



沙巴房地產發展商公會

2015 **Property Development Annual Report & Market Outlook 2016**





SHARDA Council Members 2015-2017

1. **Quek Siew Hau**
Council Member
2. **Chew Fei Sean**
Asst. Secretary-General
3. **Tee Hong Wee**
Council Member
4. **Datuk Susan Wong Siew Guen**
Immediate Past President
5. **John Tan Duo Zer**
Council Member
6. **Reggie Sua**
Council Member
7. **Wesley Chai Meng Kong**
Hon. Treasurer-General
8. **Raymond Chan Yin Hong**
Council Member
9. **Datuk Francis Goh Fah Shun**
President
10. **Chew Sang Hai**
Deputy President
11. **Ar. Ronnie Ang**
Council Member
12. **Pengiran Saifuddin Bin Pengiran Tahir**
Council Member
13. **Dato' Ir. John Chee Shi Tong, JP**
Vice President
14. **Ben Kong Chung Vui**
Vice President
15. **Datuk Sr. Chua Soon Ping**
Hon. Secretary-General
16. **Johnny Wong Chen Yee**
Council Member
17. **Jen Kah Gen Fon**
Council Member
18. **Ir. Melvin Gregory Disimond**
Council Member



SHAREDA PROPERTY DEVELOPMENT ANNUAL REPORT 2015

Contents

A.	Message from The Right Honourable Chief Minister of Sabah, Y.A.B. Datuk Seri Panglima Musa Haji Aman	1-2
B.	Message from The Hon. Minister of Local Government and Housing of Sabah, Y.B. Datuk Seri Panglima Haji Hajiji Haji Noor	3-4
C.	Foreword by SHAREDA President (2015-2017) Datuk Francis Goh	5-7
1.	Property Developments Report 2015	8-10
1.1	West Coast Division	10-17
1.2	East Coast Division (Tawau And Lahad Datu)	17-18
1.3	Kudat Division	19-20
1.4	Interior Division	20-21
1.5	Sandakan Division	21
2.	Property Development Outlook 2016	22-24
3.	The Property Prices Can Be Reduced If Development Plan Approved Faster	25-33
4.	Challenges / Predicaments Of Housing Property Development Sector In Sabah	34-40
5.	Proposed Seismic Building Design Guidelines For Sabah	41-50
6.	2015 Corporate Social Responsibility Performed by SHAREDA	51-59



KETUA MENTERI SABAH

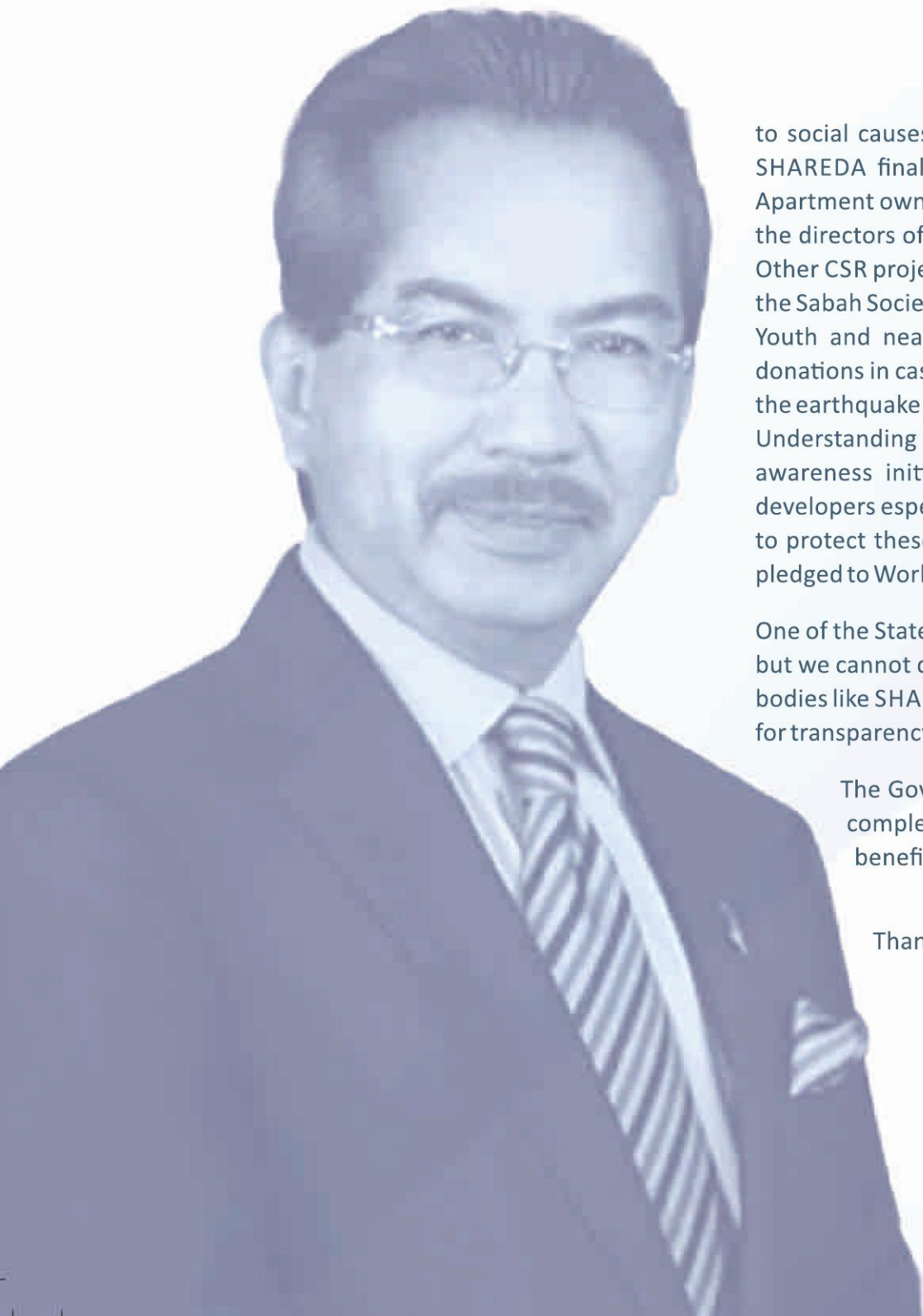
MESSAGE BY THE RIGHT HONOURABLE CHIEF MINISTER OF SABAH **YAB DATUK SERI PANGLIMA MUSA HAJI AMAN**

Kudos to SHARED A President Datuk Francis Goh and your research team for the successful publication of the 3rd edition of SHARED A Property Development Annual Report 2015 and Market Outlook 2016. This publication is acknowledged by real estate players as well as state agencies for its reporting based on information shared by your own members who are captains of the housing and property development industry. I commend SHARED A for constantly working towards professionalism and delivery, contributing to a healthy real estate and housing development sector.

The State Government recognises the importance of the housing and real estate development sector, particularly in supplying affordable housing in Sabah. The government has also observed the performance of SHARED A especially in the contribution of property development of 10,000 units of affordable homes pledged to be built within 2013-2018. I understand that 6,396 units are on the track

and under construction. The State Government extends our support for SHARED A to continue focusing on this. On our part, we are constantly working with your sector to address your concerns while ensuring the wellbeing and interest of the public is protected.

