



SCAN HERE  
[www.shareda.com](http://www.shareda.com)

# 2017

---

## PROPERTY DEVELOPMENT ANNUAL REPORT & MARKET OUTLOOK 2018

# SHARED COUNCIL MEMBERS

2017 - 2019



**Mr. Roy Chiew Min Hann**  
Council Member / Youth Chairperson



**Mr. Raymond Xavier Chan Yin Hong**  
Council Member



**Ms. Chew Fei Sean**  
Assistant Secretary-General



**Datuk Francis Goh Fah Shun**  
Immediate Past President



**Mr. Quek Siew Hau**  
Council Member



**Mr. Ben Kong Chung Vui**  
Council Member



**Datuk Sr. Chua Soon Ping**  
Deputy President



**Mr. Chew Sang Hai**  
President





**Mr. Wesley Chai Meng Kong**  
Vice President



**Datuk Susan Wong Siew Guen**  
Council Member (Past President)



**Ms. Jen Kah Gen Fon**  
Treasurer-General



**Pengiran Saifuddin B. Pengiran-Tahir**  
Council Member



Not in the picture  
**Datuk Gerald Goh Wah Yong**  
Council Member

**Mr. Ronnie Ang Guo Wei**  
Secretary-General



**Mr. Benny Ng Su Pei**  
Council Member



**Mr. Johnny Wong Chen Yee**  
Vice President



**Mr. Reggie Sua @ Boboy**  
Council Member



**Mr. John Tan Duo Zer**  
Council Member



1



2



3



4

1. Sandakan Town  
[borneocotours.com](http://borneocotours.com)
2. KK City View  
[propertyhunter.com.my](http://propertyhunter.com.my)
3. Sabah State Government Building  
[skyscrapercity.com](http://skyscrapercity.com)
4. Signal Hill Observation Tower  
[sabaheats.com](http://sabaheats.com)

# TABLE OF CONTENT

<b>A. Message from the Hon. Minister of Local Government and Housing of Sabah</b> Y.B. Datuk Seri Panglima Haji Hajiji Haji Noor.	1 - 2
<b>B. Foreword by SHAREDA President (2017-2019)</b> Mr. Chew Sang Hai	3 - 4
<b>1.0 Editor's Notes on SHAREDA's Target in Elevating Housing Industry in Sabah</b>	5
1.1 Proposed Improvement on Schedule H & G under Sale and Purchase Agreement	6
1.1.1 Completion Time For Delivery	6
1.1.2 Provisions For Clause Extension Of Time (EOT)	6
1.1.3 Revision Of Payment Schedule For Lower Ground And Elevated Carparks	6
1.2 Establishment Of Regional Risk Review Committee In Sabah	7
1.3 Responsibility Of Sesb Sub-stations Land Status Before And After OC	7
1.4 Early Start Work For Infrastructure Works Prior To Developer's Licence	7
1.5 Timeline For Bumi Lots Conversion	7
<b>2.0 Property Developments Report 2017</b>	8
2.1 West Coast Division	9 - 12
2.2 Sandakan Division	13
2.3 Kudat Division	14
2.4 Tawau Division	14
<b>3.0 Property Development Outlook 2018</b>	15 - 18
<b>4.0 Land Development Procedures 2017</b>	19 - 22
<b>5.0 Regulating Home Sharing</b>	23 - 25
<b>6.0 Proposed Seismic Building Design Guidelines for Sabah – Part 3</b>	26 - 27
<b>7.0 The rise of Real Time 3D Visualization and Virtual Reality in Real Estate Industry</b>	28 - 30
<b>8.0 SHAREDA CSR : University Of Malaya Students Outbound Programme</b>	31 - 33

## Disclaimer

*This book serves only as a guide. Whilst every effort has been made to ensure that the information in this book is correct at the printing time, readers are advised to refer to the source of the information stated. All information and recommendations are made without guarantee on the part of the author or the Association. The author and the Association disclaim any liability for loss or damages incurred in connection with the use of information inside this book that is privileged.*



MESSAGE FROM  
THE HONORABLE  
MINISTER OF LOCAL GOVERNMENT AND HOUSING, SABAH

**Y.B. DATUK SERI PANGLIMA HAJI HAJIJI HAJI NOOR**

My heartiest congratulations to Sabah Housing And Real Estate Developers Association (SHAREDA) for yet another consecutive publication since 2013, the SHAREDA Property Development Annual Report 2017 and Market Outlook 2018. Kudos to the concerted efforts under the helm of the new president elect, Mr Chew Sang Hai for the term of 2017-2019, together with Ar. Ronnie Ang Guo Wei, Editor cum Secretary-General and his dedicated committee in the research unit to successfully publish this year's 5<sup>th</sup> edition.

I am glad to note that this book has become a good localised referral tool for the stakeholders and key players to peruse the compiled reporting on property information, the impact of new policies introduced and the headway impeded by the performances of the previous year, 2017 and what is embedded in the prospectus of 2018 market outlooks, through the captains of the property sector in Sabah.

In 2017, as predicted that the property market outlook in Sabah continues to be challenging and facing down trend as compared to 2016 that the recorded a GDV of RM1,981,409,000 for 4,381 units residential in 2017 as compared to year 2016's GDV of RM2,856,367,000 for 5,895 units residential, respectively. I believe that the decline in the property launch could be result of the cyclical effects due to the various contributing factors such as the stringent banking policies, GST, etc.

The report also indicated the vibrancy in building residential properties still thrives to target and meet the market demand especially the price within the range of affordability. Hence, ownership in affordable housing remains a shared agenda with SHAREDAs members that the State Government strives towards resolving nitty-gritty challenges to iron out issues of concerns, to expedite the approval permit for building development plans and lowering the delay costs for the projects, formulating transparency with predictable time frame, amongst others. Indeed, the outcome of the work in progress to iron out the above statutory issues by the Government has been successful through tedious and progressive meetings in collaboration with several related professional bodies including SHAREDAs that preceded the endorsement for the implementation of Land Development Procedures 2017, the Seismic Building Design Guidelines, and other guidelines effectively. It is never an easy task to determine a policy to suit all economy sectors, but I am confident that when we work together, we will tackle the issues at source as they emerge for check and balance.

On that note, the Government is appreciative of SHAREDAs contribution to continue to build more affordable homes in various districts in Sabah despite faced with challenges of rising cost in land, compliance cost, skilled workers, building materials, tightening of bank loans and other concerns to be addressed. The Government is determined to mitigate these impacts and look forward to the complementary roles and partnership of SHAREDAs and private sectors to ensure success in a new era of progress.

Regards,



**Datuk Seri Panglima Haji Hajiji Haji Noor**



## FOREWORD BY SHARED A PRESIDENT (2017-2019)

### MR. CHEW SANG HAI

#### The Year in Review

In 2017 the launching value of new property projects has reached its lowest record levels of RM 1.5 billion since the year 2013. However, we are confident that the market would be recovered in the 3<sup>rd</sup> quarter of 2018 due to better economy parameter and the aftermath of the General Election (GE14) would stabilise the confidence of the market.

2017 was therefore a very challenging year. There are many developers are still encountering difficulty in sourcing for business finances and to seek for alternative end financing for property buyers. Looking ahead, in Budget 2018, we note that the Government would extend the PR1MA's step-up financing scheme to private developers, which subject to certain conditions. This is a good initiative undertaken by the Government to house the middle income first home owners.

In the past one year, SHARED A had organised a few seminars on alternative financing to overcome the challenges faced by developers to obtain bridging finance to kick start new projects and also to secure more sales by having the luxury of various end financing for the property buyers to choose.

Riding on our plight for better options of financing scheme, we hope that the Bank Negara Malaysia (BNM) and other commercial banks would consider to develop innovative and sustainable business banking plans and packages for developers to consider.



2017 was also an important year for looking at other initiatives partaken by SHARED A. As a captain of this industry, we took time to have extensive dialogues with government officials, and to continue to take dynamic and resilient efforts to help improve the Government's policies. The results were encouraging in many areas, particularly on the introduction of revised fixed rate of SESB Capital Contribution Calculation (CCC), the improved flow chart of land development policy 2016, and the establishment of DBKK Dealing Construction Permit Taskforce. Furthermore, SHARED A is expecting and looking forward to the formation of the Jabatan Bekalan Air (JBA) taskforce to revise and improve the JBA Capital Contribution Calculation.

2017 was therefore challenging and yet fruitful year. We consolidated our positive results and assessed our current situation. In conclusion, the outcome is that 2018 would be another challenging year for this industry. We anticipate more efforts and higher endurance level are required for this year, and we hope more SHARED A members can lend a hand to overcome challenges and to lead the betterment of the industry.



**CHEW SANG HAI**





# 1.0 EDITOR'S NOTES

ON SHAREDA'S TARGET IN ELEVATING HOUSING INDUSTRY IN SABAH

SHAREDA has continuous to serve the interest of its members through frequent dialogues with all the stakeholders in the building industry and government agencies. SHAREDA aims at providing amicable solutions to all parties concern that would bring benefit to the industry and government as a whole. Under the present strong leadership of the President Mr. Chew Sang Hai, the Council members recognized the tasks are far from completion and many grey areas have yet to be resolved ranging from the authorities issues to government policies.

Some members have written directly to SHAREDA for the problems that they were facing and wished to find a solution through SHAREDA as a platform. I hereby summarize herewith some current issues and challenges that are facing by the developers and there will be more as the industry is moving forward in this rapidly changing environment.

By **AR. RONNIE ANG**  
SHAREDA Secretary-General ( 2017 - 2019)





## 1.1 PROPOSED IMPROVEMENT ON SCHEDULE H & G UNDER SALE AND PURCHASE AGREEMENT

### 1.1.1 Completion Time For Delivery

One of the major concerns for Developers is the delivery time to purchasers. Over the years, SHAREDADA had met MLGH on many occasions to request for sufficient delivery time frame for the good causes such as better workmanship and minimise disputes. This is necessary in view of the inherent logistic problems relate to Sabah development industry such as labours and materials. SHAREDADA is proud to announce that certain sizes of development had received consent from MLGH for special delivery time allowance:

- i. 36 months for landed properties of more than 150 units
- ii. 42 months for stratified building of more than 26 storeys
- iii. 48 months can be considered for stratified building of more than 26 storeys subject to building complexity and any other special conditions

### 1.1.2 Provisions For Clause Extension Of Time (EOT)

To address confusion and unhappiness regarding the provisions of EOT in Rule 12 which is not repeated or stated in Schedule G & H, it is proposed as follows:

- i. That the provisions of EOT be stipulated in Schedule G & H; and
- ii. A standard operating procedure (SOP) be established and publicized for the manner of the application for EOT and further, the basic procedural steps to be taken by the Controllers before issuing EOT certificate.

SHAREDADA will pursuit dialogue with MLGH to study the proposed amendment so that the interest of both developers and purchasers will be protected fairly and not subject to unreasonable disputes due to lack of understanding.

### 1.1.3 Revision Of Payment Schedule For Lower Ground And Elevated Carparks

In view of recent large scale high rise residential development in Kota Kinabalu, SHAREDADA had raised to the attention of MLGH via a proposed amendment paper submitted to the Housing Controller. It is hoped that **10% payment of Car Park in the Building (basement / podium in multi-levels)** could be brought forward after "the completion of the work below ground level including piling and foundation of the Building comprising the said parcel"

## 1.2 ESTABLISHMENT OF REGIONAL RISK REVIEW COMMITTEE IN SABAH

SHAREDADA has repeatedly called for relevant stakeholders in the financial institutions and government sectors on setting up the Risk Review Committee locally to understand better the local conditions for assessing bank loan application. Without the presence of a local branch; many facts and information background during loan processing may well be ignored and rejected as a result of lack of local knowledge and exposures.



## 1.3 RESPONSIBILITY OF SESB SUB-STATIONS LAND STATUS AFTER OC

SHAREDADA has proposed to SESB to take over the SESB building once OC is obtained. Since the developers have provided their land and capital cost in constructing the station building for SESB's future business operation; it is only fair that SESB should execute the following for taking over the property in a timely and fairly manner:

- i) In respect of all Land Transfer Matters before Occupational Certificate Issued
  - SESB to execute all the relevant Sales and Purchase Agreement on or before the date of issuance of Occupational Certificate.
  - All relevant necessary charges (i.e. Quit Rent and Assessment Fees) and cost prior to OC shall be borne by the Developers.
- ii) In respect of all Land Transfer Matters with Occupational Certificate has been obtained
  - SESB shall be responsible for all the necessary charges (i.e. Quit Rent and Assessment Fees) until the sub-division of the title of the SESB sub-station has been issued by Lands and Surveys Department.



