the market capitalisation of the property division was over RM5bil. Its current land bank is more than 4,600 acres with a gross development value (GDV) of over RM30bil.

Its land bank is spread throughout Peninsular Malaysia, Sabah and Sarawak. The company has a few projects located overseas in China, Vietnam, India and London in the United Kingdom.

"We always think of giving returns to shareholders in terms of dividends and also growth. Over the years, we try not to go back to the shareholders for additional capital while we expand," he said.

"We consciously monetise some of our assets that have matured, as well as some of the non-yielding assets," he added.

Comparing property market downturns

Looking back into the 1990s, Soam cited that interest rates for mortgages and inflation rates were at double digits.

A lot of people were unemployed. There were also problems with the banks, which didn't have money to lend. Property prices went down 20% to 30% because there was no demand.

Soam added that in 2008, the market had slowed down. This was due to costs problems, where crude oil rose to US\$140 per barrel, and also because of the subprime housing crisis.

There were fewer players in the market and developers had slowed down their launches.



"We always think of giving returns to shareholders in terms of dividends and also growth. Over the years, we try not to go back to the shareholders for additional capital while we expand."

— IJM Corp Bhd CEO Datuk Soam Heng Choon



A pleasant evening ambience at Bandar Rimbayu.

However, over an eight year period from 2008, there have been more developers in the market.

"We have seen a lot of non-core developers coming into this market. We were a bit worried," Soam said. "It is not so easy being a developer. You need a lot of perseverance and patience. We believe you need long gestation period and high capital investment, compared to doing other businesses."

Compliance to statutory requirements are becoming more stringent and there are a lot more compliance costs that have to be paid.

Current housing mortgages rates are still very reasonable at about 4.5%, compared to 14.0% during the Asian financial crisis. However, current day property prices have reached a level where it is more than four to five times the yearly income of the people.

In early days, people just need a roof over their heads. Today, people want to look for all sorts of features, including green buildings, high ceilings and various types of finishes.

"Some people say there is a property bubble. It is going to burst. I don't think so. The day you see people throwing properties below market rates by 20% to 30%, that is the day you think the property bubble will be there," Soam commented.

Overcoming challenging times

The property market environment for buyers and developers alike is challenging.

Affordability, consumer confidence and the inability of the buyer to get their desired margin of financing are among the challenges that buyers face.

Among the challenges for developers include the rise in compliance and construction costs. Steel bar prices have recently spiked.

Land prices have also remained high, and in some areas, they are still going up. Owners still demand a high premium for land in strategic locations.

Therefore, there are many reasons why property prices have gone up and making them beyond the reach of the general public.

IJM Land is involved in the property market across the board, including

social and affordable housing, mid- and high-range homes.

"With the challenging market, we will probably scale down the high-end houses, and focus on the medium and affordable range. I think that is the strategy of most developers," Soam commented.

"For the high-end (properties), we ask what buyers want. Buyers may want yield or guaranteed returns. We try to structure something that suits them. For the affordable housing segment, we look at what is their problem. If they can't get the margin that they want, the differential sum, we can allow them to pay over a longer period," Soam said.

At the end of the day, buyers are more discerning from whom they buy their homes. "Is it value for money? When I talk about value for money, it is the whole package. I believe that over time, people realise that they must buy from reliable developers, more so during this challenging time." ♀

"For the affordable housing segment, we look at what is their problem. If they can't get the margin that they want, the differential sum, we can allow them to pay over a longer period."

SEREMBAN 2'S GREAT LIVING ENVIRONMENT

IJM Land Bhd's leading township development at Negeri Sembilan has a mature community that is conducive to live, work and invest in.



Artist's impression of Kalista 2.