Today, there is much discourse, debate and demand for Corporate Social Responsibility (CSR) be it in the form of ethical investment, environmental sustainability or corporate giving. And whether on their own or through an organisation like SHARED A, property developers display altruism by giving



to social causes or taking part in community wellness activities. In its CSR work recently, SHARED A finally ended the dilemma of the 10-year subsidiary title wait for 96 Kepayan Apartment owners by sponsoring the advertisements of Notices in various newspapers to lure the directors of the affected company to respond with land dues paid and draft titles issued. Other CSR projects include building 12 units of living quarters for the residents and families of the Sabah Society for the Blind residing at the Wallace Centre, Tuaran undertaken by SHARED A Youth and nearing to completion with a contract sum of RM283,814.78 raised through donations in cash or in kind. You have also donated RM95,500 to the victims and casualties of the earthquake at Ranau and Kundasang last year; and SHARED A has signed a Memorandum of Understanding with the Sabah Wetlands Conservation Society for capacity building and awareness initiatives on wetlands conservation and management in Sabah among the developers especially the importance of mangrove or wetlands found at their project sites and to protect these wetlands. Among the many other CSR you are involved in, SHARED A has pledged to World Toilet Association by sponsoring a Green Toilet.

One of the State Government's fundamental roles is to protect its citizens and their properties but we cannot do it alone. It requires the co-operation and partnership of non-governmental bodies like SHARED A. As our society develops and becomes more sophisticated, the demands for transparency, accountability and corporate responsibility also increases.

The Government looks forward to the continuous strong support from SHARED A to complement our initiatives and efforts towards achieving a high-income nation to benefit the people and country for a better future.

Thank you.

A handwritten signature in black ink, appearing to read 'Musa', written in a cursive style.

DATUK SERI PANGLIMA MUSA HAJI AMAN



MESSAGE FROM
MINISTER OF LOCAL GOVERNMENT AND HOUSING,
SABAH

YB DATUK SERI PANGLIMA HAJI HAJJI HAJI NOOR

I am delighted to congratulate SHARED A President Datuk Francis Goh once again for successfully published the 3rd edition of SHARED A Property Development Annual Report 2015 and Market Outlook 2016.

This publication is viewed as a prognosis that analyse impediments and recommends remedies of the property industry; and provides data to help developers, policy makers and customers. I believe that it is the earnestness of SHARED A's commitments to complement the relevant Government departments in improving the delivery systems and to provide better services to the industry players at large in Sabah.

The Government is aware that the housing and real estate development sector plays a huge role in spurring income because its prosperity is linked to most business sectors in the economy in the State. Therein lies the importance of maintaining the vitality and steady growth of the sector, and thus that of SHARED A. It makes sense therefore for bureaucracy to acknowledge the gravity of the sector's concern over issues of delays in development plan approval, the imposition of seismic load application for buildings structurally for new and existing developments in sensitive and non-sensitive areas, of which my Ministry and Local Authorities will take appropriate measures and necessary actions as appealed by SHARED A.



Besides the commitment of the State and Federal Government to supply more affordable homes for the rakyat of Sabah, that, I must acknowledge SHARED A for their continuous efforts in honouring their pledge to build 10,000 units of affordable housing within 2013-2018 in collaboration with my Ministry for Sabah under the SHARED A-MLGH Affordable Housing Programme. Insofar 5,116 units are under construction as reported in 2015 not including those units undertaken by Lembaga Pembangunan Perumahan Dan Bandar (LPPB), PR1MA, PPA1M, and other GLCs. Another 1,280 units of affordable housing valued at RM266 Million will be built in 2016, thus totaling 6,396 units. The aforesaid new projects will be located in Papar, Tuaran and Keningau which comprised of 230 units of condominium, 832 units of apartments and 111 units of 1 or 2 storey terraced housing, respectively. Hence abundance supply in affordable housing for affordable homebuyers or first time homebuyers to choose but the ultimatum is their eligibility to qualify for end financing from our local banks.

With these notes, I wish the best and success of developers and members of SHARED A to propel the housing and real estate property industry to greater heights and my Ministry will surely look forward to your continued partnership in nation building.

A handwritten signature in black ink, appearing to read 'Datuk Seri Panglima Haji Haji Haji Noor'. The signature is stylized and cursive.

DATUK SERI PANGLIMA HAJI HAJI HAJI NOOR



FOREWORD BY SHAREDA PRESIDENT (2015-2017)

DATUK FRANCIS GOH

Firstly, on behalf of SHAREDA Council and Members, let me express our heartiest congratulations to YAB Datuk Seri Panglima Musa Haji Aman, Chief Minister of Sabah cum Minister of Finance that under your leadership the Sabah State Government and Agencies was accredited as the Top Rating Star Performer in the country as the best financial management records holder for the past 15 consecutive years and the highest achievement for 2 consecutive years in 2013 and 2014 at the Financial Management Excellence Award Based on 2014 Accountability Index ceremony held earlier on 14 January 2016. This is commendable to the civil service in Sabah to effortlessly continue to reap the legacy being the top rating star performance in the country in service to the people. Kudos to the outstanding performance and exemplary leadership!

Ironically, 2016 for the performance of housing and real estate development industry, it underlines a challenging year and faces critical economic issues due to internal and external factors, including plummeting of our Ringgit, unstable financial market, plunge in world oil prices, new levy increase in hiring foreign workforce, minimum wages, stringent lending policies resulted in high rejections by banks, high capital

contribution in utilities, high holding costs due to slow approval in development orders, housing price too high and not affordable, GST, RPKT, amongst others. The ripple effects are gathering and likely brewing a storm in our midst, thus hindering the pace of growth and economics in the country. These uncertainties are high risks faced by developers; hence the supply has relatively declined as reported in our survey on property market outlook sentiment in 2015 that recorded a gross development value of only RM2.669 billion in comparison to RM3.747 billion in 2014 and RM7.562 billion in 2013, respectively.

As captain of this industry, I urge SHAREDA members and developers to persevere and take appropriate strategies, innovative and corrective methods to overcome the stiff challenges and difficulties faced to rise to the occasion for a continual and sustainable development growth in our state. This calls for early interventions by our Government and the related authorities to address the grouses swiftly. In point of fact, challenges are often created by new policies inadvertently or perhaps wrongly set by authorities without fully understanding the implications and risks suffered by the stakeholders, if not consulted during the planning stage. Hence, I humbly opined that it is vital and pertinent to obtain consensus from the professional bodies and stakeholders like SHAREDA, Sabah Builders Association, etc. before implementation. For example, in the recent recommendation to the government by Dewan Bandaraya Kota Kinabalu to implement the proposed 0:12g or 12% PGA (Peak Ground Acceleration) value as the seismic load application structure design performance for new development projects in the administrative area of Kota Kinabalu City to withstand the effects of earthquakes and bad weather conditions during the interim period until the Malaysian National Annex to Eurocode 8 (EC8) is formally adopted in Malaysia. The proposed 0:12g PGA value was advised based on the seismic data obtained and recorded during the earthquakes in Ranau district last June 2015. SHAREDA opined that in high risk areas like Ranau, Lahad Datu, etc. the 0:12g PGA value is mandatory to comply but in low risk areas like Kota Kinabalu city, a standard rate of 0:05g PGA value should be permissible. For this safety measure after adopting would eventually push the building costs higher. Ultimately, the developers are blamed for profiteering and housing price hike.