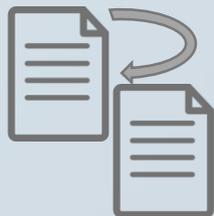
## 1.4 EARLY START WORK FOR INFRASTRUCTURE WORKS PRIOR TO DEVELOPER'S LICENCE

SHAREDADA has sought clearance from the Housing Controller to allow local authorities to give consent to developers for commencement of infrastructure work before approval of Developer's Licence. This would facilitate timely completion of works and would bring benefit to the local areas with good infrastructure in place at an early stage. MLGH is currently reviewing the proposal.



## 1.5 TIMELINE FOR BUMI LOTS CONVERSION

SHAREDADA has written to MLGH with regards to the immediate conversion of Bumi lots into Non-Bumi lots right after OC has been obtained. Judging from the records of Bumi-lots take up rates; it has always been slow. Furthermore, some Bumis are not keen to buy Bumi Lots as it may deprive of their investment opportunities as they can only sell their Bumi-units after issuance of the sub-divided or sub-sidiary titles.



# 2.0 PROPERTY DEVELOPMENT REPORT 2017

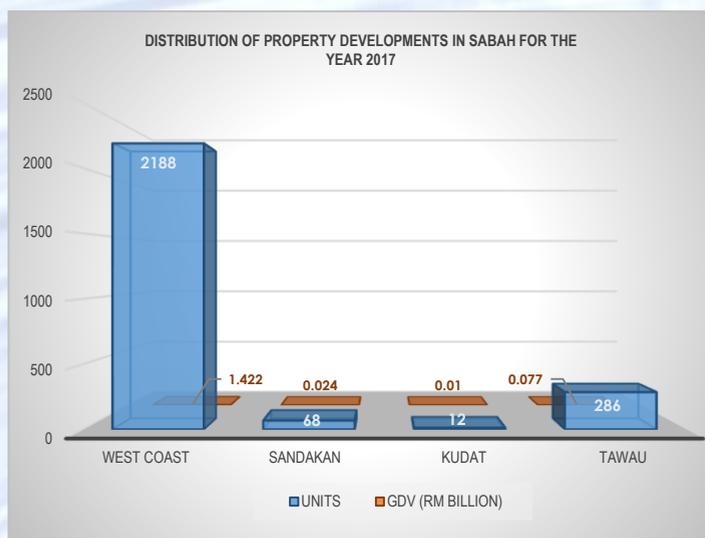


**DISTRIBUTION OF PROPERTY DEVELOPMENTS IN SABAH FOR THE YEAR 2017**

(Table 1)

NO	DIVISION	CONDOMINIUM & APARTMENTS		LANDED RESIDENTIAL		COMMERCIAL		INDUSTRIAL		MIXED DEVELOPMENTS		TOTAL UNITS AND GDV	
		UNITS	GDV (RM)	UNITS	GDV (RM)	UNITS	GDV (RM)	UNITS	GDV (RM)	UNITS	GDV (RM)	UNITS	GDV (RM)
1	WEST COAST	1,048	589 M	586	311 M	233	300 M	27	45 M	294	177 M	2,188	1.422 B
2	SANDAKAN	0	0	68	24 M	0	0	0	0	0	0	68	24 M
3	KUDAT	0	0	0	0	12	10 M	0	0	0	0	12	10 M
4	TAWAU	256	65 M	30	12 M	0	0	0	0	0	0	286	77 M
	<b>TOTAL</b>	<b>1,304</b>	<b>654 M</b>	<b>684</b>	<b>347 M</b>	<b>245</b>	<b>310 M</b>	<b>27</b>	<b>45 M</b>	<b>294</b>	<b>177 M</b>	<b>2,554</b>	<b>1.533 B</b>

As shown in Table 1, West Coast command the property market in 2017 by garnering 2,188 total units with total GDV of 1.422 billion followed by Tawau Division with 286 units with GDV of 77 million. Sandakan Division captured 68 units with total GDV of 24 million while Kudat Division is in the last rank with a GDV of 10 million.



**GROSS DEVELOPMENT PROPERTY VALUE AND UNITS COMPARISON BETWEEN 2016 AND 2017**

(Table 2)

NO	VARIOUS TYPES OF PROPERTIES LAUNCHED IN YEAR 2016			VARIOUS TYPES OF PROPERTIES LAUNCHED IN YEAR 2017			PERCENTAGE (±) GDV
	DEVELOPMENTS	UNITS	GDV (RM)	DEVELOPMENTS	UNITS	GDV (RM)	
1	CONDOS & APARTMENTS	4,861	1,753 M	CONDOS & APARTMENTS	1,304	654 M	-62.7%
2	LANDED RESIDENTIAL	686	338 M	LANDED RESIDENTIAL	684	347 M	+2.7%
3	COMMERCIAL	835	767 M	COMMERCIAL	245	310 M	-59.6%
4	INDUSTRIAL	26	82 M	INDUSTRIAL	27	45 M	-45.1%
5	MIXED DEVELOPMENTS	0	0	MIXED DEVELOPMENTS	294	177 M	+100%
	<b>TOTAL UNITS AND GDV</b>	<b>6,408</b>	<b>2.940 B</b>	<b>TOTAL UNITS AND GDV</b>	<b>2,976</b>	<b>1.533 B</b>	<b>-47.9%</b>

Overall, there is a significant drop in all types of properties except for mixed developments for Elemen Utara KK Phase 3 Tower A with 294 units and a GDV of 177 M. Slightly above from Year 2016 is landed residential with 347 M or approximately 2.7%. A sharp decline on condominium and apartment sector in Sabah as it only register a GDV of 654 M compare to 2016 with 1.753 B. Also dropping is the commercial sector with -59.6% or 310 M in GDV. For industrial sector, the total number of units registered 27 units, on par with 2016 but with a lower GDV of 45 M, almost double the amount dropped.

**WEST COAST DIVISION**  
(Table 3)

Increase and Decrease of GDV in the West Coast Division

NO	VARIOUS TYPES OF PROPERTIES LAUNCHED IN YEAR 2016			VARIOUS TYPES OF PROPERTIES LAUNCHED IN YEAR 2017			PERCENTAGE (±) GDV
	DEVELOPMENTS	UNITS	GDV (RM)	DEVELOPMENTS	UNITS	GDV (RM)	
1	CONDOS & APARTMENTS	4,381	1,540 M	CONDOS & APARTMENTS	1,070	622 M	-59.6%
2	LANDED RESIDENTIAL	344	178 M	LANDED RESIDENTIAL	564	278 M	+56.2%
3	COMMERCIAL	698	641 M	COMMERCIAL	233	300 M	-53.2%
4	INDUSTRIAL	26	82 M	INDUSTRIAL	27	45 M	-45.1%
5	MIXED DEVELOPMENTS	0	0	MIXED DEVELOPMENTS	294	177 M	+100%
TOTAL UNITS AND GDV		5,449	2.441 B	TOTAL UNITS AND GDV	2,188	1.422 B	-41.7%

West Coast division shows a drop on overall performance, with only 1.422 B or -41.7% compare to last year. Nevertheless, both landed residential and mixed developments shows an increase of 56.2% and 100% respectively. The rest of sectors shows a drop by approximately half from Year 2016.

**WEST COAST DIVISION - CONDOMINIUMS AND APARTMENTS**  
(Table 4)

NO	DEVELOPMENT	LOCATION	NO OF STOREYS	PROPERTY TYPE	UNITS	BUA (SF)	PRICE (RM)	RM (PSF)	EST. GDV RM	DATE LAUNCHED
1	SKYVUE RESIDENCE	PENAMPANG	23	LUXURY CONDO	200	1,265 TO 1,590	619,800 TO 1,066,800	605	177 M	21.01.2017
2	TRICONIC TOWER	BUNDUSAN	16	MEDIUM RANGE CONDO	768	1,000 AND 1,200	448,000 TO 573,000	448 TO 478	382 M	25.02.2017
3	80 RESIDENCE	PENAMPANG	5	APARTMENT	80	978 TO 1,200	357,100 TO 475,800	364	30 M	YEAR 2017
9	TOTAL UNITS				1,048			TOTAL GDV	589 M	



**WEST COAST DIVISION - LANDED RESIDENTIAL**  
(Table 5)

NO	DEVELOPMENT	LOCATION	NO OF STOREYS	PROPERTY TYPE	UNITS	BUA (SF)	PRICE (RM)	RM (PSF)	EST. GDV RM	DATE LAUNCHED
1	BUKIT DAMAISARI	MENGGATAL	2	TERRACE	204	1,691	FROM 585,000	346	100 M	04.03.2017
2	TAMAN VILA MUTIARA PHASE 1A & 1B	MENGGATAL	2	TOWNHOUSE	136	1,102 TO 1,399	311,000 TO 595,000	300 TO 400	60 M	16.01.2017
3	TAMAN WAWASAN MAHANDOI (VISION GARDEN)	PENAMPANG	2 TO 3	TRIPLE & DOUBLE STOREY TERRACE	43	FROM 1,435	FROM 572,850	399	30 M	11.02.2017
4	TAMAN PERTAMA, MAHANDOI (PHASE 3)	PENAMPANG	2 TO 3	TRIPLE & DOUBLE STOREY BUNGALOW	67	2,165 TO 2,204	738,000 TO 1.01M	341 TO 457	50 M	May-17
5	TAMAN KAMBAU	PENAMPANG	0	APARTMENT AND DOUBLE STOREY	10	1.175	482,000 TO 758,000	526	6 M	Jul-17
6	TAMAN INDAH RIA PHASE 1 & 2	TUARAN	2	DOUBLE STOREY TERRACE	PHASE 1 - 56	1,305 TO 1,400	298,000 ONWARDS	250.60	17 M	Jul-17
					PHASE 2 - 48	1,640 TO 1,750	330,000 ONWARDS	231.70	15 M	
7	TAMAN FORMOSA PHASE 1E	BUNDUSAN	2	DOUBLE STOREY SEMI-D	22	2,700 TO 3,100	FROM 1.4M ONWARDS	APPROX 600	33 M	02.12.2017
					TOTAL UNITS	586		TOTAL GDV	311 M	



**WEST COAST DIVISION – COMMERCIAL**  
(Table 6)

NO	DEVELOPMENT	LOCATION	NO OF STOREYS	PROPERTY TYPE	UNITS	BUA (SF)	PRICE (RM)	RM (PSF)	EST. GDV RM	DATE LAUNCHED
1	BENONI COMMERCIAL CENTRE PHASE 3	PAPAR	3	COMMERCIAL SHOPLOTS	48	4,660	FROM 1.18M	266	66 M	12.02.2017
2	UNIVERSITY UTAMA SQUARE PHASE 2	TELIPOK	0	SHOP OFFICE	72	1,568 TO 1,723	738,000 TO 935,000	550	70 M	08.06.2017
3	WB PLAZA	TUARAN	3	SHOP OFFICE	85	1,307	FROM 1.4M TO 1.6M	472	124 M	Jul-17
4	PLAZA KIVATU	DONGGONGON		SHOP OFFICE	28	2,275 TO 2,389	FROM 1.2M TO 1.5M	535	40 M	22.04.2017
				TOTAL UNITS	233			TOTAL GDV	300 M	



BENONI COMMERCIAL CENTRE PHASE 3

**NEW LAUNCH!**  
NOW OPEN FOR BOOKING.  
LIMITED UNITS ONLY!

**VISIT US!**  
UUS SHOW UNIT  
Monday - Sunday  
10.00<sup>AM</sup> - 4.00<sup>PM</sup>

Price starts from (inclusive of GST)  
**RM929,000** onwards.

Availability of 1 year  
High speed optic  
High internet access  
by WTT to  
all shop owners.

24 Hours  
Smart  
Surveillance.

Supporting commercial area to UUSC  
which consists of 5420 units, other  
commercial such as Lanchang Kaku,  
Sitiung & KKIP Industrial areas.  
Population estimated to  
be more than 30,000.