Development project name	Kalista 2 (Phase 1 and 2)
Property type	Executive Apartment
Tenure	Freehold
Total units	314 (phase 1) and 208 (phase 2)
Built-up area	926 - 1,561 sq ft (phase 1 and 2)

Developer Name	IJM Land Bhd
Address	P.T. 10786, Seremban 2, 70300 Seremban, Negeri Sembilan
Website	http://seremban2.ijmland.com/
Facebook	https://www.facebook.com/ijmland/
Email	sales@ijm.com
Contact No	1800 222 456
Fax No	+606 7619188
Development project name	Seremban 2
Location	Seremban, Negeri Sembilan
Property	Township
Development	3,800 acres
Educational Institutions	Five national schools • Two Chinese primary schools • Two colleges - Kolej Alpha and Kolej Negeri • One international school (under construction)
Government Institutions	Seremban district police headquarters • State fire & rescue department headquarters • Negeri Sembilan Court Complex • Seremban District Administration Office • LPPKN • Custom Complex • Seremban 2 Health Clinic
Retail, entertainment, and leisure	Aeon complex • Mydin mall • Business financial centre • Commercial outlets • 15-acre city park • 30-acre adventure hill park • 34-acre sports complex • S2 Club • Sehat Wellness & Medical Centre
Accessibility Infrastructure	North South Highway • ELITE • LEKAS

By MAK KUM SHI
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GREAT neighbourhoods require constant efforts to nurture. Where accessibility, connectivity, location, security, master plan, community and sustainable development are concerned, Seremban 2 scores high in these factors.

More than just a mere township, IJM Land Bhd's 3,800-acre freehold development is a thriving community with a conducive environment to live, work and invest in.

Fostering a strong community spirit, Seremban 2 has regularly organised community events and activities for its buyers, residents and the public at large.

Such events include health screening and talks, carnivals, chess competitions, home rehabilitation programmes and safe neighbourhood campaigns with the police.

The community also plays a role in environmental conservation. Tree planting campaigns, eco-hunt charity events, smoke-free initiatives at parks and neighbourhood cleaning programmes with residents are held regularly.

Town & Country in One City

Started in 1995, Seremban 2 was intended to become a catalyst in uplifting the Seremban address and become a benchmark for future development in the immediate vicinity.

The thriving community is a reflection of the success this development has achieved. Inspired by the "green street" concept of

Canberra, Australia, this fully integrated and sustainable township is distinctive for its open spaces, gardens and beautiful vistas.

Befitting the "Town & Country in One City" theme, Seremban 2 maintains the serenity of a country atmosphere while offering the opportunities and conveniences of a city.

IJM Land has delivered in excess of 13,000 units of residential and commercial properties. With a population of over 60,000 residents, the township is currently at 70% completion. Upon completion, the township is expected to cater to a community of up to 100,000 residents.

Secure living environment

Since the inception of the township, a series of significant and innovative security features were implemented to create a safe and secure living environment for Seremban 2's community.

Perimeter fencing and guard houses are located at most residential precincts.

For newer residential precincts, Seremban 2 has adopted Crime Prevention Through Environment Design Concept (CPTED)

features with the aim to deter criminal activity through environmental design.

Such features include subtle bends at strategic locations and road sections to reduce speeding, use of LED street lighting for brighter streets, green areas to separate pedestrian walkways from motorised lanes to combat crime or snatch theft, and concealed drains and other utilities.

IJM Land goes the extra mile in enhancing security measures within the township with its own internal security team and patrol car providing scheduled security patrol at strategic points.

It also provides assistance and guidance to residents for the setting up of their respective Residents' Association. While this helps residents to manage their respective guarded enclaves efficiently and effectively, it also creates stronger communities.

Excellent location, accessibility and connectivity

It is worth noting that Seremban 2 has the perfect location with excellent accessibility and connectivity.

Strategically located 1km from the Seremban toll plaza and 5km from the newly opened Ainsdale toll plaza, it is a satellite town located 4km southwest of Seremban city.

Within this development's vicinity are excellent transportation infrastructure such as the North South Expressway, Elite and Lekas highways, as well as a toll-free road to KLIA and KLIA 2.

Ready to settle down in this ideal neighbourhood? Visit their showroom today! 📍

Development project name	Rimbun Irama
Property type	2-storey link homes
Tenure	Freehold
Total units	183
Land area	22' x 70' and 20' x 70'
Built-up area	2,224 to 2,451 sq ft



Rimbun Irama show house.