Another factor attributed to the cost push in property development is the holding cost caused by the long delay in obtaining the approval from development order/plan, building plan, conversion of title till the stage of issuance of housing developer's licence and sale and advertisement permit. In the latest findings compiled in December 2015 by SHAREDA in the survey conducted on members'

projects that took more than 18 months or 540 days to get the development plan approved from the respective Local Authorities shown the durations range from 578 days to 3,573 days which are illustrated in “Figure 4: Projects with DP Approved More Than 18 Months”. Over the years, SHAREDA has refractory urged the Local Authorities to actually reduce the red tape of having too many stages of applications or repeated applications. It is always the wish of the developers to have a fast and efficient approval system to reduce the unnecessary holding costs in the development projects. If the duration to obtain the development order is shortened to 6 months, it will put down the property prices of about 5%. To support the above statements, the details are highlighted in the article entitled “Property Prices Can Be Reduced If Development Plan Approved Faster” by Ar. Ronnie Ang.

All the while, SHAREDA has been collaborating with the State and Federal Housing Ministries to iron out housing issues at the state and national levels. Besides that, to urge the intervention by Bank Negara to impose a mandatory quota to all banks in the country to perform its corporate social responsibility to First Time Homebuyers to own their first home i.e. to flex its lending criteria and duration for loan repayment. Also, SHAREDA has strenuously underlined the importance of housing and real estate development industry to the Government that it is one of the key industries that can foretell the economic growth in the state and country through distributions of its contract works and spill-over to more than 165 related industries or chain supplies and employments in comparison to other key industries such as tourism, manufacturing, and oil & gas/palm oil of which is severely affected by the world oil price depleting and that a lot of related activities were ceased. Hence, we hope that the Government will review its focus on vibrant industries that could support and uplift the overall economy vibrancy in the state such as housing and real estate development industry amongst other key sectors.

The SHAREDA Council and I representing 180 members will continue to play our role to highlight pertinent issues and complement the government's initiatives in providing housing accommodation and caring for the wellbeing of the people. This 3rd edition of SHAREDA Property Annual Report 2015 and Market Outlook 2016 aims to provide greater clarity and serve as the guiding beacon in the housing and real estate development industry of Sabah for market reference.

Francis Goh

DATUK FRANCIS GOH

President of SHAREDA



PROPERTY DEVELOPMENT REPORT 2015

Table 1

Distribution Of Property Developments In Sabah For The Year 2015													
Rank	Division	Condominiums & Apartments		Landed Residential		Commercial		Industrial		Office		TOTAL	
		Units	GDV (RM)	Units	GDV (RM)	Units	GDV (RM)	Units	GDV (RM)	Units	GDV (RM)	UNITS	GDV (RM)
1	WEST COAST	3,513	910 M	888	548 M	287	489 M	124	276 M	78	20 M	4,888	2,241 M
2	TAWAU	None	Nil	502	220 M	None	Nil	None	Nil	None	Nil	502	220 M
3	KUDAT	None	Nil	185	56 M	18	9 M	None	Nil	None	Nil	203	65 M
4	INTERIOR	None	Nil	39	10 M	71	50 M	None	Nil	None	Nil	110	60 M
5	LAHAD DATU	None	Nil	44	47.5 M	None	Nil	None	Nil	None	Nil	44	47.5 M
6	SANDAKAN	None	Nil	75	36 M	None	Nil	None	Nil	None	Nil	75	36 M
TOTAL		3,513 Units	910 M	1,733 units	915.5 M	375 units	548 M	124 units	276 M	76 units	20 M	5,822 units	2,669.5 M (2.669 B)

The property market in Sabah showed a decrease in the number of properties launched due to several factors such as the weakening Ringgit, drop in oil prices worldwide, the GST implications, high percentage of loan rejections, the wait and see attitude of buyers and developers alike and the recent kidnapping cases in Sandakan, driving away potential investors and tourists as well. In 2014, the estimated GDV recorded RM3.747 billion in Gross Development Value (GDV) for properties launched. For the year 2015, the value has dropped by another 28.8% to RM2.669 billion only.

As shown in Table 1 above, the West Coast as usual dominates the property market scene in Sabah with the highest recorded units at 4,888 and a total GDV of RM2.241 billion. Dominating in the East Coast and ranked number 2 is Tawau Division with an estimated total property value at RM220 million. At number 3 is Kudat Division with a total gross development value at RM65 million. Not far behind is the Interior with a total value of RM60 million ranked number 4. Lahad Datu property market ranked number 5 has a total GDV of RM47.5 million and placing last in number 6 is the Sandakan Division with an estimated total GDV of RM36 million. These records show quite a significant drop in the value of properties being launched compared to the previous year in 2014.

Tragic incidents that affected the drop in property market value include:

- The impacts of the 6.0 magnitude earthquake in Ranau, Sabah on the 5 June 2015 that hit Mount Kinabalu and in the aftermath its trail of slight tremors felt across Sabah.
- On 14 May 2015, armed men entered the Ocean King Seafood Restaurant at the Sandakan seafront and kidnapped the Malaysian restaurant manager and another Malaysian national.
- Another factor that had a direct impact to the weakening of our Ringgit is the 1MDB case that has led to the loss of confidence by foreign investors towards the good governance of our government's credibility in the administration of the country's financial position.
- The fallen Ringgit also directly gave rise to costs for all imported goods particularly building materials and this further impeded many developers from launching their projects.



Shrinking ringgit: Boon or bane?

***Shrinking ringgit: Boon or bane?
(/content/shrinking-ringgit-boonor-bane)***

***By Hannah Rafee & Lam Jian Wyn / theedgeproperty.com
| October 24, 2015 6:45 AM MYT***

KUALA LUMPUR (Oct 24): The ringgit has fallen to record lows in a matter of months, falling to a 17-year low of RM4.2630 against the US dollar in August. Assuming a continued downward decline for the ringgit, what does it mean for the local real estate market?

The weaker ringgit may cause property prices to increase due to higher cost of building materials expected in the next three to six months. This may further weaken the already poor market sentiment.

"If demand is weak, developers will not be able to pass on the cost increase, thus this would not only affect consumers but the profit margins of developers would be affected too," says Dr Yeah Kim Leng, dean of the School of Business at the Malaysia University of Science & Technology.

Furthermore, there is a definite mismatch between the current price levels and affordability, as Yeah predicts that the supply side would start shifting to the medium to medium high-end segments, with prices ranging from RM300,000 to RM800,000.

However, it is unlikely that a fire sale may take place: "Although prices may go beyond the affordability level – at the moment, I do not foresee a recurrence of the 1997/98 Asian financial crisis – there will be a weakness but not necessarily a fire sale, especially for the higher end properties," says Loong Kok Wen, RHB Research Institute senior analyst.

In terms of foreign ownership in Malaysia, PhilipCapital chief strategist Phua Lee Kerk says while local property prices are now at least 30% cheaper for foreign investors – after taking into account their foreign exchange gains – Malaysia's political uncertainty remains a big concern. "If this pattern continues, the uncertainties may dampen the property buying sentiment," he adds.

Meanwhile, managing director of DTZ Malaysia Eddy Wong thinks that the falling ringgit may prompt Bank Negara Malaysia to raise interest rates to support the currency. "If interest rates do rise, affordability will be affected and this will negatively impact the overall property market," he explains.