LANDMARK:  
• North Borneo  
• North West Borneo  
• North East Borneo  
• North South Borneo  
• North West Borneo  
• North East Borneo  
• North South Borneo

UUS2 UNIT LOCATION MAP

UNIVERSITY UTAMA SQUARE PHASE 2



PLAZA KIVATU



WB PLAZA

WEST COAST DIVISION – INDUSTRIAL (Table 7)										
NO	DEVELOPMENT	LOCATION	NO OF STOREYS	PROPERTY TYPE	UNITS	BUA (SF)	PRICE (RM)	RM (PSF)	EST. GDV RM	DATE LAUNCHED
1	BDC INDUSTRIAL CENTRE	PUTATAN	0	WAREHOUSE	27	2,364.7 TO 3,174.5	1.4M TO 2.2M	NA	45 M	16.05.2017
				TOTAL UNITS	27			TOTAL GDV	45 M	



BDC INDUSTRIAL CENTRE

WEST COAST DIVISION - MIXED DEVELOPMENT (Table 8)										
NO	DEVELOPMENT	LOCATION	NO OF STOREYS	PROPERTY TYPE	UNITS	BUA (SF)	PRICE (RM)	RM (PSF)	EST. GDV RM	DATE LAUNCHED
1	ELEMEN UTARA KK PHASE 3 TOWER A	MENGGATAL	2	APARTMENT AND 2-STOREY SHOP	294	1,055 TO 1,636	423,030 TO 720,212	463	177 M	28.09.2017
				TOTAL UNITS	294			TOTAL GDV	177 M	



ELEMEN UTARA KK PHASE 3 TOWER A

SANDAKAN DIVISION (Table 9)							
Increase and Decrease of GDV in Sandakan							
NO	VARIOUS TYPES OF PROPERTIES LAUNCHED IN YEAR 2016			VARIOUS TYPES OF PROPERTIES LAUNCHED IN YEAR 2017			PERCENTAGE (±) GDV
	DEVELOPMENTS	UNITS	GDV (RM)	DEVELOPMENTS	UNITS	GDV (RM)	
1	CONDOS & APARTMENTS	480	213 M	CONDOS & APARTMENTS	0	0	-100%
2	LANDED RESIDENTIAL	124	51 M	LANDED RESIDENTIAL	68	24 M	-52.9%
TOTAL UNITS AND GDV		604	264 M	TOTAL UNITS AND GDV	68	24 M	-90.9%

Sandakan Division only recorded 24 M from landed residential sector, a far cry from last year's performance of 264 M

SANDAKAN DIVISION – LANDED RESIDENTIAL (Table 10)										
NO	DEVELOPMENT	LOCATION	NO OF STOREYS	PROPERTY TYPE	UNITS	BUA (SF)	PRICE (RM)	RM (PSF)	EST. GDV RM	DATE LAUNCHED
1	TAMAN JATI 2	SANDAKAN	2	DOUBLE STOREY TERRACE	68	1,156 TO 1,224	316,350 TO 398,000	288	24 M	29.07.2017
TOTAL UNITS					68			TOTAL GDV	24 M	



**KUDAT DIVISION – COMMERCIAL**

(Table 11)

NO	DEVELOPMENT	LOCATION	NO OF STOREYS	PROPERTY TYPE	UNITS	BUA (SF)	PRICE (RM)	RM (PSF)	EST. GDV RM	DATE LAUNCHED
1	KUDAT SHOPLOTS	KUDAT	3	SHOP OFFICE	12	2,250	748,888 TO 798,000	332.80	10 M	Mar-17
				TOTAL UNITS	12			TOTAL GDV	10 M	

**TAWAU DIVISION**

(Table 12)

**Increase and Decrease of GDV in Tawau**

NO	VARIOUS TYPES OF PROPERTIES LAUNCHED IN YEAR 2016			VARIOUS TYPES OF PROPERTIES LAUNCHED IN YEAR 2017			PERCENTAGE (±) GDV
	DEVELOPMENTS	UNITS	GDV (RM)	DEVELOPMENTS	UNITS	GDV (RM)	
1	LANDED RESIDENTIAL	164	96 M	LANDED RESIDENTIAL	286	77 M	-19.8%
TOTAL UNITS AND GDV		164	RM 96 M	TOTAL UNITS AND GDV	286	RM 77 M	-19.8%

Only landed residential development registered a GDV of 77 M, as the other sectors did not experience any launches.

**TAWAU DIVISION - CONDOMINIUMS AND APARTMENTS**

(Table 13)

NO	DEVELOPMENT	LOCATION	NO OF STOREYS	PROPERTY TYPE	UNITS	BUA (SF)	PRICE (RM)	RM (PSF)	EST. GDV RM	DATE LAUNCHED
1	SOUTHVILLE APARTMENTS (BSI)	TAWAU	4	APARTMENT	256	850 AND 898	FROM 245,450	288	65 M	23.05.2017
2	TAMAN JAYA MAKMUR PHASE 1	TAWAU	2	DOUBLE STOREY AND SEMI-D	30	1,653 TO 3,688	448,000 TO 938,000	311 TO 386	12 M	15.05.2017
				TOTAL UNITS	286			TOTAL GDV	77 M	



SOUTHVILLE APARTMENTS (BSI)

# 3.0 PROPERTY DEVELOPMENT OUTLOOK 2018

By MR. CHEW SANG HAI  
SHAREDA President (2017 - 2019)

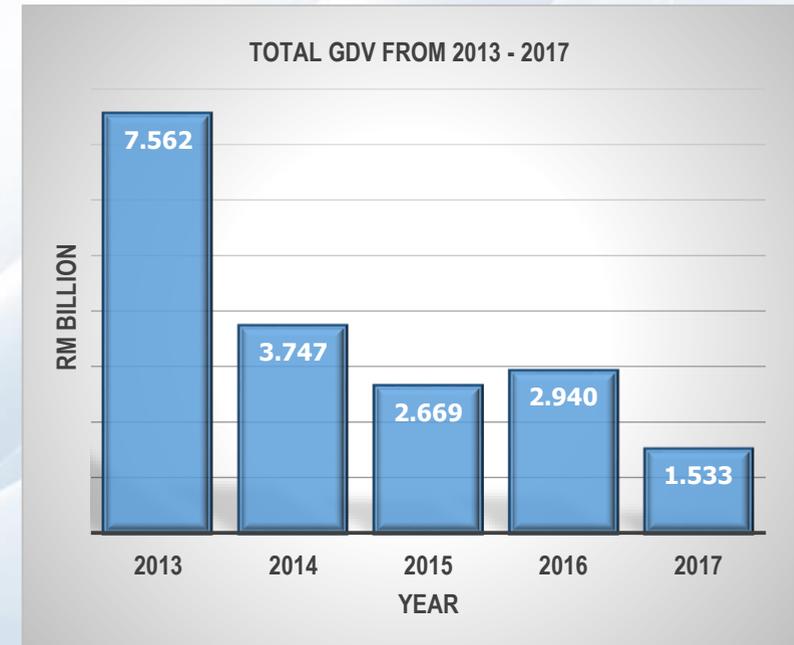


## BACKGROUND

The year 2017 is another challenging year for the property development industry as it continues from the year 2014. Refer to NAPIC report 2017, the growth volume and value of transactions were in SINGLE DIGIT. In other words, the value is in STAGNANT APPRECIATION. With launches amounting to RM1,500 million in 2017 and it has marked to be the lowest value of new project launching as compared to the record of RM 2,9653 M in 2016. It is noted the 80% of the launches was of affordable range at a price below RM 400K which indicate property developers are sensitive to the market condition.

There are several daunting factors contributing to the said low value of project launches:

- 1) Strict approval criteria imposed by financial institution which led to the decrease of effective demand in the market;
- 2) The uptrend price of commodity in the world market and our high growth of national GDP 2017 does not contribute to higher sales of property market could be due to following factors:
  - a) Lower foreign exchange value of RM and rationalised subsidies scheme had led to higher inflation and increase the cost of living and cause many Malaysian to withhold their investment on homeownership.
  - b) Lack of catalysis and uncertainties created from the coming general election is another factor for the stagnant market.
  - c) High financial commitment amongst the Gen Y Malaysians in particularly on car mortgage and other household debts which include the outstanding PTPTN loan repayment, which also resulted Gen Y Malaysians to be discouraged to invest in homeownership.



The above factors have caused many developers to put on hold on their new projects launches. This phenomena is also prominent in the East Coast of Sabah where the market share of 20% in 2014 was reduced to 15% in 2015 and 2016 to 10%, in particular property launched in Sandakan recorded only ONE project during the year 2017.

It is expected that the market for 2018 would remain stagnant and anticipate to recover in second half of 2018 due to the following factors.

The world's highest petroleum price is at US\$55/= per barrel and palm oil at RM 2700 per tonne.

With the recent Budget 2018 announcement, it is expected that the Federal Government would pump in more infrastructure fund into Sabah, higher GDP growth and also more Tax Incentive and other subsidies to B40 & M40 would encourage healthier market sentiment.

Beside that we would also welcome more Government innovative policy such as the step-up financing scheme and other measures to boost the effective demand for affordable property.



Also, on the retail commercial and shopping mall, and luxury property development aspect, we are expecting to see a reduction of launches in the market due to stringent Banking Financing Policy.

Another encouraging factor is the Ringgit Malaysia is further strengthened in the first quarter of 2018 and has appreciated below RM4 – US\$1.

Most importantly is the 14<sup>TH</sup> GENERAL ELECTION that would be held no later than the first half of the year of 2018 would restore the various uncertainties and secure the positive market confidence and sentiment in the second half of the year.

# THE BORNEO POST

THE LARGEST ENGLISH DAILY IN BORNEO

Tuesday, May 16, 2017

## More affordable housing seen

By Shaina R.

**KOTA KINABALU:** A 16-year wait for the transformation of Sabah Electricity Sdn Bhd's (SESB) capital contribution calculation into the April 1 implemented consumer connection charge (CCC) this year, could lead to the development of more affordable housing in Sabah.

Sabah Housing and Real Estate Developers Association (SHAREDA) president Chew Sang Hai said the long-awaited revised CCC would make the former estimation of property development costs a thing of the past as it is now based on a fixed and transparent rate that will not only make the process easier and save time for developers, but also minimize errors in the cost calculation for projects. This would present much higher savings as compared to the previous calculation formulae by 30% to 40%.

Chew stressed that, although the new CCC would not have a high impact on higher end developments, it would encourage developers to venture into the riskier affordable housing development.

He explained this was because the older CCC method would result in higher cost calculation numbers against the low affordable housing project price tag.

"Firstly, I want to say that the house price is determined by the market and supply. Secondly, any reduction of the CCC will definitely be very helpful to the property development of affordable housing.

"It will definitely encourage to property developers to venture to this affordable property venture. As the developers, we like the rate to be transparent and easy to calculate. In this case it will reduce the risk of property development," stated the SHAREDA president after a talk with SESB titled 'SESB Latest Transparent and Fixed Rate CCC' yesterday.

"You will encourage developers to develop more affordable property because we know our costs better," said Chew.

SHAREDA deputy president Datuk Sr Chua Soon Ping clarified that developers have to play the guessing game using the older CCC method in the past and face high risk uncertainties that would lead to project abandonment.

"You were actually doing guess work. At the end of the third year when you complete 36 months, it may be a bit late to know the (real) costs. With this new introduction of fixed rates, before you embark on affordable house or any development, you already know your cost, so the risk factor is actually much lower," he explained.

"On the specific apartment like affordable housing it is very significant. It can even lead to the abandonment of housing projects. A risk discouraging property developers in the first place," he added.

Earlier on during the ceremony, Chew noted the new CCC presented a transparent calculation formulae for all developers to adopt in their utility



Chew

costing calculation.

He said the revised formulae is congruent with the market rate as compared to the previous calculation and omitted the development charge and zone charge.

On top of that, the new CCC has formulated a fixed rate for dedicated and shared asset.

SESB (Asset Management) senior general manager Ir Mohd Yaakob Jaafar disclosed that the CCC charges are incurred on developers for the provision of infrastructure such as electrical cables and electrical substitution to a new area as stipulated in the Electricity Supply Act 1990.

"The revised rate of charge on consumer contribution (CCC) will certainly have a positive impact on all parties, particularly to industry players and help boost the construction sector throughout the State of Sabah and the Federal Territory of Labuan.

"We hope with the more transparent and easier method, we can have a more harmonized environment for SESB and SHAREDA to together develop Sabah," he added.

In order to increase the effectiveness of this new CCC formulae, Chew had made a proposal for improvements to SESB.

He suggested for a turnkey development contractor to be included as an alternative contractor at a competitive rate as they have a stronger bargaining power to negotiate with the Public Works Department on wayleave application.

Chew also asked SESB to furnish the affected developers with a confirmation letter with regards to the delay of electricity supply to the project site (if necessary) for the developers' EOT (extension of time) application with the state Local Government and Housing Ministry.

The SHAREDA president also requested for a provision of further rebate on the CCC by way of deduction on contributions in the event of increase of electricity tariff.