COMMUNITY LIVING AT IJM LAND'S SEREMBAN 2

Owning an affordable landed home within a close-knit community near Kuala Lumpur is possible.

By **MAK KUM SHI**
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SEREMBAN 2 has been thriving over several years, making it an attractive place to live, work and invest.

IJM Corp Bhd CEO Datuk Soam Heng Choon cited that it has been 18 years since the first house in Seremban 2 was handed over in 1998. Twenty-one years have passed since construction started in 1995.

"Today, you can still see the people who were our first buyers in those days, coming back to buy our houses for their children. Some of their children who came with their parents in those days are working in Seremban 2. Some of them are even working for IJM Land," Soam mused.

Soam said he received feedback that a lot of residents have gotten their relatives and friends to buy houses in the township.

The developer has created a close-knit community and has worked together with residents to form residents' associations to further the interest of their precincts.

People have now realised over the last 10 years that it is much faster to travel from Seremban to Kuala Lumpur.

They stay in Seremban but work in Kuala Lumpur. Some carpool every morning and go to the Seremban bus terminal, where over 40 buses leave Seremban, sending them directly to their workplace.

A lot of people who work in KLIA are also staying in Seremban 2. They choose Seremban 2 because it has all the amenities that they want.

Township characteristics

With many schools, colleges, entertainment outlets, shopping centres and private hospitals, people don't mind staying in Seremban.

IJM Land Bhd central region senior general manager Hoo Kim See shared that Seremban 2 is well known to the people of Seremban and Negeri Sembilan.

It is one of the developer's flagship townships that consists of 3,800 acres, originally intended to be an extension of the whole Seremban town, which was initiated by the government.

The township has several components, including a number of residential units, two shopping malls and commercial banks like Maybank, Hong Leong and CIMB.

Hoo said that many people go to the 15-acre city park, which is popular for jogging, games and tai chi. There is also a 30-acre hill park, also known as a dinosaur park, with a number of dinosaurs models already created.

The newly opened S2 Club is a family-



1 Charity cycle event at Seremban 2.

2 Dinosaur Park.

3 IJM Land Bhd central region senior general manager Hoo Kim See.



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themed recreational club with well-equipped gymnasium, fitness classes, badminton courts, swimming pool and a purpose-built kindergarten managed by R.E.A.L Education Group.

Soam added that the company is still maintaining the township in respect of the landscapes like the parks and roads.

The developer also support community building in the township by organising Raya Concerts and Chap Goh Mei Celebration, a yearly carnival in November, and a community run in August.

"We try to add value to the existing facilities. We have brought in all the things

that are required of a township. Whatever the community requires is all there. Not many townships have this.

"After so many years, I dare to say our amenities are still in good shape. Even in the city park, you have a lake pond there. We have all these gazebos, people like to go there for birthday parties and dates," Soam mused.

"Because it is a township, we continue to nurture it, that's what we do. Until today, we have good rapport with the residents' associations. My Property Maintenance and Management office is there, next to the sales office. Everybody can go and see them,

when they have issues."

Residential property values in the township have appreciated as a result of people staying there. Over the last 10 years, property prices have appreciated by double or more.

For example, terrace and semi-detached houses that sold for RM200,000 and RM350,000 in 2005 are currently worth RM600,000 and RM1mil respectively.

Soam concluded, "The only place you can get landed properties is further away from the city. In the city, it is very expensive. That is why we encourage people to work in Kuala Lumpur, stay in Seremban." ❓



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SECOYA RESIDENCES, NATURALLY DIVINE

Unrivalled lifestyle and convenience await at IJM Land and Amona Development's Pantai Sentral Park, Kuala Lumpur's One and Only Urban Forest City.

By **MAK KUM SHI**
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FINDING a place that has a conducive living environment and is easily accessible to Kuala Lumpur and Petaling Jaya, Klang Valley's major economic centres, can be exceptionally challenging.

Secoya Residences, a residential development at Pantai Sentral Park, which is jointly developed by IJM Land Bhd and Amona Development Sdn Bhd, is an attractive answer to this challenge.

It has a strategic location within the new Golden Triangle, with Kuala Lumpur, Bangsar and Petaling Jaya forming the triangle's points.