<http://www.theedgeproperty.com.my/tags/ringgit>

PROPERTY VALUE AND UNITS COMPARISON BETWEEN 2014 AND 2015

Table 2: VARIOUS TYPES OF PROPERTIES LAUNCHED IN 2014				Table 3: VARIOUS TYPES OF PROPERTIES LAUNCHED IN 2015			
No.	Developments	Units	GDV (RM)	No.	Developments	Units	GDV (RM)
1	Condominiums and Apartments	2,547	1,249 million	1	Condominiums and Apartments	3,513	910 million
2	Landed Residential	1,062	910 million	2	Landed Residential	1,733	915.5 million
3	Commercial	847	725.6 million	3	Commercial	376	548 million
4	Industrial	262	390 million	4	Industrial	124	276 million
5	Office	Nil	Nil	5	Office	76	20 million
6	Mixed Developments	159	473 million	6	Mixed Developments	Nil	Nil
Total Units and GDV		5,777	3,747.6 Million (3.747 B)	Total Units and GDV		5,822	2,669.5 Million (2.669 B)

The above two tables show the comparisons of property value and units launched between those two years in 2014 and 2015 indicated a drop of 28.8% in the overall gross development value of properties in Sabah.

The condominiums and apartments property sector saw a drop of 27.1% from RM1.249 billion gross development value to RM910 million. As for the landed residential sector, it experienced a minor increase of percentage at 0.6% from RM 910 million to RM 915.5 million in total property value. A 24.5% drop was seen as well in the overall commercial development sector of Sabah and another decrease of 29.2% was documented for the industrial property sector. None of the mixed property development was launched for the year 2015 in Sabah. However, one new office development known as Wisma Manikar located at KM 2, Off Jalan Tuaran was recorded for the year 2015.

1.1 WEST COAST DIVISION

Table 4 below shows a summary of the total number of units and GDV launched in the West Coast Division. An overall gross development value drop of 14.6 % was noted for the West Coast. As observed, throughout the whole property sector, only two property subsectors showed signs of decrease in total value, they were the condominiums and apartments sector (25.5% drop) and no mixed development projects were launched.

Table 4	West Coast Division 2014		West Coast Division 2015		Percentage (±) GDV
	Units	GDV (RM)	Units	GDV (RM)	
Condominiums & Apartments	2,427	1,222 M	3,513	910 M	-25.5%
Landed Residential	443	278 M	888	546 M	+96%
Commercial	297	430.6 M	287	489 M	+13.6
Industrial	79	219 M	124	276 M	+26%
Office	nil	nil	76	20 M	+100%
Mixed Developments	159	473 M	nil	nil	-100%
TOTAL UNITS AND GDV	3,405	2,622.6 M	4,888	2,241 M	-14.6%



Bird's eye view of Kota Kinabalu city

Table 5

CONDOMINIUM AND APARTMENT DEVELOPMENTS LAUNCHED IN 2015 AT WEST COAST DIVISION										
No.	Development	Location	No. of Storey	Property Type	Units	BUA (sf)	Price (RM)	RM / psf	Estimated GDV (RM)	Date Launched
1	Riverside Residence @ Sodomon	Off Jalan Lintas-Kepayan, Penampang	6, 7 & 8 storey	Condominium	134	Type A 955 Type B 1,180	428,000 - 503,000 551,000 - 598,000	448 - 527 467 - 508	65 M	25.1.2015
2	One Jesselton	Kepayan	10-storey	Condominium	125	964 2,660	603,000 1.8 M	626 677	84 M	28.2.2015
3	Delta Heights, Phase 3	Jalan Bundusan, Penampang	4-storey	Walk-Up Apartments	96	949 (c) 1,094 (c) 704 (i) 830 (i)	355,000 430,000 260,000 320,000	374 393 389 386	25 M	4.3.2015
4	UUC Phase 5	Telipok	5-storey	Apartment	860	391 - 512	154,744 - 198,444	380	180 M	22.8.2015
5	Khidmat Condominium Phase 1	Jalan Sukang Maipai, Kolombong	7-storey	Condominium	38	1,438 (B) 1,509 (C) 1,566 (A)	719,000 754,500 783,000	500	22 M	5.7.2015
6	Timbok Jaya Apartment	Kg Timbok, Tuaran	11-storey	Apartment	1,200	880	220,000- 250,000	250 - 284	300 M	15.8.2015
7	Benoni Gardens	Benoni, Papar	13-storey	Condominium	230	880 980	254,800 299,800	290 306	64 M	6.10.2015
8	Apartment Tuaran Implan (Fasa 1B)	Telipok	4-storey	Apartment	832	750 850	224,913 290,000	300 341	170 M	17.11.2015
					Sub Total Units	3,513			Sub Total GDV	910 M

Key: *psf = per sq. ft. // *sf = sq. ft. // *(i)=intermediate / *(c)=corner

For the year 2015, a total of 8 condominium and apartments projects were launched with an estimated total GDV of RM910 million which is a decrease of 25.5% compared to last year. Most of the projects are located at the suburban areas such as Tuaran, Papar and Telipok which were selling at an average range of RM250 to RM380 psf. For example UUC Ph.5 was recorded to be selling at an average price of RM380 psf (391-512 sf), Timbok Jaya Apartments at Tuaran which is under MyHome Scheme is selling at RM250 psf (880 sf), Benoni Gardens at Papar was selling at RM290 psf (880 sf) and Apartment Tuaran Impian has an average selling price of RM300 psf (750 sf).

Other condominium developments much closer to the CDB such as Riverside Residence @ Sodomon has a selling price of RM450 to RM530 psf (955-1,180 sf), One Jesselton located at Kepayan is selling at RM630 to RM680 psf, Delta Heights at Bundusan selling at a price range of RM370 to RM400 psf, and Khidmat Condominium selling at an average price of RM500 psf.



Table 6

LANDED RESIDENTIAL LAUNCHED IN 2015 AT WEST COAST DIVISION										
No.	Development	Location	No. of Storey	Property Type	Units	BUA (sf)	Price (RM)	RM / psf	Estimated GDV (RM)	Date Launched
1	Alam Puteri (Princess Heights) Phase 1A Stage 2A	Kg. Dambai, Menggatal	2-storey	Terrace (Type B)	46	1,902 (i) 1,983 (i)(c) 1,983 (c)	577,600 - 608,000 663,100 - 708,000 698,000 - 790,000	304 - 320 334 - 357 352 - 398	70 M	26.1.2015
			2½ storey	Terrace (Type C & E)	50	2,277 - 2,408 (i) 2,358 - 2,490 (i)(c) 2,358 - 2,490 (c)	658,350 - 708,000 753,350 - 823,000 748,600 - 948,000	289 - 294 319 - 331 317 - 381		
2	Taman Fulliwa Phase 3A	Mile 11, Jalan Tuaran	2-storey	Terrace	46	1,617 (i) 1,865 (i)(c) 2,086 (c)	525,000 677,000 786,000	325 363 377	30 M	16.2.2015
3	Sri Khazanah Residence	Langkuas, Papar	2-storey	Terrace	276	1,753 (i) 1,859 (c)	556,800 705,800	318 380	175 M	6.3.2015
4	Park Residence, Sugud	Sugud, Penampang	2-storey	Terrace	84	1,530 (i) 2,000 (c)	568,000 820,000	371 410	58 M	27.3.2015
			2-storey	Semi Detached	34	2,380	888,000 988,570	373 415	32 M	
5	Taman Sutera Jaya	Kinarut South	2-storey	Terrace	55	1,714	498,104 619,152	291 361	25 M	31.3.2015
6	Taman Sinar Kelanahan	Papar	1-storey	Terrace	42	1,600	238,800 - 336,800		22 M	25.3.2015
			2-storey	Terrace	36					
7	Taman Vila Sentosa Phase 2	Kg Laya-Laya, Tuaran	2-storey	Terrace	37	1,130	318,800 398,800	282 353	12 M	18.6.2015
8	Sabandar Jaya	Tuaran	1-storey	Terrace	58	871	254,860 - 348,800	293 - 400	17 M	2.7.2015
9	Vila ARC Phase 2	Tuaran	2-storey	Terrace	30	1,832 - 2,117	433,200 - 555,000	236 - 262	15 M	4.11.2015
10	Casablanca Residence	Kolombong	2-storey	Terrace	57	2,237	749,000-938,000	335 - 419	90 M	22.11.2015
			3-storey	Terrace	35	2,765 - 2,804	924,000-1,066 M	334 - 380		
			3-storey	Semi D	2	3,869	1.5 M	398		
					Sub Total Units	888			Sub Total GDV	546 M