More than 150 developers, their representatives and consultants attended the talk at the SESB premises.

SHAREDA vice president 1 Chai Meng Kong, SESB Utility Tariff and Economics chief Ir Magdalene Chu, SESB chief engineer Ir Retty Felicia Simok and SESB (Corporate Communication) general manager Chendramata Sinteh were also present.

### THE BORNEO POST

Thursday September 14, 2017 A16

## Survey: Malaysians want lower interest rate for housing loans

**KUALALUMPUR:** More Malaysians are now experiencing less difficulty in obtaining housing loans, but many still remain dissatisfied, citing the high interest rate which should be lowered given the present economic challenges.

According to PropertyGuru Malaysia's recent Consumer Sentiment Survey, 46 per cent of respondents said the interest rates were too high compared to just 31 per cent who felt it was acceptable.

"While more loans are being approved, especially due to more joint applications, many consumers are declining on account of the margin obtained and monthly instalments to be paid.

"Banks are now approving more applications, but, at times, the package offered is not attractive to consumers," PropertyGuru Malaysia Country manager, Sheldon Fernandez said in a statement yesterday.

According to PropertyGuru data, a whopping 91 per cent of respondents stated they would need a bank loan to secure a home, of which, 45 per cent would opt for 90 per cent financing and 25 per cent going for 70 to 80 per cent.

Another 18 per cent would choose 100 per cent financing.

The latest results coincide with findings that the Malaysian property market has reached a more stable position with gradual, but sustainable price appreciation, compared to the steep rise in the past two to three years.

Given this scenario, Fernandez said Malaysians continue to face challenges in pursuit of home ownership even though they were willing to transact.

Obstacles still remained for purchasers, especially for first time home buyers, who were left with insufficient funds after paying their monthly instalments or meeting



Sheldon Fernandez

upfront costs such as stamp duties, legal fees, and moving costs, he added.

Fernandez said a solution to offer to the first-time home owners was a special interest rate if they bought affordable properties within a specific price range in transit oriented developments.

About 43 per cent of Malaysians mentioned they have used their Employees Provident Fund (EPF) savings to purchase property, either as part of the initial down-payment or to offset their principal home loan amount, a five per cent increase in the sentiment this year compared to 38 per cent in the second half of 2016.

"Generally speaking, dipping into one's retirement savings to buy a property is a sign of unaffordability in the market. It could also mean that consumers are prioritising home ownership over their retirement years.

"Others may feel that returns from EPF were not that attractive, hence, the money was better invested into a home that would generate capital appreciation and also provide a roof over their heads," said Fernandez. —Bernama

THE LARGEST ENGLISH DAILY IN BORNEO

# THE BORNEO POST

Friday, May 19, 2017

## New step to hasten strata titles

**KOTA KINABALU:** Proposed developments involving the conversion of land use or conversion of land title will be required to obtain approval for conversion before the development plan (DP) can be approved under a new circular that will take effect from June 1, said Special Tasks Minister Datuk Teo Chee Kang.

Teo, who chairs the Steering Committee for the Review of Subsidiary Title and Management Corporation, said that when the new measure is implemented the government has set a target to issue strata titles within a year after the Occupancy Certificate (OC) has been obtained.

He said the steering committee, which he has chaired since early last year, was tasked with looking into ways to expedite the issuance of strata titles to the purchasers; expediting the planning permission process including the approval of DP; and simplifying and accelerating the process of application for change of land use and conversion of titles.

"Our work is divided into two stages. First, we are looking for a quick fix solution, which are measures that can be taken by administrative decisions without amending the existing law.

"In the second phase, we will be looking into the amendment of laws in relation to strata title and management corporation," said Teo.

The steering committee has completed its first phase of work, he disclosed, and the report has been tabled and approved by the State Cabinet on Wednesday. A circular will be issued to all local authorities and relevant



Teo

government departments, he added.

Teo said the circular seeks to deal with several issues which were found to be the causes of delay in the issuance of strata titles.

These reasons include failure on the part of landowners to convert the land title conditions to correspond with the use described in the approved DP; delay of the conversion of land title conditions; construction and completion of development projects without conversion of land use resulting in delay in issuance; the lengthy process for obtaining approval for DP; and delay in the final survey work for purpose of title preparation.

Under the new circular, Teo said proposed developments involving the conversion of land use or conversion of title, from Native Title (NT) to Country Lease (CL) for example, must obtain approval for conversion before the DP can be approved.

Turn to Page 2

## Committee engages all stakeholders

From front page

"Until now, we still do not have an approved scheme under the Town and Country Planning Ordinance.

"Without the approved scheme, any development must obtain approval from the Central Board, pursuant to Section 15 of the ordinance.

"Although we do not have an approved scheme, we have a draft scheme," he said.

Teo added that the new circular will require the landowner or developer to apply for an interim development approval from the Central Board if the proposed development is not in line with the zoning as per the draft scheme.

"For the purpose of applying for the interim development approval, the landowner or developer is not required to submit a full DP, only a conceptual plan and planning brief stating the nature of the development, such as residential or commercial project, density and so on.

"With the interim development approval obtained from the Central Board, the owner or developer can then apply for conversion of land use or conversion of title, if the proposed development involves such conversion," he said.

Once the conversion of land use or title is approved, the local authority or Kota Kinabalu City Hall (DBKK) will be able to process the DP and grant approval without referring back to the Central Board, Teo explained.

"In the event that the proposed development actually complies with zoning as per the draft scheme, whenever it involves the conversion of land use, the owner can then head straight to the Lands and Surveys Department

to apply for conversion of the land use or conversion of title without having to obtain the interim development approval from the Central Board," he said.

Teo said the committee has engaged all relevant stakeholders in numerous meetings, such as the Central Board, Town and Country Planning Department, Sabah Housing and Real Estate Developers Association (Shareda) and Housing Controller before arriving at the measures and recommendations.

He said, previously, the landowner or developer could only apply for conversion of land title or conversion of land use after the DP has been approved.

This measure will prevent developers from selling their properties upon the DP approval, but later cannot obtain approval for conversion of land use or title, Teo noted.

He said the new circular will also prevent subdivision issues for development projects carried out in phases and involving CL and NT titles, as the titles need to be amalgamated and subdivided.

"If the developer is unable to obtain approval for the conversion of titles for the second or third phase of the development, the subdivision of titles for the whole project will be stuck.

"That is why we require conversion approval before DP approval," Teo said.

Aside from that, he reiterated that the role of the Central Board is more on overseeing compliance on policy and zoning, and according to the Town and Country Planning Ordinance, the local authority shall be the authority to grant approval for DPs rather than the Central Board.

# Daily Express

INDEPENDENT NATIONAL NEWSPAPER OF EAST MALAYSIA

Tuesday, May 16, 2017

## SESB boost for affordable homes

**Jason Santos**  
KOTA KINABALU: A fixed rate has been imposed by Sabah Electricity Sdn Bhd (SESB) from April 1 to assist developers make straightforward calculations on Capital Contribution Charges.

Capital Contribution, now known as Consumer Connection Charge (CCC), which are charged to developers to allow power supply into their projects, has been largely based on variable estimations and calculation over the last 16 years.

It has been the source of bane for members of the Sabah Housing and Real Estate Developers Association (Shareda) and certain politicians, claiming it indirectly ramped-up the prices of homes sold by developers.

Under the new rate, development and zone charges had been omitted and replaced by a fixed rate calculation mechanism.

SESB Senior General Manager (Assets Management) Mohd Yaakob Jaafar said fixed rates have been set on every phase of installation including length of cables needed for projects.

The revision of the CCC is now far more transparent, he said. "We have already decided to give a fixed rate but there is a limit for

a standard typical development project." Shareda President Chew Shuang Hai welcomed the new calculation, saying any form of reduction in the CCC would be very helpful in development, especially in the affordable home segment.

"We would be able to see a big difference in the affordable home range... with the new methodology we would be able to exactly calculate our risk and shorten the calculation time," he said.

He said the fixed rate would be able to save developers around 30 to 40 per cent more than the previous calculation.

In a related development, Chew proposed to SESB that a turnkey contractor should be included as an alternative contractor to provide a competitive rate, saying such move would provide more bargaining power to negotiate with Public Works Department on wayleave application.

He also called on the utility firm to provide a confirmation letter with regards to delay in electricity supply to project site to allow developers more ground to apply for Extension of Time with the Local Government and Housing Ministry. "In order to increase the effectiveness of this new CCC formula, I would also like to propose further rebates by way of deduction on contributions in the event of increase of electricity tariff," he said.

### dailyexpress

SUNDAY, AUGUST 13, 2017

## Call to allow AirBnB deals

**David Thien**  
KOTA KINABALU: Widebed Sdn Bhd founder and CEO, Ivan Chong (pic), said AirBnB deals that help investment property owners avert foreclosure actions should be allowed for humanity sake when long-term tenants are hard to find.



"The facts show that there are two million worldwide owners listing on AirBnB," he said, and estimated that in Malaysia there are more than 15,000 with 4,308 as of September last year in Kuala Lumpur.

He was delivering his paper "The State of Art on Booming Short Term Rental Properties" at the Shareda CEO Roundtable Conference on Thursday.

Chong, a Sabahan now based in Kuala Lumpur, said AirBnB deals can earn more rental income for property owners than long-term tenancy as research has shown.

"The facts show that potential additional revenue from short-term rental can be as high as 54 per cent more for studio apartments, 36 per cent for 1-bedroom, 84 per cent for 2-bedroom, 67 per cent for 3-bedroom and 31 per cent for 4-bedroom apartments or condominiums in key tourism areas."

He said Widebed, his holiday accom-

modation booking and management company, is poised to gain from "the upcoming booming hospitality industry."

This trend, he explained, is based on culture plus tourism and property.

"People seek homely experience where they partake in the local culture rather than just a hotel experience."

Chong said: "Do you know how much vacation rental management companies in the United States and China are gaining in business turnover?"

According to him, China's Tujia has a \$1 billion market as mainland Chinese love to book through its platform, while in the Americas, Evolve and Vacasa garner \$425 million and \$266 million deals respectively.

Chong highlighted that Free Independent Travellers (FIT) comprised 58.7 per cent of tourists in Malaysia with first time visitors at 88.9 per cent and repeat visitors at 11.0 per cent.

The younger generation of age 21 to 30 years old forms the bulk of the visitors at 36.9 per cent, while those from 31 to 40 years old comprise 25.1 per cent, and 41 to 50 age group makes up 14.6 per cent.

Hence design and homely experience are important for these travellers, rather than the hotel experience, and therefore property owners need to provide for these groups rather than their own preference in design and furnishing for short term vacation home renters.

### COMMENT & ANALYSIS

dailyexpress  
YOUR LOCAL VOICE | SUNDAY, OCTOBER 15, 2017

17

## Adopt guidelines for earthquake resistant buildings

**Datuk Seri Panglima Wilfred Madius Tangau**

It was devastating yet not too surprising to learn of the two powerful earthquakes that struck Mexico in only two weeks last month. The first occurred on 8th September with a magnitude of 8.1 and the second on 19th of a 7.7-magnitude. After the first quake, the worst-hit states of Tabasco, Oaxaca and Chiapas were left in rubble; more than a million faced power cuts and many families were displaced from their homes. But the death tolls from both quakes - at 65 and 370 respectively according to latest statistics - were much lower than the 1985 earthquake that was said to have taken the lives of almost 10,000 people.

Since the massively deadly earthquake that happened 32 years ago, the Mexican authorities have tightened building codes and intensify earthquake drills. Mexico may not be as distant as we perceive. Both Malaysia and Mexico sit on the Pacific Ring of Fire, a horseshoe-shaped string of at least 450 active and dormant volcanoes dominating the Pacific Ocean and bounding a number of sea plates including the Philippine. As many as 90 per cent of earthquakes have been reported to strike within this Ring.

Earthquake hazards are considered low in Malaysia, except for Sabah where the level is deemed to be moderate. Sabah is relatively prone to seismic (earthquake related) activities. It is situated on the south-eastern Eurasian Plate, bordered by the Philippine Plate and the Pacific Plate.

It has experienced low to moderate seismic activities due to the interaction of these main tectonic plates and several active fault lines. Between 1960 and 2016, 182 earthquakes with moment magnitude ranging from 2.0 to 6.0 have been recorded.

The 2015 Ranau earthquake that registered 6.0 on the Richter scale and killed 18 was the highest ever recorded in the country and a strong warning bell for Sabah to implement seismic design for its structures as soon as possible.