Major townships, towns and cities such as Mid Valley City, Bukit Jalil, Bandar Damansara, Bandar Sunway, Petaling Jaya, Kuala Lumpur City Centre and Cheras are within 10km of this development.

It has excellent accessibility to various parts of the Klang Valley that is expected to get only better. There are expectations that the future MRT Circle Line will form an interchange with the Universiti LRT station.

Travelling from Bangsar to the township through New Pantai Expressway's upcoming direct link would also be toll-free.

With the development being close to Bandar Malaysia, which is expected to be a leading transportation hub in Asia, residents of Secoya Residences can expect unparalleled accessibility to various parts of Peninsular Malaysia and beyond.

Naturally healthier lifestyles

Great green landscapes create better and healthier lifestyles. They also facilitate community development by creating landscape spaces for interaction and bonding experiences, capitalising on each landscape activity.

Such natural environments are incredibly rare in an urban setting, but Pantai Sentral Park has this.

Touted as Kuala Lumpur's One and Only Urban Forest City, this township is a lush green enclave that is designed along the nature reserve of Bukit Kerinchi, maintaining the natural landscape and terrain of the area so that the natural land fall and water course are not altered.

A notable highlight is the linear forest walk on the fringes of the township, which will directly connect residents with the forest.

A waterfront site with a man-made lake will serve as an aesthetic feature and a retention pond, populated by various species of fish and adorned with art pieces.

The provision of streetscapes fosters pedestrian access and amenities located within safe walking distances. Green connectors and boulevards between residential and commercial parcels provide residents with ample space to engage in health and wellness activities.

A visionary development

Naturally pristine landscapes with excellent accessibility and location form key traits to a visionary township that integrates residential, commercial and recreational elements.

The township is a sizeable 58-acre development with a gross development value of RM2.5bil. With seven residential and six commercial phases, the entire township is expected to be completed within 10 to 15 years, accommodating approximately 15,000 residents.

"Pantai Sentral Park is truly IJM Land's jewel offering, allowing the group, with our partner Amona Development Sdn Bhd, to create a next generation that truly embraces the core values of 'People, Planet, Priority', by nurturing a vibrant and conscientious community and nature-inspired hub," said IJM Land managing director Edward Chong Sin Kiat.

With breathtaking city views to the north and forest and pool views to the south, combined with unparalleled accessibility, location and unspoilt landscapes, Secoya Residences is ready to become your ideal dream home.

- 1 A truly defining natural landmark bordering forest and city.
- 2 Pristine forests contribute to conducive environments for healthy and better lifestyles for residents of Secoya Residences.



Developer Name	IJM Land Bhd and Amona Development Sdn Bhd
Address	2, Jalan Pantai Sentral 1
Website	www.pantaisentralpark.com
Email	pspranger@ijm.com
Contact No	1800 880 456
Corporate Background	IJM Land Bhd, the property development arm of IJM Corp Bhd, has garnered a reputation as one of Malaysia's premier property developers. Amona Group of Companies is a dynamic Malaysian conglomerate with interests in property development and construction, general trading, telecommunications, technologies and energy sectors.
Development project name	Secoya Residences
Development concept	Urban Forest City
Location	Bukit Kerinchi / Pantai Dalam, Kuala Lumpur
Property type	Condominium
Land title	Residential
Tenure	Leasehold
Development size	3.47 acres
Total units	243
Number of levels	41 levels
Built-up area	1,050 to 1,670 sq ft
Total designs	6
Number of bedrooms	2 to 4
Price range	From RM877,800
Gross Development Value	RM290mil
Facilities	Infinity-edge and wading swimming pool, Jacuzzi, sunken sundeck, gym, sauna, games room, reading room, multipurpose hall and function rooms, BBQ area, children's playground and basketball court
Landscape features	Cascading waterfall, The Lake, amphitheatre, paved stage / plaza, fitness station, playground, water features
Accessibility	New Pantai Expressway, federal highway, LDP, MEX, MRR2, Jalan Kerinchi, Jalan Templer, Jalan Pantai Dalam