SHAREDA recorded 10 landed residential projects launched in 2015. There was a positive increase of 96% (RM546 million) in the property market value of landed residential in the West Coast compared to previous year which has a total value of RM278 million only. Even though we noted a total of 10 projects last year, these projects only had a combined total of 443 units launched compared to this year's 888 units in total. Hence the positive increase. Most landed residential developments were observed to be developed in the suburban areas such as Tuaran, Papar and Menggatal. Developments such as the 2-storey terraced Alam Puteri is selling at an average price of RM305 to RM400 psf (1,902 - 2,490 sf), Taman Fulliwa at Km11 Jalan Tuaran, a 2-storey terraced as well was noted to be selling at RM325 to RM380 psf (1,617 - 2,086 sf) and Sri Khazanah Residence, a 2-storey terraced development at Langkuas Papar, was observed to be selling at RM318 to RM380 psf (1,753 - 1,859 sf). The average selling price per square foot for the landed residential developments in the suburbs will mostly be in the range of RM300 to RM400 psf. The increase in volume of units for landed property launches is definitely due to the precautionary steps taken by the developers in reducing market risks by launching only the most preferable market products.



2-storey terraced at Alam Puteri



Park Residence at Sugud



2-3 storey terraced at Casablanca @ Off Jln Kolombong

Table 7

COMMERCIAL PROPERTIES LAUNCHED IN 2015 AT WEST COAST DIVISION										
No.	Development	Location	No. of Storey	Property Type	Units	BUA (sf)	Price (RM)	RM / psf	Estimated GDV (RM)	Date Launched
1	Sogood New Township	Kg. Maang, Penampang	2 & 3-storey	Shop Office	139	2,290 - 2,390 (i) 3,510 (i)(c) 3,510 - 7,160 (c)	1.2 - 1.25 M 1.7 - 1.75 M 1.8 - 1.85 M	524 484 - 499 258 - 513	200 M	30.3.2015
2	Padimas Point 2	Jln Pintas, Penampang	3-storey 4-storey	Shop Office Shop Office	54 16	3,111 4,400	1,466,400 2,115,200	471 481	79 M 34 M	31.8.2015
3	Plaza Utama 3	Alamesra	3-4 storey	Shop office	55	3,369 9,796	1,775,818 4,460,892	527 455	120 M	25.9.2015
4	Papar Central	Papar Township	2-storey	Shop Lots	7	1,697 2,925	782,280 1,166,000	461 399	6 M	14.12.2015
5	Wisma Langat	Noscob, Penampang	6-storey	Shop Office	16	5,580 6,162	3.58 M 5 M	642 811	50 M	15.12.2015
					Sub Total Units	287			Sub Total GDV	489 M

There were 5 commercial projects launched in year 2015 with a total GDV of RM 489 million, which indicated an increase of 13.6% compared to the previous year's GDV of RM430.6 million.



Wisma Langat at KM 7 Penampang



Padimas Point Phase 2 at Jalan Pintas Penampang

In the 1st half of 2015, only 1 commercial development known as Sogood New Township was launched. The development located at Kg. Maang, Penampang was selling from RM258 to RM524 psf (2,290 – 7,160 sf) for the 2 to 3 storey shop office development. For the 2nd half of 2015, 4 other commercial projects launched were Padimas Point at Jalan Pintas Penampang selling at RM471 to RM481 psf (3,111 – 4,400 sf), Plaza Utama 3 at Alamesra selling at RM 455 to 527 psf (3,369 – 9,796 sf), Papar Central in Papar Town selling from RM399 to RM461 psf (1,697 – 2,925 sf) and Wisma Langat at KM7 Penampang at a price range from RM642 to RM811 psf (5,580 – 6,162 sf).

Table 8

INDUSTRIAL PROPERTIES LAUNCHED IN 2015 AT THE WEST COAST DIVISION										
No.	Development	Location	No. of Storey	Property Type	Units	BUA (sf)	Price (RM)	RM / psf	Estimated GDV (RM)	Date Launched
1	Kimanis Centro Phase 1 & 2	Kimanis, Papar	3-storey	Light Industrial Shoplots	76	4,529 (l) 6,298 (c)	1.2 M 1.65 M	259 262	80 M	31.3.2015
2	Delta Riverside	Inanam Bay	2-storey	Light Industrial Detached	6	7,535	2.5 M - 6.5 M	597 – 863	196 M	1.9.2015
			2-storey 2-storey	Semi-D Terrace	26 16	7,069 4,185				
Sub Total Units					124				Sub Total GDV	276 M

From the table above, 2 industrial projects were launched; they were Kimanis Centro at Kimanis Papar and Delta Riverside at Inanam Bay, respectively, selling at RM259 to RM262 psf (4,629 – 6,298 sf) and RM597 to RM863 psf (4,185 – 7,069 sf). There is an increase of 26% (RM276 million) in total value when compared to last year's industrial property sector with a total market value of RM219 million.



Entrance to Delta Riverside



Kimanis Centro

Table 9

OFFICE LAUNCHED IN 2015 AT THE WEST COAST DIVISION										
No.	Development	Location	No. of Storey	Property Type	Units	BUA (sf)	Price (RM)	RM / psf	Estimated GDV (RM)	Date Launched
1	Wisma Manikar	Off Mile 2.5, Jln Tuaran, Likas	3	Shop Office	76	Shop 30,000 Office 8,000	For rental only Not for sale.	3.20	20 M	26.9.2015
					Sub Total Units	76			Sub Total GDV	20 M

From the table above, Wisma Manikar is an office development for rental purposes was launched in 2015 with a GDV of RM20 Million. There are 76 lots for rent at RM3.20 psf.

1.2 EAST COAST DIVISION (TAWAU AND LAHAD DATU)

Table 10	Tawau 2014		Tawau 2015		Percentage (±) GDV
	Units	GDV (RM)	Units	GDV (RM)	
Developments					
Landed Residential	354	177 M	502	220 M	+24.2%
Commercial	81	47	nil	nil	-100%
TOTAL UNITS AND GDV	435	224 M	502	220 M	-1.79%

A slight drop of 1.79% was observed in Tawau. It was noted that only the landed residential sector was active with a 24.2% increase compared to year 2014. As in 2015, the commercial sector development in Tawau did not see any properties launched.