Mostly through the Department of Standards Malaysia or Standards Malaysia, has been developing a Malaysian Standards (MS) on earthquake. We published the draft of MS EN 934:2017 - Eurocode 8: Design of structures for earthquake resistance - Part 2: General rules. Seismic Actions and Rules for Building in 2015. Since then several consultation forums were held with stakeholders and the public for feedback.

Last November Mosti co-organised a roundtable meeting with the Sabah local government, the Sabah State University, Teknologi Malaysia and Prof. Felix Jongkul of Universiti Malaysia Sabah.

These maps, endorsed by Jabatan Mineral dan Geosains Malaysia in September, indicate region-specific PGA values drawn from ex-ante seismicity data and serve as a safety guide for construction activities.

There has been excellent progress in developing the MS. Last Monday the Sabah Ministry of Local Government and Housing (KKT) permanent secretary Datuk King Yungus and director-general of Standards Malaysia Datuk Fadiah Baharin, witnessed by KKT Minister Datuk Hajji Nor mysal.

Since then, experts have reconvened and finally agreed that the PGA values should be site-specific. To come up with these PGA values a seismic hazard map for Malaysia was drawn up by local experts, headed by Prof. Aslan Adnan of Institut Teknologi Malaysia and Prof. Felix Jongkul of Universiti Malaysia Sabah.

These maps, endorsed by Jabatan Mineral dan Geosains Malaysia in September, indicate region-specific PGA values drawn from ex-ante seismicity data and serve as a safety guide for construction activities.

There has been excellent progress in developing the MS. Last Monday the Sabah Ministry of Local Government and Housing (KKT) permanent secretary Datuk King Yungus and director-general of Standards Malaysia Datuk Fadiah Baharin, witnessed by KKT Minister Datuk Hajji Nor mysal.

Since then, experts have reconvened and finally agreed that the PGA values should be site-specific. To come up with these PGA values a seismic hazard map for Malaysia was drawn up by local experts, headed by Prof. Aslan Adnan of Institut Teknologi Malaysia and Prof. Felix Jongkul of Universiti Malaysia Sabah.

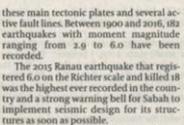
These maps, endorsed by Jabatan Mineral dan Geosains Malaysia in September, indicate region-specific PGA values drawn from ex-ante seismicity data and serve as a safety guide for construction activities.

There has been excellent progress in developing the MS. Last Monday the Sabah Ministry of Local Government and Housing (KKT) permanent secretary Datuk King Yungus and director-general of Standards Malaysia Datuk Fadiah Baharin, witnessed by KKT Minister Datuk Hajji Nor mysal.

Since then, experts have reconvened and finally agreed that the PGA values should be site-specific. To come up with these PGA values a seismic hazard map for Malaysia was drawn up by local experts, headed by Prof. Aslan Adnan of Institut Teknologi Malaysia and Prof. Felix Jongkul of Universiti Malaysia Sabah.

These maps, endorsed by Jabatan Mineral dan Geosains Malaysia in September, indicate region-specific PGA values drawn from ex-ante seismicity data and serve as a safety guide for construction activities.

There has been excellent progress in developing the MS. Last Monday the Sabah Ministry of Local Government and Housing (KKT) permanent secretary Datuk King Yungus and director-general of Standards Malaysia Datuk Fadiah Baharin, witnessed by KKT Minister Datuk Hajji Nor mysal.



At the MOU signing by the Sabah Ministry of Local Government and Housing (KKT) permanent secretary Datuk King Yungus and director-general of Standards Malaysia Datuk Fadiah Baharin, witnessed by KKT Minister Datuk Hajji Nor mysal.



Datuk King Yungus, permanent secretary of Sabah Ministry of Local Government and Housing (KKT).



Datuk Fadiah Baharin, director-general of Standards Malaysia.



Datuk Hajji Nor mysal, Minister of Sabah Ministry of Local Government and Housing (KKT).

parts recommended that the next steps would be to upgrade and increase earthquake engineering laboratories, seismic data centres and to invest in advanced remote-sensing technologies that could monitor minute ground movements.

Apart from equipment we also lack expertise in the earthquake-related fields. In the development of this MS for example, is a collective effort of multidisciplinary scientists such as geologists, engineering geologists, seismologists, earthquake engineers and structural engineers. There is an urgent need for data analysts for advanced research and even data scientists, who are able to interpret the data and turn them into something useful.

Closer to home, we have much to learn in disaster risk reduction and management from our neighbour the Philippines, which is part of the Pacific Ring of Fire and has been experiencing earthquakes far more often besides the enforcement of building and construction regulations, we are not quite ready for an earthquake, geologically and mentally.

Finally, it is important to note that building codes such as this MS can only help increase a structure's resistance to earthquake and does not completely guarantee our safety. Thus we need to educate ourselves about earthquake mitigation measures and attend earthquake drills if they take place near you.

It is rather interesting to know that despite the advancement mankind claim to have in science and technology, till to date it is still impossible to accurately and effectively predict when an earthquake will strike. Some quake victims have even recorded deadly earthquake incidents to the destruction of Sodom and Gomorrah. Mankind would be humbled again in such tragedies and be reminded that science and technology do have their limitations.

### 4 | Local

YOUR LOCAL VOICE | FRIDAY, MAY 5, 2017

## Faster DBKK approval for DP with PEP

**David Thien**  
KOTA KINABALU: Local and foreign developers and investors are discouraged by delay costs of getting approval permission for their building project development plans (DPs).

Starting this, Mayor Datuk Yeo Boon Hai said there is a need to optimally develop the city in a sustainable manner. It is essential for all infrastructure key elements or components required in "development proposal to be identified and properly planned from the initial development and planning stage.

As with the DBKK HillsSide Development Guidelines endorsed by the State Government in 2015, Yeo said he wants to simplify PEP approval processes during his watch.

"Quite often, some of the key elements, in particular the engineering aspects, are missing or left out. This is where a Preliminary Engineering Plan (PEP) is needed and we strongly believe that it is crucial for all of us, especially the professionals, to encompass comprehensive sustainable practices in our thinking and planning process."

Yeo said he wanted to make the PEP to expedite the DP submission for approval process to improve the points (to be reduced from 173) accorded to DBKK by the Malaysia Productivity Corporation (MPC).

MPC will hold a workshop on May 11 and 12 with regard to this issue of how to minimise red tape, among others.

To prepare for the event, the Mayor led architects, engineers and others to a PEP Briefing and Awareness Talk on Thursday.

He said the Kota Kinabalu Local Plan has not been gazetted yet and reference to the Central Board continues for some DP cases.

Yeo was hearkened to see a hundred members of the Sabah Chapters of the Persatuan Akitek Malaysia (PAM), the Association of Consulting Engineers Malaysia (ACEM) and the Institution of

Engineers Malaysia attend the event with key speakers from DBKK, the Drainage and Irrigation Department and Water Department.

Due to work meeting, the Lands and Survey representative could not grace the occasion. Hasil Bumi is another project development plan processing gratification bottleneck for some developers and investors.

"By looking at today's crowd, I can feel your enthusiasm and support," Yeo said in his address, adding that with assistance from the MPC and supported by the Federal Ministry of Urban Wellbeing, Housing and Local Government, DBKK has been chosen together with four other local governments in Malaysia to implement the programme - 1 State DCP Champion (DCP - Dealing with Construction Permit) with the objective to review and improve the current development plan, building plan and Development Certificate procedures.

He said the purpose of the PEP is, basically, to facilitate the approval process when the developers submit their development proposals, where the preliminary engineering inputs are precisely in place.

"With this approach, the civil and structural engineer, mechanical and electrical engineer, and even quantity surveyors are all appointed at the early stage of the project and have given their inputs on the subject development."

Yeo called on the attending professionals to help and actively assist him in realising improvements for DBKK, and to make him a better administrator of the city. He was courageous to accept that the buck stops with him.

"The Government has always emphasised on the importance of best management practices in the civil service."

"With our mission to spearhead Kota Kinabalu City into a better, faster, efficient and prudent management for the wellbeing of the city's citizens, we in DBKK are also very concerned with the

effectiveness of our service delivery where one of it is processing plan submissions for development permits.

He said DBKK adopted the MS ISO 9001 certification since 2008 where the standard operating procedures for plan processing, including DP or DP submission process and a few engineering plan submission processes, were established which contributed to shorter processing period.

"Nevertheless, all these procedures are by no means exhaustive and will be updated and improved from time to time to reflect the changing needs or to suit any latest requirements including the need to incorporate the PEP.

According to Yeo, comprehensive drainage system, in-depth traffic impact management, sufficient water and power supply, better solid waste management, besides others, are all important issues or main components of infrastructure that must be envisaged and properly considered right from the inception stage.

"Conceptual planning of all these would be incorporated in the PEP which shall be read together with the DP."

The Mayor said that in considering any development projects, DBKK has to seriously take into account the public interest especially with respect to safety, pollution and environmental aspects to avoid any discomfort in their vicinities.

"DBKK always welcomes any new ideas and innovations in development proposals that will help to protect the environment," Yeo promised.

DBKK Director-General Datuk Joannes Solidau closed the event, emphasising that the One Stop Centre proposed by project professionals for DBKK's leadership role instead of just being a messenger conduit to other approving departments for DP, need the support and commitments of all and other approving authority departments.

New Sabah Times 2 Sunday April 9, 2017

## BNM: Sabah, Sarawak to account for 50% of affordable housing shortage by 2020

KOTA KINABALU: Bank Negara Malaysia (BNM) expects affordable housing shortage to exceed 50 per cent of the total housing stock by 2020, with Sarawak and Sabah accounting for 50 per cent of the total.

In its 2016 Annual Report, BNM noted that the issue of affordable housing matters the supply-demand imbalance, which worsened in Malaysia in 2012 to 2014. It added that the slower increase in household incomes (12.4 per cent) relative to the hike in home prices (17.6 per cent) exacerbated the supply shortfall.

And, despite the efforts by the federal and state governments through various programmes, the housing market still failed to provide sufficient supply of affordable homes for lower and mid-income households.

In fact, the problem is prevalent in all states, with Sarawak and Sabah making up half of the total shortage of affordable homes in Malaysia, which totalled 900,000 in 2014. Since the stock of affordable housing is not readily available, the report revealed that the estimation is based on the assumption that households can only acquire properties they can afford.

It defined affordable housing as those priced between RM248,000 and RM261,000 in 2014.

According to the report, affordability crisis persisted even as banks continued to offer financing for housing purchases. With this, the share of affordable housing transaction is made at the mercy for the share of affordable homes within the market.

The shortage of affordable homes is determined by subtracting the stock of affordable housing from the number of low and mid-income households.

The demand for affordable housing supported the expansion by banks in end-financing for residential property acquisition. By end-2016, houses priced below RM250,000 accounted for 56 per cent of outstanding loans, while 25 per cent is covered by loans priced from RM250,000 to RM300,000. Repayment rates for housing loans also dropped to 22.6 per cent last year.

With this, the report suggested four proactive measures - forming a central repository to monitor and manage supply and demand, raising supply and lowering the price of affordable homes, diversifying financing sources via innovative financing schemes, and developing a thriving rental housing market by enforcing tenancy protection to make rental a viable option and not a last resort.

Various government and private entities in Sabah are unable to address affordable housing issues.

Members of the Sabah Housing and Real Estate Developers association (SHAREDA) have, since 2013, been implementing affordable housing projects which are expected to be completed by 2018. The association had up to 2013 completed 12,000 units of houses costing below RM250,000.

Parasuraman Perumathurai Malaysia Berhad (Pm) and Jabatan Perumahan Negara are among others who have affordable housing projects in various districts in Sabah.

dailyexpress

YOUR LOCAL VOICE | FRIDAY, AUGUST 16, 2017



Yeo (left) receiving a memento from ACEM Sabah head Amirul Hisham.

## AI a threat to realtors

**David Thien**  
KOTA KINABALU: Artificial Intelligence (AI) is increasingly being used in the real estate industry, and this could pose a threat to realtors, according to a report by a research firm.

Artificial intelligence (AI) is increasingly being used in the real estate industry, and this could pose a threat to realtors, according to a report by a research firm.

The report, titled 'AI in Real Estate: A Threat to Realtors?', was published by a research firm. It highlights how AI-powered tools are being used to analyze market trends, predict property values, and automate customer service.

AI-powered tools are being used to analyze market trends, predict property values, and automate customer service. This could lead to a decrease in the number of realtors needed to facilitate transactions.

Realtors who do not embrace AI technology risk being outperformed by their competitors. The report suggests that realtors should focus on providing personalized service and expertise that AI cannot replicate.

Realtors should focus on providing personalized service and expertise that AI cannot replicate. This includes understanding local market nuances and building strong relationships with clients.



# LAND DEVELOPMENT PROCEDURES 2017



By AR. RONNIE ANG  
SHAREDA Secretary-General ( 2017 - 2019)

The new flow chart to speed up the approval of Development Plans (DP) and other related matters has been introduced in a circular by the State Government on June 1 2017. It will improve the process related to the Land Development Procedures 2017; Local Government Ordinance 1961; Town and Country Planning Ordinance (cap, 141) and Land Ordinance (Cap.68).

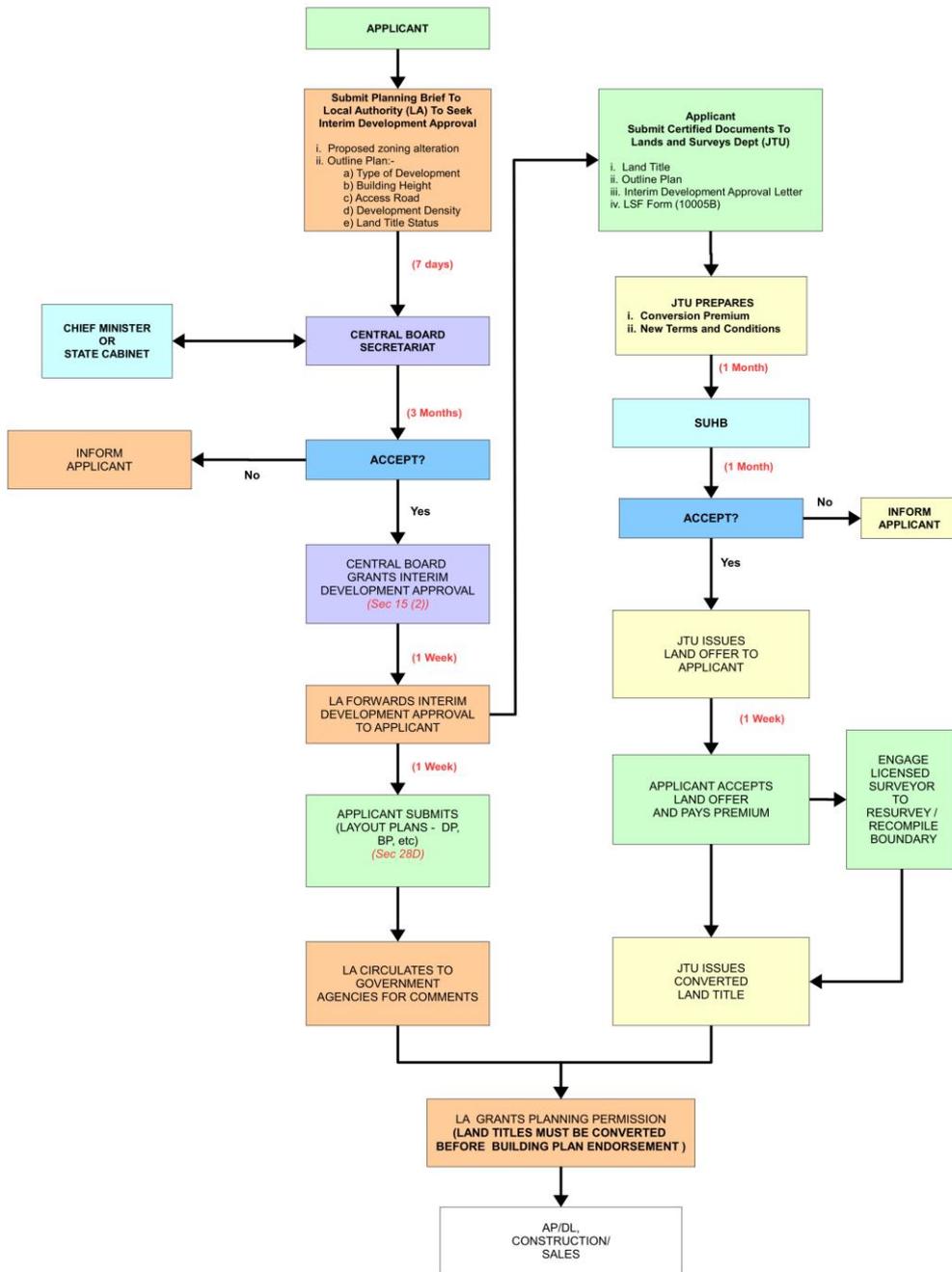
## BACKGROUND

The circular seeks to deal with the following issues:-

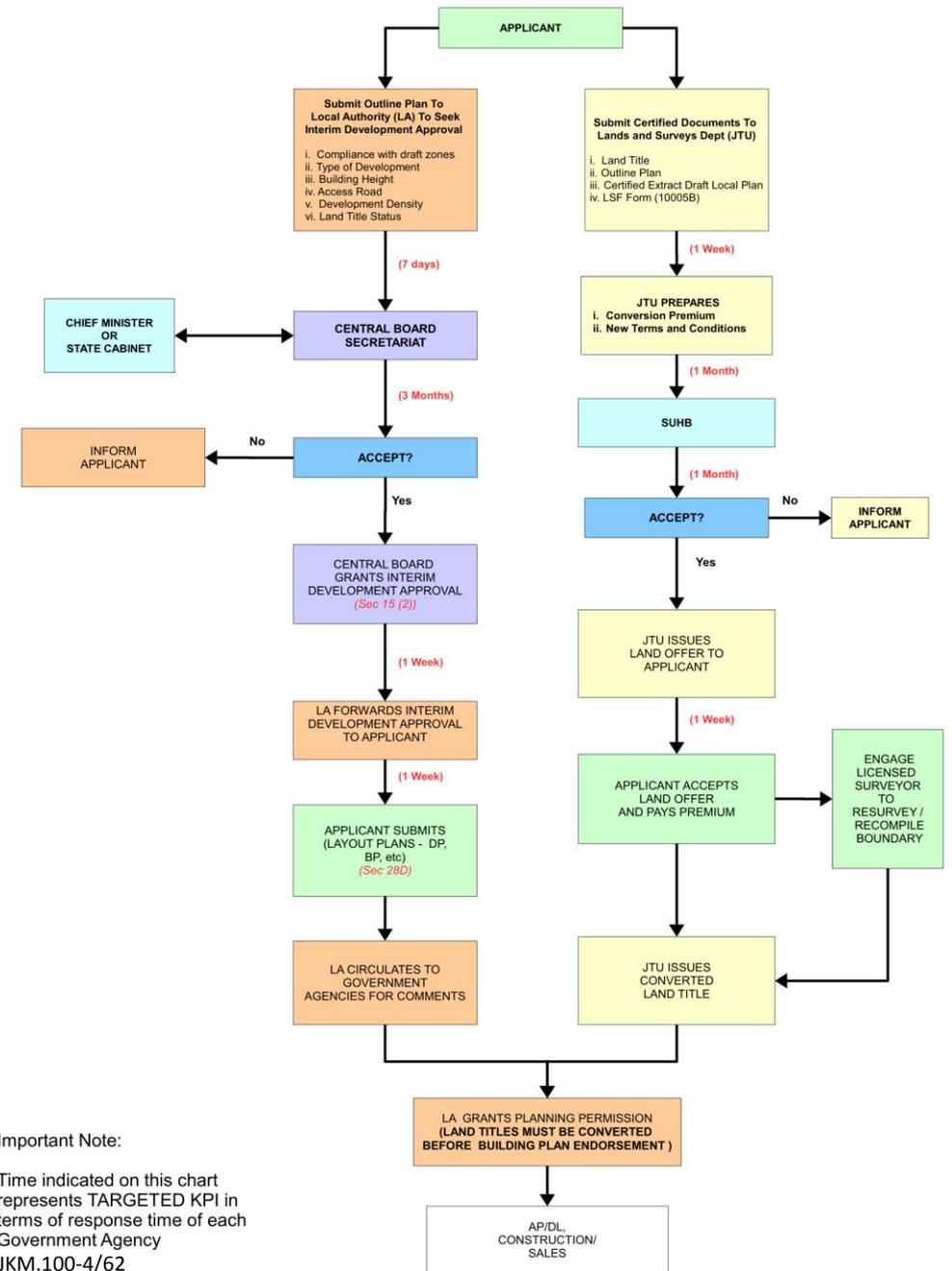
- (a) Failure on the part of the landowner to convert the land title condition of his/her document of title to correspond with the use described in the approved development plans contrary to the provisions of the Land Ordinance (Cap 68) (Section 31 (1)(e), Section 54 (country land) and Section 70 (2)(Native Land) of Land Ordinance and the exchange of title (i.e. from NTs to Leases under Section 75 and Rules G.H. 505of 1930) of the Land Ordinance Cap 68;
- (b) The delay in the conversion of land title condition and the resulting loss of revenue to the State;
- (c) Construction and/or completion of development projects without conversion of land use resulting in delay in the issuance of title for purchasers;
- (d) The lengthy process for obtaining approval of development plans from the LA (planning permission) and;
- (e) Delay in the procurement of RSP by the developer/ landowner for the purpose of title preparation.

Hence, the Flow chart will accelerate the planning permission process and issuance of subsidiary title as well as the conversion of land title before development. The flow chart will ease the present challenges in getting DP approval, conversion matters and early issuance of subsidiary or subdivided title as it is in compliance with the targeted KPI (key performance indicator) of the respective departments. Kindly refer to the attached flow chart of **Lampiran 1 (ZONING CONFLICT) and Lampiran 2 (NO ZONING CONFLICT).**

**LAMPIRAN 1 (ZONING CONFLICT)**  
Proposed Development Conflicts With Draft Local Plan Zoning



**LAMPIRAN 2 (NO ZONING CONFLICT)**  
Proposed Development Complies With Draft Local Plan Zoning



Important Note:  
Time indicated on this chart represents TARGETED KPI in terms of response time of each Government Agency  
JKM.100-4/62

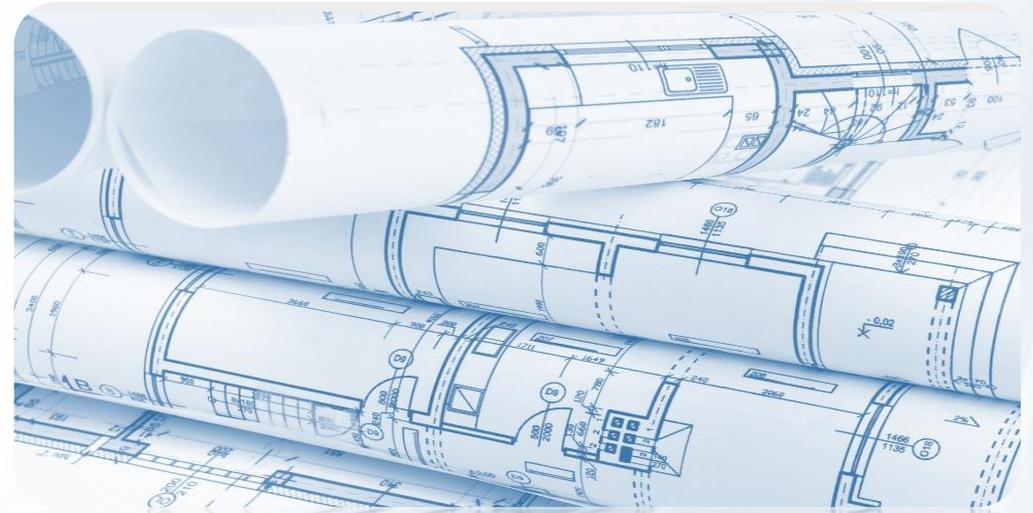
There is a big improvement to the planning process whereby the Central Board is confined within the jurisdiction of planning policies and issues in the following manners:

- a. Type of Development
- b. Building Height
- c. Access Road
- d. Development Density
- e. Land Title Status

before granting an **INTERIM DEVELOPMENT APPROVAL**. It is an important milestone for developers as it means with this approval; there is no more referral to Central Board as the technical aspects will be dealt at Local authorities levels with the project consultants.

However, SHARED A is cautious that in the absence of any Approved Scheme; despite the proposed development complies with zoning and land use, it is still required local authority to get approval from the Central Board i.e. **the LA and DBKK are required to obtain the Interim Development Approval from the CB or TP in relation to the approval of a DP (Section 15 among others of TCP)**.