Table 11

LANDED RESIDENTIAL LAUNCHED IN 2015 AT TAWAU										
No.	Development	Location	No. of Storey	Property Type	Units	BUA (sf)	Price (RM)	RM / psf	Estimated GDV (RM)	Date Launched
1	Taman Megah Jaya Phase B4	Mile 3.5, Apas Road, Tawau	3-storey	Semi Detached	24	2,700	1,280,000 - 1,339,000	474 - 496	35 M	End of January 2015
2	Ria Heights Ph. 1A	Jln Utara, Tawau	1-storey	Terrace	239	1,185	323,700 - 485,160	273 - 409	79 M	3.7.2015
3	Ria Heights Ph. 1B	Jln Utara, Tawau	2-storey	Terrace	230	1,465	422,500 - 645,580	288 - 441	100 M	3.7.2015
4	Taman Indah Villa	Jln Yamamoto, Tawau	2-storey	Terrace	9	1,875	700,000	373	6 M	7.8.2015
					Subtotal Units	502			Subtotal GDV	220 M

2-storey terraced Ria Heights Ph1 B



As shown in the table at page 17, a total of 4 projects were launched. A 3-storey semi-detached house at Taman Megah was selling from a price range of RM474 to RM496 psf (2,700 sf). Ria Heights Phase 1A (1-storey terraced) was selling at RM273 to RM 409 psf (1,185 sf) and Ria Heights Phase 1B(2-storey terraced) had a price range from RM288 to RM441 psf (1,465 sf). A 2-storey terraced at Taman Indah Villa was selling at RM373 psf (1,875 sf).

LAHAD DATU

Developments	Lahad Datu 2014		Lahad Datu 2015		Percentage (±) GDV
	Units	GDV (RM)	Units	GDV (RM)	
Landed Residential	188	117 M	44	47.5 M	-59.4%
TOTAL UNITS AND GDV	188	117 M	44	47.5 M	-59.4%

A 59.4% decrease was documented for this year in Lahad Datu as only one residential project was launched.

Table 13

No.	Development	Location	No. of Storey	Property Type	Units	BUA (sf)	Price (RM)	RM / psf	Estimated GDV (RM)	Date Launched
1.	Villa Perdana Phase 4E	Bandar Sri Perdana, Lahad Datu	2-storey	Semi Detached	44	3,256	988,000 - 1,200,220	303 - 369	47.5M	4.7.2015
				Sub Total Units	44				Sub Total GDV	47.5 M

1.3 KUDAT DIVISION

<i>Table 13</i>		Kudat Division 2014		Kudat Division 2015		
Developments	Units	GDV (RM)	Units	GDV (RM)	Percentage (±) GDV	
Landed Residential	nil	nil	185	56 M	+100%	
Commercial	57	47 M	18	9 M	-80.1%	
Industrial	52	42 M	nil	nil	-100%	
TOTAL UNITS AND GDV	109	89 M	203	65 M	-27%	

In the Kudat Division, a 2.7% decrease was recorded as only three (3) developments were launched of which two (2) were landed residential and one (1) commercial.

LANDED RESIDENTIAL LAUNCHED IN 2015 AT KUDAT DIVISION										
No.	Development	Location	No. of Storey	Property Type	Units	BUA (sf)	Price (RM)	RM / psf	Estimated GDV (RM)	Date Launched
1.	Taman Salaping	Kota Marudu	1	Terrace	59	984	237,600 - 281,960	241 - 287	16 M	9.4.2015
2.	Friendly Garden Phase 3	Kudat	1	Semi-Detached	4	922	388,272 - 401,136	421 - 435	40 M	4.7.2015
			1	Terrace	82	922	248,940 - 334,607	270 - 363		
			2	Terrace	40	1,440	347,040 - 425,821	241 - 296		
Sub Total Units					185			Sub Total GDV	56 M	

Langkon Commercial Centre was the only commercial development project launched in the Kudat Division for the year 2015. The 3-storey shop office has a price range of RM181 to RM194 psf with a built-up area of 3,600 sf.



1-storey terraced at
Taman Salaping, Kota Marudu

Taman Salaping at Kota Marudu (1-storey terraced) with built-up area of 984 sf and Friendly Garden Phase 3 (1 and 2-storey terraced) with 922-1,440 sf at Kudat were launched. The market price for Taman Salaping range from RM241 to RM287 psf and Friendly Garden's Semi-D was selling at RM421 to RM435 psf.

Table 16

COMMERCIAL PROPERTIES LAUNCHED IN 2015 AT KUDAT DIVISION										
No.	Development	Location	No. of Storey	Property Type	Units	BUA (sf)	Price (RM)	RM / psf	Estimated GDV (RM)	Date Launched
1.	Langkon Commercial Centre Phase 2	Kota Marudu	2 to 3	Shop Office	18	3,600	650,000 (l) - 700,000 (c)	181	9 M	10.6.2015
							500,000 (l)(c)	194		
					Sub Total Units	18			Sub Total GDV	9 M

Langkon Commercial Centre was the only commercial development project launched in the Kudat Division for the year 2015. The 3-storey shop office has a price range of RM181 to RM194 psf with a built-up area of 3,600 sf.

1.4 INTERIOR DIVISION

Table 17	Interior Division 2014		Interior Division 2015		Percentage (±) GDV
	Units	GDV (RM)	Units	GDV (RM)	
Landed Residential	792	240 M	39	10 M	-95.8%
Commercial	60	42 M	71	50 M	+19%
TOTAL UNITS AND GDV	852	282 M	110	60 M	-78.7%

In the Interior Division, a 78.7% decrease was noted which only had a total value of RM 60 million. This was a significant drop compared to last year 2014's total property market value of RM282 million.



Table 18

LANDED RESIDENTIAL LAUNCHED IN 2015 AT INTERIOR DIVISION										
No.	Development	Location	No. of Storey	Property Type	Units	BUA (sf)	Price (RM)	RM / psf	Estimated GDV (RM)	Date Launched
1.	Taman Kota Phase 2B & 2C	Keningau	1	Terrace	39	968	250,800	259	10 M	26.5.2015
					Sub Total Units	39			Sub Total GDV	10 M

Table 19

COMMERCIAL PROPERTIES LAUNCHED IN 2015 AT INTERIOR DIVISION										
No.	Development	Location	No. of Storey	Property Type	Units	BUA (sf)	Price (RM)	RM / psf	Estimated GDV (RM)	Date Launched
1.	Orchard Plaza	Tenom	2	Shop Office	71	2,421.88	700,000 - 750,000	289 - 310	50 M	15.7.2015
					Sub Total Units	71			Sub Total GDV	50 M



Orchard Plaza at Tenom

1.5 SANDAKAN DIVISION

Table 20	Sandakan Division 2014		Sandakan Division 2015		Percentage (±) GDV
	Units	GDV (RM)	Units	GDV (RM)	
Developments					
Condominiums & Apartments	120	27 M	Nil	Nil	-100%
Landed Residential	185	98 M	75	36 M	-63.3%
Commercial	352	159 M	Nil	Nil	-100%
Industrial	131	120 M	Nil	Nil	-100%
TOTAL UNITS AND GDV	788	413 M	75	36 M	-91.3%