The chart clearly indicates the process and approval time, thus shortening the duration of planning approval. Notably, as a parallel activity when submitting **Outline Plan** (NO ZONING CONFLICT) or **Planning Brief** (ZONING CONFLICT); it is advisable for the developer to initiate the conversion process from **N.T. title** to **C.L. title** in advance with land premium settled within 6 months from the date of letter of offer. It is essential before Building Plan can be endorsed for subsequent application of Advertising Permit and Developer's Licence.



Sadly, it was reported in some past developments; some developers have not even converted their N.T. titles after project completion leaving many house buyers in great agony in dealing with re-finance and title transfer matters. Hence with this new mechanism, it will be a good practice to facilitate sub-division of title after Occupational Certificate is issued.

The roles of the relevant departments were also clearly explained to avoid duplication of job scope. SHAREDA would like to see the local authorities to have sufficient man power and knowledge to process plans in strict compliance with the targeted KPI. As Malaysia is moving towards into a developed nation status; it is the wish of the developers to see improvement in working efficiency for local authorities in particular the quick response time for issuing comments with transparency in submission plan process.

The house selling price could also be reduced when the local authorities fully comply with the stipulated timeline as it will reduce the developers holding cost. This will further accelerate and progress of Sabah and a boost to the government delivery system and economy growth.

The buyer interest will be further protected while waiting for the title to be issued as it allows native titles conversion to be brought forward before the occupation certificate (OC). It is hope that the final title can be issued within one year after OC which will definitely elevate the efficiency of Sabah in the world ranking.

SHAREDA hopes that the State Government will initiate task force meeting with all relevant stakeholders to sort out some grey areas found in the circular (of new flow charts and development process) and seek clarification as to what extend or what nature of development type is required to refer to the State Cabinet for decision as this will greatly affect the development for its financial implications and project implementation schedule.



# 5.0 REGULATING HOME SHARING



By **AR. RONNIE ANG**  
SHAREDA Secretary-General ( 2017 - 2019)

Home sharing activities are the trend these days. Cyber platforms like Airbnb, Flipkey.com, VRBO and Roomorama among many others allow owners to list their residential properties in the market for rent. While this sharing economy is rapidly empowering home owners to capitalize in assets for income stream, the privacy of owner occupied in some serene residential neighborhoods may well be compromised and disrupted.

This current phenomenon has responded by some cities authorities at global scale. In **Berlin**, the city council banned the letting of apartments through Airbnb without a permit. In **Barcelona**, short term holiday rentals are illegal. In **Vancouver, Canada**, its zooming by-law status that “No person shall use or permit to be used any dwelling unit for a period of less than one month unless such unit forms part of a hotel or is used for bed and breakfast, accommodation. It further says that apart from property owners have a licence, they should be also be paying hotel tax and subject to health and safety inspection. In **Singapore**, two charged recently for short-term rentals via Airbnb; first such prosecution by Urban Redevelopment Authority in breach of regulations. In **Bangkok**, the management will report to Police Authority if visitors or travelers are allowed to short stay which is an offence and will be prosecuted as trespassing by Thai Maximum Law.

It is therefore prudent for the property owners to study the regulations before embarking on their home sharing business to avoid untoward hindrances from stakeholders as responsibility will be solely borne by the owners should there be any breach of regulations. Quoting from Airbnb web site, it says **“By accepting our Terms of Service and activating a listing, you certify that you will follow your local laws and regulations”**.

Representatives of our local hospitality industry recently asked how illegal hotels and Airbnb operators could be brought into the tourism tax system as they are presently not registered with the Tourism and Cultures Ministry. They pointed out the uneven playing field because while they have to comply with a long list of legislation, pay fees for their business licences, compliance to Bomba annual inspection for issuance of Fire Certificate to verify its integrity, pay commercial rates for their utilities, pay fees for staff training as required by Labour Law and contribution to Socso and EPF but operators of illegal hotels and Airbnb are not paying anything.

On the other note, while cities were struggling to address shortages of affordable housing needs, this short term rental industry had resulted in removing residential units from housing markets, thereby contributing to even higher rents. If this problem is not solved soon, cities will become cheap places to stay for tourists, and unaffordable for the rest of city home seekers. Vacancies in the area are few and rents have gone up. Long term neighbors have been replaced by vacationing strangers.

Home sharing is a good thing in view of income generation. As it engages in business activity; it should be regulated to conform to any legal by-law or taxation law, now rather than later. Legitimate home sharing should be permitted, but the law should prevent illegal hotels operators from driving families out of their once-quiet neighborhood.

The authorities need to formulate clear policies to ensure proper development of this segment as the absence of regulatory oversight could spell trouble in the near future.

As humans are the key aspects, some relevant considerations on risk factors shall be addressed and to name a few:-

- a. In the event of a fire, questions arise if the exits can accommodate these large numbers of travelers whom may not familiar with the building evacuation system or lack of proper signage or guidance on 24 hours stand-by like in hotels with full time reception and operation.
- b. Would their presence pose a risk to occupants of adjacent units? Are these tenants a nuisance to the permanent occupants in the building or neighborhood? Or with ill intention of committing CRIMES.
- c. Does the current compulsory fire insurance coverage suffice for short term rentals? What other insurance do owners require to safeguard their asset?
- d. What is the extent of daily upkeep and maintenance that must be adhered to, as done by hotels?

**Neighborhoods Are  
For Neighbors**

**NOT  
Vacation Rentals**

DBKK is in the process of formalizing (Short-Let) By- Laws, 2017 for home sharing that falls within this category which means a privately owned property approved and constructed for **COMMERCIAL** use which allows occupancy under licence unless special circumstances that may arise which would subject to the purview of The Mayor or Local Authorities.

The proposed key features under this (Short-Let) By Laws are the requirements of:-

- i. Technical specification plan approved by the Fire and Rescue Department Malaysia, Sabah.
- ii. Title of the Land is for **commercial** use.
- iii. Operator to provide insurance policies covering fire, public liability, personal injury, theft etc. with certain sum to be insured.
- iv. Operator to possess a Trading Licence.
- v. Short-Let unit is within a project that marketed with disclosure that commercial use is intended and allowed so that owners are well informed at the onset of purchase.

Representative from Ministry of Local Government and Housing has commented at several task force meetings that under the governance of standard Sale and Purchase Agreement (SPA) that the use of any residential development must conform to its original intended proposes. Any deviation from the deed of mutual covenants or house rules is deemed **inappropriate or illegal**. It was proposed that The Mayor or Local Authorities may exercise their discretions to issue Short-Let Licence for buildings or units (completed with OC obtained) when all necessary requirements and guidelines that enable the proper function of a short-let unit have been duly complied with.

SHAREDA opines that Home Sharing requires due attention from the authorities with a clear direction, a set of guidelines and safe requirements. SHAREDA believes DBKK and local authorities have the wisdom and vision to strike a balance between the interest of home buyers and state economy due to booming in tourism sector by formulating appropriate by-laws and regulations without compromise in human safety.

The home sharing industry will see considerate growth in the near future as it is convenient for tenants due to its low commitment and more profit for landlords as short term rental rates can be double that of long term rental rates. Meanwhile, for new projects, both developers and purchasers are advised to consider the followings when venturing into the home sharing scheme:-

1. Design for **commercial** use under the Development Plan (DP).
2. BOMBA approval on fire requirements for public safety e.g. Provisions of Sprinkler System, smoke and heat detectors etc.
3. Purchaser of investment nature be well informed with clear disclosure for **commercial** use.
4. Item 19 Special Term under Schedule H can be used to stipulate **commercial** use such as commercial residence before signing of SPA provided the project land is zoned commercial.

# 6.0 PROPOSED SEISMIC BUILDING DESIGN GUIDELINE FOR SABAH



## PART 3



By MR. ROY CHIEW MIN HANN  
SHARED A Council Member /  
Youth Chairperson ( 2017 - 2019)

Seismic Design in Sabah is not new in the industry; in fact, the Institute of Engineers Malaysia (IEM) together with the Ministry of Local Government And Housing (MLGH) has spent the last 10 years in developing a guideline for seismic design. However, due to the increase frequency and magnitude of seismic activities in Sabah, SHARED A felt the urgent need for the industry to be prepared and well equipped with the resources to design appropriately seismic design in future developments and buildings. With that, SHARED A initiated an expedited deep dive study into seismic design together with all relevant parties. In collaboration with the Mineral and Geoscience Department, Association of Consulting Engineers Malaysia, Sabah Branch (ACEM-Sabah), IEM, Standards Malaysia Department, *Ministry of Science, Technology and Innovation, Malaysia* (MOSTI) and MLGH, we have finally managed to finalise a cabinet-approved guideline for seismic design.

On the 13<sup>th</sup> of February 2018, Mr Wong Foo Tin of MLGH chaired a meeting in collaboration with SHARED A, Standards Malaysia Department and all other stakeholders to discuss the details and process of the implementation of Earthquake Guidelines in Sabah. Standards Malaysia Department informed that the National Annex for seismic design has been published in 2017 and is available online: [www.msonline.gov.my](http://www.msonline.gov.my)

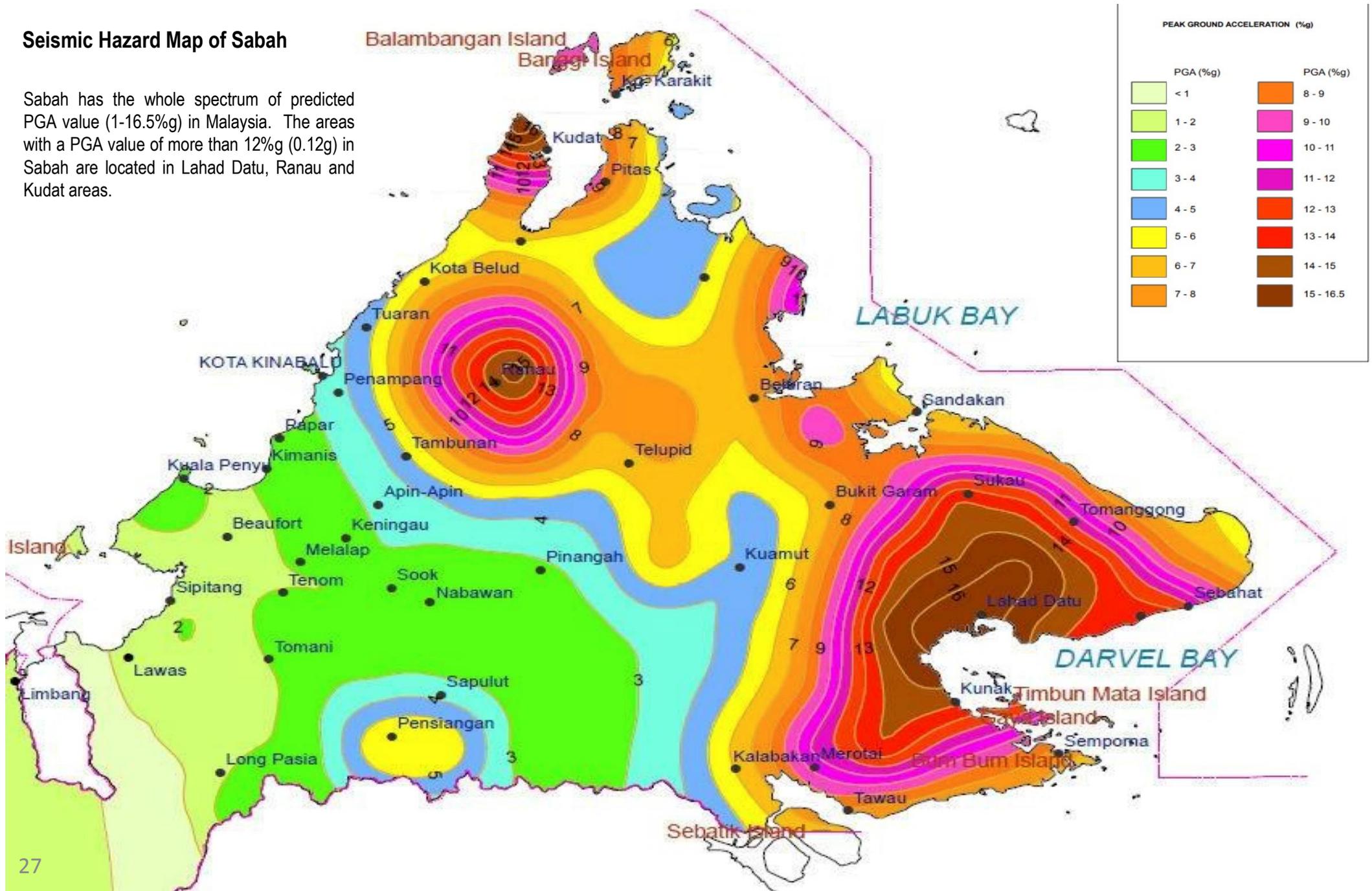
SHARED A encourage all our members to incorporate these new guidelines into their project design, especially those developing in high Peak Ground Acceleration (PGA) zones and also high-rise buildings. Being a non-mandatory design, it is to be reminded that it is solely the discretion of the developers and consultant to implement this.