2 to 2½ storey terraced at Taman Nasalim Phase 7E, Sandakan

Table 21

LANDED RESIDENTIAL LAUNCHED IN 2015 AT SANDAKAN DIVISION										
No.	Development	Location	No. of Storey	Property Type	Units	BUA (sf)	Price (RM)	RM / psf	Estimated GDV (RM)	Date Launched
1.	Taman Nasalim Phase 7E	Sandakan	2	Terrace Houses	75	1,267.84	329,545 - 348,688	260 - 275	36 M	27.2.2015
			2½	Terrace Houses		1,707.78	551,246 - 640,628	323 - 375		
								Sub Total Units	75	



PROPERTY DEVELOPMENT OUTLOOK 2016

BACKGROUND

The year 2015 has been a very challenging year for the property development industry. This roller-coaster ride for the property development industry is apparent especially with the value of new development launches for the year 2015 seeing an all-time low with launches amounting to RM 2.669 billion. While the year 2014 and 2013 has recorded a total development launches RM3.747 billion and RM 7.562 billion respectively. In other words, comparing the years from 2014 to 2015, the industry suffers a substantial drop of property launches by 28.8%. Even on the national scale level, many developers are holding back on their projects launches. Therefore the spill over effects on the construction sector would be of negative growth for the coming year.

Year 2013	RM 7.562 billion	
Year 2014	RM 3.747 billion	↓ 50.4 %
Year 2015	RM 2.669 billion	↓ 28.8 %

FACTORS CONTRIBUTING TO THE NEGATIVE GROWTH FOR THE COMING YEAR

The slow and declining growth of the property development market is mainly affected by the following factors:

1. Implementation of Goods and Service Tax (GST) and the weakening of Ringgit have caused the increase of development cost and subsequently increased the price of property;
2. Strict approval criteria imposed by financial institution which led to the decrease of effective demand in the market;
3. The plummeting price of commodity in the world market, the politicalising of our country's domestic affairs such as the 1MDB scandal and the daunting kidnaping incidents in Sandakan have shaken the confidence and belief of the market, and caused the lower effective demand of the market;

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 especially in Sandakan with only one project was launched during the year 2015.

PROPERTY DEVELOPMENT OUTLOOK FOR 2016

I expect the market for 2016 would continue to be gloomy until the second quarter due to weak Ringgit and the world's low petroleum price, despite the anticipated oil palm price to remain at RM 2,500/tonne, the heated domestic issue on 1MDB scandal to subside, and the political and governmental structure to stabilise.



However, I would remain optimistic as the saying goes "in every cloud has a silver lining", and thus the market is expected to recover by the end of the year 2016. I believe that the industry would bounced back when we draw closer to the end of the year with the condition that our Ringgit is strengthened, and the world petroleum price is stabilised. Besides the implementation of the Trans-Borneo Highway and also other infrastructural projects would further strengthen the growth of the economy in Sabah.

RESILIENT DEMAND FOR AFFORDABLE PROPERTY

Affordable property which is resilient in nature and high demand in our country would be first to experience a boost in market share. This scenario is only sustainable provided that Bank Negara together with the commercial banks to take measureable steps to improve the effective demand, such as introducing compulsory loan approval especially to the affordable market, and/or prioritise the housing loan in the household debt market.

Besides that, the State government should work with all Stakeholders to help reduce the cost of development by implementing sustainable and transparent policies which would also decrease the holding cost of the stakeholders.



On the other hand, I would expect the high-end property market to recover by the first half of the year 2017, soon after the recovery of the affordable market. Furthermore, by leveraging on the weaker Ringgit, alternative market options should be explored and captured, and expanding the market region to overseas by developers, such as Brunei Darussalam and China market. It is undeniable that the trepidations felt by our local developers to penetrate into foreign market, however, to ensure the continuity and sustainability of the industry, it is definitely a bold step forward.

Written by,

CHEW SANG HAI

Deputy President of SHAREDA 2015-2017



THE PROPERTY PRICES CAN BE REDUCED IF DEVELOPMENT PLAN APPROVED FASTER

BY AR. RONNIE ANG

The house prices in Sabah are inflicted by many factors. It is a peculiar situation given the economy development in Sabah at a low pace compares with other States and the income level for people in Sabah generally is almost at the bottom of the ladder in Malaysia (Refer Figure 1 on Per Capita Average Income 2013 by REI Group of Companies shows that Sabah is the third lowest state). Ironically, house prices in Sabah are among the top ranking after Kuala Lumpur, Selangor and Penang.



STATE	POPULATION AS AT 2013	PER CAPITA AVERAGE INCOME 2013	ASSUMED HH MONTHLY INCOME 2013 ¹	35% HOUSEHOLD MONTHLY INCOME FOR MORTGAGE	AVERAGE AFFORDABLE VALUE PER STATE 2013 ²
		RM	RM	RM	RM
KUALA LUMPUR	1,730,000	79,752.00	10,633.60	3,721.76	815,000
SELANGOR	5,870,000	37,851.00	5,046.80	1,766.38	390,000
JOHOR	3,530,000	25,302.00	3,373.60	1,180.76	260,000
PENANG	1,660,000	38,356.00	5,114.13	1,789.95	390,000
PERAK	2,460,000	21,250.00	2,833.33	991.67	215,000
NEGERI SEMBILAN	1,080,000	33,033.00	4,404.40	1,541.54	340,000
MELAKA	860,000	34,109.00	4,547.87	1,591.75	345,000
KEDAH	2,060,000	16,316.00	2,175.47	761.41	170,000
PAHANG	1,580,000	26,759.00	3,567.87	1,248.75	280,000
TERENGGANU	1,120,000	23,285.00	3,104.67	1,086.63	240,000
KELANTAN	1,710,000	10,677.00	1,423.60	498.26	105,000
PERLIS	240,000	18,519.00	2,469.20	864.22	190,000
SABAH	3,540,000	18,603.00	2,480.40	868.14	190,000
SARAWAK	2,630,000	41,115.00	5,482.00	1,918.70	420,000

1. Assumption that one of two income earner is 60% of the main one.

2. For the house value it has been assumed: 30 years tenure and 4.5% interest Per capita income source: Department of Statistics

Figure 1: Malaysian Affordable Housing Dilemma

Among reasons for property price hike in Sabah are:

1. Land acquisition cost inflated at an unprecedented rate
2. High logistic cost caused by Cabotage policy especially on shipping transportation
3. High SESB capital contribution cost and electricity tariff
4. Increase in labour cost because of labour shortage
5. Lack of good infrastructures and road networking system
6. Higher purchase price of building material due to 6% GST
7. Shortage of raw materials such as cement, steel bars, etc

The delay in Development Plan approval in particular has been long opposed by SHAREDA for its detrimental effect on house price hike in Sabah. SHAREDA's President, Datuk Francis Goh, had raised the subject by pointing out that house prices in Sabah could be reduced by about three to five per cent if the development plan (DP) were to be processed and approved faster by the concerned authorities.

The recent survey on time frame approval for Development Plan (DP) conducted by SHAREDA has reflected an alarming situation in Sabah's property development.

As of 7 December 2015, 67% of the projects under the survey have not been able to obtain approval after 18 months. This follows with 18% obtained its DP approval more than the allotted time frame, whilst the rest of 15% sealed its approval in less than 18 months (Refer Figure 2 on Duration of Development Plan (DP) Approval as at 7 December 2015).