SHARED A together with all stakeholders will be initiating continuous education and seminars to update and inform not only our members, but also members of the public on matters related to this new guideline.

**PROPOSED SEISMIC BUILDING DESIGN GUIDELINE  
FOR SABAH - PART 3**

**Seismic Hazard Map of Sabah**

Sabah has the whole spectrum of predicted PGA value (1-16.5%g) in Malaysia. The areas with a PGA value of more than 12%g (0.12g) in Sabah are located in Lahad Datu, Ranau and Kudat areas.



# 7.0 THE RISE OF Real Time 3D Visualization and Virtual Reality in Real Estate Industry



By MR. WESLEY CHAI MENG KONG  
SHAREDA Vice President ( 2017 - 2019)

Like marketing any other products, getting them to the consumers and communicating the product advantages to them are moving away from conventional platforms to digital interactivity. The one-dimensional and the restrictive walk-through computer graphic animation video no longer suffice in the real estate industry where clientele is becoming increasingly tech-savvy.

For real estate industry players, being out there connecting with customers and allowing them the experience of virtually immersing in what they invest into can provide the critical marketing edge.

## 1) Real Time 3D Visualization

Traditionally, at the point of sales in the sales gallery / road show / property exhibition, sales personnel either show buyers their brochures and/or 3D walk-through video of the project on a TV screen.

The potential buyers now can be shown a simulation of the whole completed project with real-time 3D Visualization, where the client can also interact in it rather than just a passive observer.

In the past, to develop a large-scale 3D modelling for the whole project (e.g. hundred units of landed property, or few blocks of condominium/apartment with landscape) and navigate the entire project in real time viewing was near impossible.

With the advancement of computer hardware and software, the availability of new high-speed CPU processor, gaming graphic card with powerful GPU and larger RAM memory, housing developers (with the help of the right app developer) can now demonstrate to the clients the real time visualization of the exterior architectural and interior design of the whole project.

Armed with such a tool, the sales personnel can conveniently bring along their laptop and show their potential client what they have to offer. Details like the landscaping, infrastructure etc. become virtual and customers can have bird-eyes' view of the project, or opt to fly through or walk through the project by controlling the mouse, keyboard, joystick or gamepad. They can be navigated to move, rotate, zoom in and out, fly up to the sky and down in 360 degree directions to see all the architectural details of the project.

People are in motion; Trees are like they are swaying in the breeze; Birds fly; Vehicles are moving; even water in the pool is virtually alive.

It is whole new experience and could potentially add to a product's attractiveness.

But this is not all.



## 2) The Revolution of Virtual Reality (VR)

In the last two years, VR has become the mainstay of the gaming industry and increasingly impacting the other industries: Entertainment, education, training, tourism, medical, e-commerce, online shopping, online social chat-room, real estate, interior design and renovation etc.

*“Virtual Reality can be referred to as an immersive life-like phenomenal experience of real images or computer simulated 360 degree 3D realistic images seamlessly display in the device according to our head turning rotation and movement.”*

*“VR Technology simulates a physical presence in this virtual world environment by wearing a Head-Mounted Displays (HMD), the users are interact and feel like they are really immerse in this virtual reality world in real time”.*

There are three types of VR in the market: the lower-end mobile VR, the standalone VR and the high-end VR.

### Lower end Mobile VR

These can be fitted a handphone into a VR headset.

These devices are driven by convenience and ease, usually for watching 360-degree photo and video, playing basic games. However, most of these devices suffer image distortion due to the quality of the lenses, and some users get eyes discomfort and motion sickness easily due to the handphone low refresh rate and resolution.

### Standalone VR

This has a built-in all-in-one processor and display in the headset for convenience. The advance version is developing and upcoming.

### High-end VR tools

More sophisticated VR like HTC VIVE, Oculus Rift are already in the works. These, when linked up to a powerful computer with external motion sensors and controller, offer unprecedented experience.



Real Time Visualization



Virtual Reality

## The future - VR way to sell and buy property

Seeing is believing. Many house buyers prefer an actual site visit before confirming a purchase. But, this is not always possible or convenient especially when the project is at a distance from the sales pitch or show units under construction or unavailable.

VR can provide this immersive property viewing experience from the floor plan drawn on paper could somehow transform and come alive. This will be the new gateway of marketing property.

By wearing VR headset at anywhere, a buyer can walk around the virtual showroom, he/she can opens the virtual front door of the house which intends to buy, walking through from living room to kitchen, and going up stair to see all the rooms and toilets, with fully furnish furniture and interior decoration and feel the environment.

With Virtual Reality and its interactive feature, a customer can not only have a real time physical presence within the property, take a birds' eye view of the entire development and walk through in three-dimension, and experiment with various colour schemes, interior design and furniture display concepts. It is an experience that can be had without the concerns for traffic, distance or weather.

When choosing a property, customers' top concerns are the orientation, the environment, the design prospects etc. With VR, every question the buyer may have can be answered, and he/she can immerse oneself in the virtual world. A customer is able to 'see' the finished property and experience living in it.

VR takes a lot of 'if' and guesses out of the equations, and could help a buyer's decision-making. Even clients looking for overseas properties will have no problem to preview them, just put on the VR glasses; they can see lots of properties just like they are there in person. Closing the deal by the sales agent will be expedited.

At the moment, there are other similar VR technology like Mixed Reality (MR) and HoloLens, Augmented Reality (AR) and Smart Glass. Some of these new technologies like HoloLens and AR are merging images of virtual with our real world to produce a new visualization sensation experiential that allow users to interact in it.

But like most new technologies in this sphere, price can be inhibitive; they can only get better and more practical in the near future.

At the moment, VR and MR technologies are maturing rapidly.

Property marketing technique has departed from the television commercial advertisement, website, handphone app, and now to the Real Time Visualization and Virtual Reality. What amazed us is, they are what we have seen in old science-fiction movies are now available to us as we embrace this new Industrial Revolution and explore all its business possibilities in our property industry, they will become our essential Sales and Marketing tools.

A demonstration video clip can be seen in SHAREDADA website: [www.sharedada.com](http://www.sharedada.com) (Technology section).



# 8.0 SHAREDADA CSR *University of Malaya* Students Outbound Programme

Around April 2017, SHAREDADA was contacted by University of Malaya's Department of Estate Management to seek SHAREDADA's assistance to hold an educational seminar for the third and final year's student in concluding their Integrated Project (IP), which involved development process in Sabah. This request aptly fits into the "3 S' Vision" of SHAREDADA President Mr. Chew Sang Hai to empower the younger generation with a succession plan in the property sector. Our good president Mr. Chew Sang Hai aspired that the younger developers should take up such righteous tasks to learn, share and brand as accredited developers. Besides lend a helping hand, will also participate in the Council's decision making in the affairs of the industry and members in-line with the objectives of the Association.

SHAREDADA welcomed the arrival of the 34 university students together with a lecturer, Dr. Hasniyati to Kota Kinabalu, Sabah hosted by SHAREDADA on 26<sup>th</sup> July 2018 to a 5-hour seminar comprised of 3 parts as stated below:-



By MR. BENNY NG SU PEI  
SHAREDADA Council Member ( 2017 - 2019)

## Part 1:

**TALK 1 ~ PROPERTY, LAND OWNERSHIP, DEVELOPMENT PROCESS & REQUIREMENTS AND LAWS & DECREE**  
**SPEAKER & MODERATOR : MR BENNY NG**  
**SHAREDADA COUNCIL MEMBER / YOUTH ADVISOR**

## Part 2:

**TALK 2 ~ PROPERTY MARKET IN SABAH**  
**SPEAKER & MODERATOR: AR. RONNIE ANG**  
**SHAREDADA SECRETARY-GENERAL**

## Part 3:

**GROUP DISCUSSION WITH OUR FELLOW SPEAKERS**



SHAREDADA Mini Auditorium

SHAREDADA has also arranged a visit to the offices of Sabah Town and Regional Planning Department, Lands and Surveys Department, Jabatan Perkhidmatan dan Penilaian Harta Sabah and Dewan Bandaraya Kota Kinabalu including a visit to Sky Hotel, a completed project.

SHAREDADA is also enthusiastic and committed to help the society in multi-dimensional ways through CSR Projects.



**Appreciation notes written by Zhi Rui  
Group Student Head, University Malaya:**

First of all, on behalf of our group of 34 students from 3<sup>rd</sup> year - Department of Estate Management would like to express our gratitude to SHAREDADA for lending us a helping hand in our Integrated Project (IP) during our brief visit to Kota Kinabalu, Sabah. It all started when we contacted SHAREDADA in May 2017 and without any hesitation, SHAREDADA agreed to assist us in our IP.

Our special thanks accorded to Mr. Benny Ng, SHAREDADA Council Member for arranging a detailed itinerary during our visit to SHAREDADA including identifying the vacant land with land title for our assignments. Prior to the actual visit, Mr. Benny Ng has already provided us ample information such as how to search for vacant land, the name/location of relevant government agencies in Kota Kinabalu (KK) and zoning plan in KK.

During the seminar/talk held at SHAREDADA, both distinguished speakers had tediously prepared comprehensive notes for us together with land title for each parcel for our practical. The 1<sup>st</sup> speaker Mr Benny Ng has delivered an enlightening speech on the property market, land ownership, development process and requirements, land law and decree. Whilst, the 2<sup>nd</sup> speaker - SHAREDADA Secretary-General Ar. Ronnie Ang provided us an informative speech covering property issue in Sabah, property investment and foreign investment policy in Sabah which differs from Peninsula. At the Q&A session, both speakers, Mr. Benny Ng and Ar. Ronnie Ang discussed and overwhelmed us with significant insights on various uncertainties and aspects raised to them. They had generously shared their opinions and experiences with us that had indirectly enhanced our knowledge and guided us in our IP. Moreover at the end of the seminar, we definitely were well feted and enjoyed a sumptuous lunch provided by SHAREDADA.

Last but not least, we are extremely thankful to Ar. Ronnie's hospitality for inviting us to the Sky Hotel to enjoy a hearty vegetarian buffet lunch on the next day after listening to the brief in-sights on property management by an experienced property manager. Also, we expressed our appreciation to Miss Winnie Lai, assistant of Mr. Benny Ng in rendering her kind assistance to us during our visit to the Lands And Surveys Department.

In a nutshell, our IP has been successfully carried out with the support of SHAREDADA and thus, we would once again express our gratitude to all SHAREDADA Council Members who has put in their utmost efforts to ensure that our visit will be fruitful and beneficial.

**Message by Dr. Hasniyati, Lecturer in-charge:**

Appreciate that SHAREDADA was most welcoming and gracious as one of the hosts for UM's Estate Management student and we felt so fortunate to experience SHAREDADA's warm reception.

**Message by ZhiDa Eng:**

Deeply appreciate the dedications with a fruitful seminar and all the efforts done by SHAREDADA for our integrated project, I would like to say that we are more thankful than we can express.





SHAREDA Mini Auditorium



Visit to SKY Hotel Kota Kinabalu



Lunch at SKY Hotel Kota Kinabalu



Lunch at SKY Hotel Kota Kinabalu

SABAH ULTIMATE HOME AND PROPERTY EXHIBITION

# PROPEX<sup>18</sup>

EKSPLO HARTANAH 沙巴房产家居博览会



#SmartGreenState

19 - 21 OCT 2018 | 10am - 9pm  
SABAH TRADE CENTRE, KOTA KINABALU.

Official  
Partner



Organiser





**PERSATUAN PEMAJU PERUMAHAN DAN HARTANAH SABAH**  
**沙巴房地產發展商公會**  
**Sabah Housing And Real Estate Developers Association**

Lot 1-3(F), 3<sup>rd</sup> Floor, Beverly Hills Plaza, Jalan Bundusan, 88300 Kota Kinabalu, Sabah.  
P. O. Box 15405, 88863 Kota Kinabalu, Sabah.



088-720848 / 722849



088-720843



[www.shareda.com](http://www.shareda.com)



[secretariat@shareda.com](mailto:secretariat@shareda.com)



shareda sabah  
shareda association