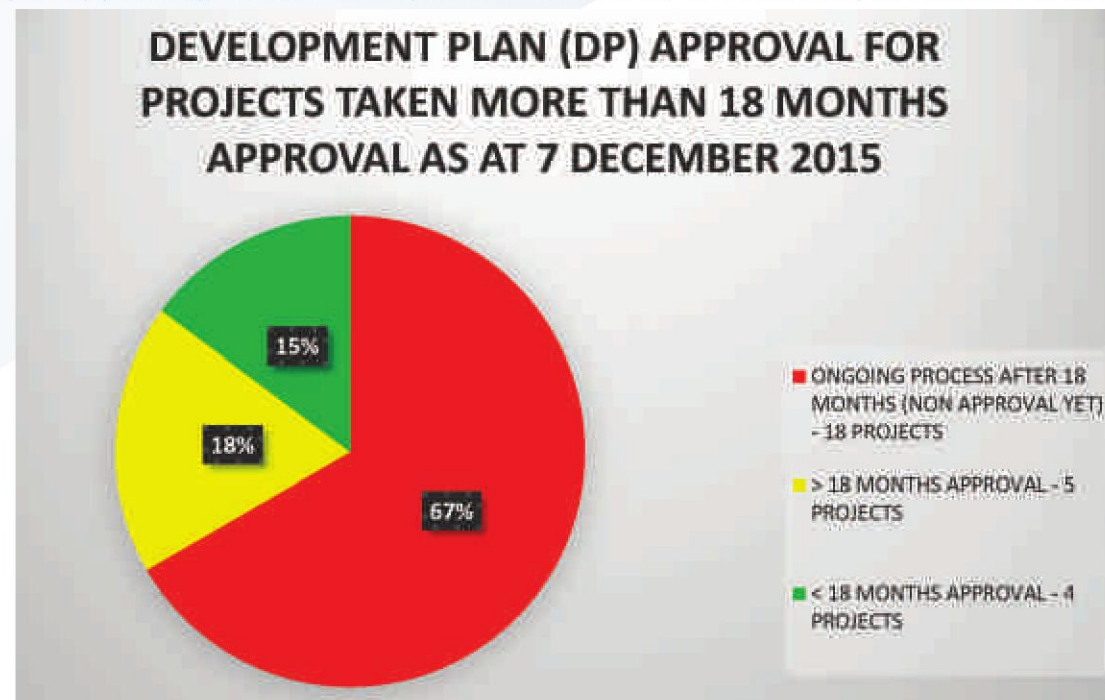
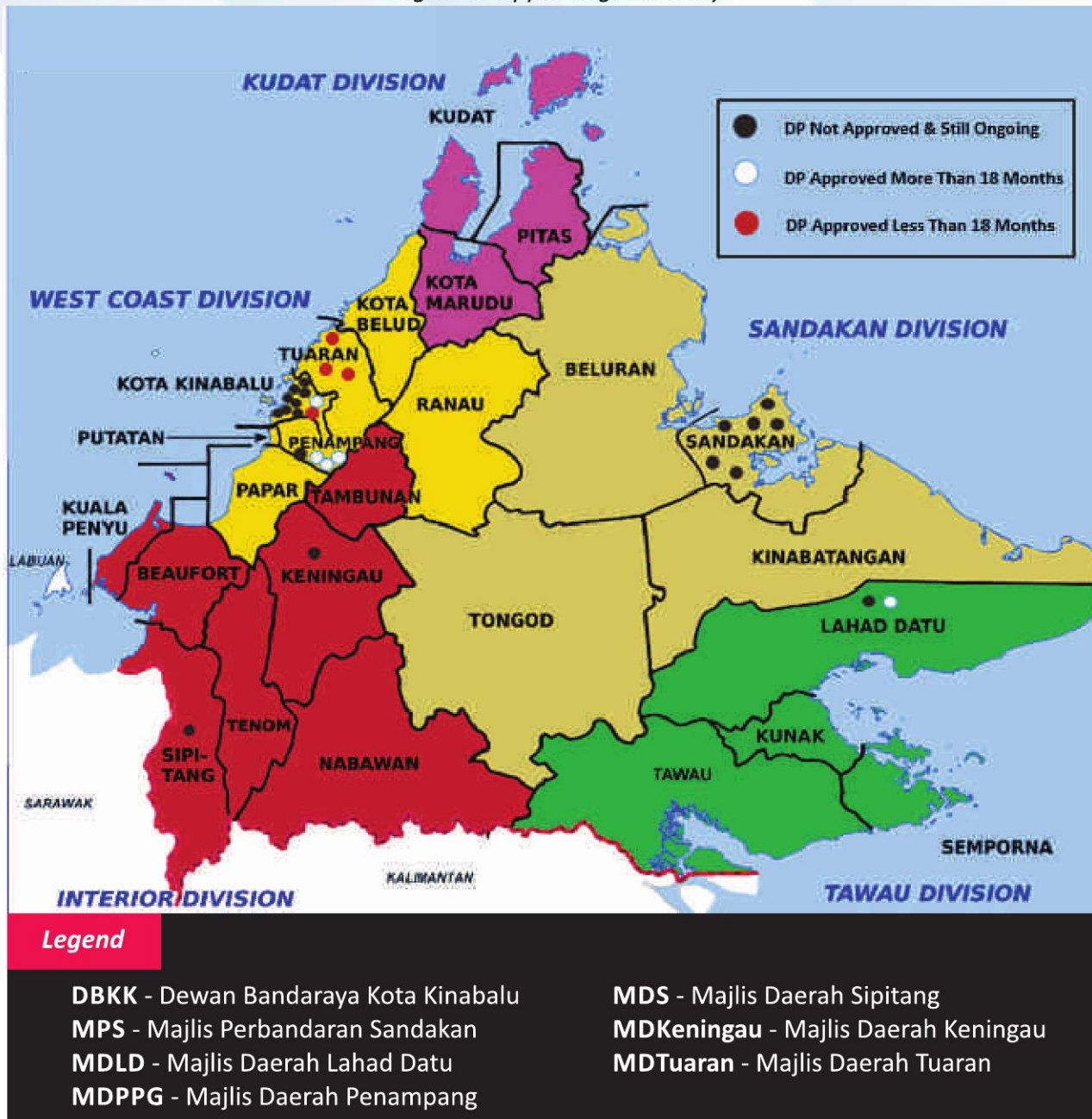


Figure 2: Duration of Development Plan (DP) Approval

Figure 3: Approving Authority



The West Coast Division is expected to have the majority projects with DP not approved and still ongoing where eight out of 18 projects submitted was under DBKK (as the approving authority). Meanwhile in Sandakan Division, six projects were registered under MPS and one each for Tawau (MDLD), West Coast (MDPPG) and Interior Division (MDS and MDKeningau).

Despite DBKK recorded being the most projects with pending DP approval, one project was registered where its DP approved in less than 18 months. Concurrently, three projects reported under MDTuaran, part of West Coast Division, to have its approval endorsed within time frame.

With 18 projects still pending for DP approval and while other four were approved within the time frame, three projects recorded under MDPPG where its DP approved takes longer than 18 months and one project submitted under DBKK (Figure 3: Approving Authority).

Figure 4:

Projects with DP Approved More Than 18 Months – With Total Actual Duration To Get DL / AP Licence with DP, BP & Conversion Approval (Days)

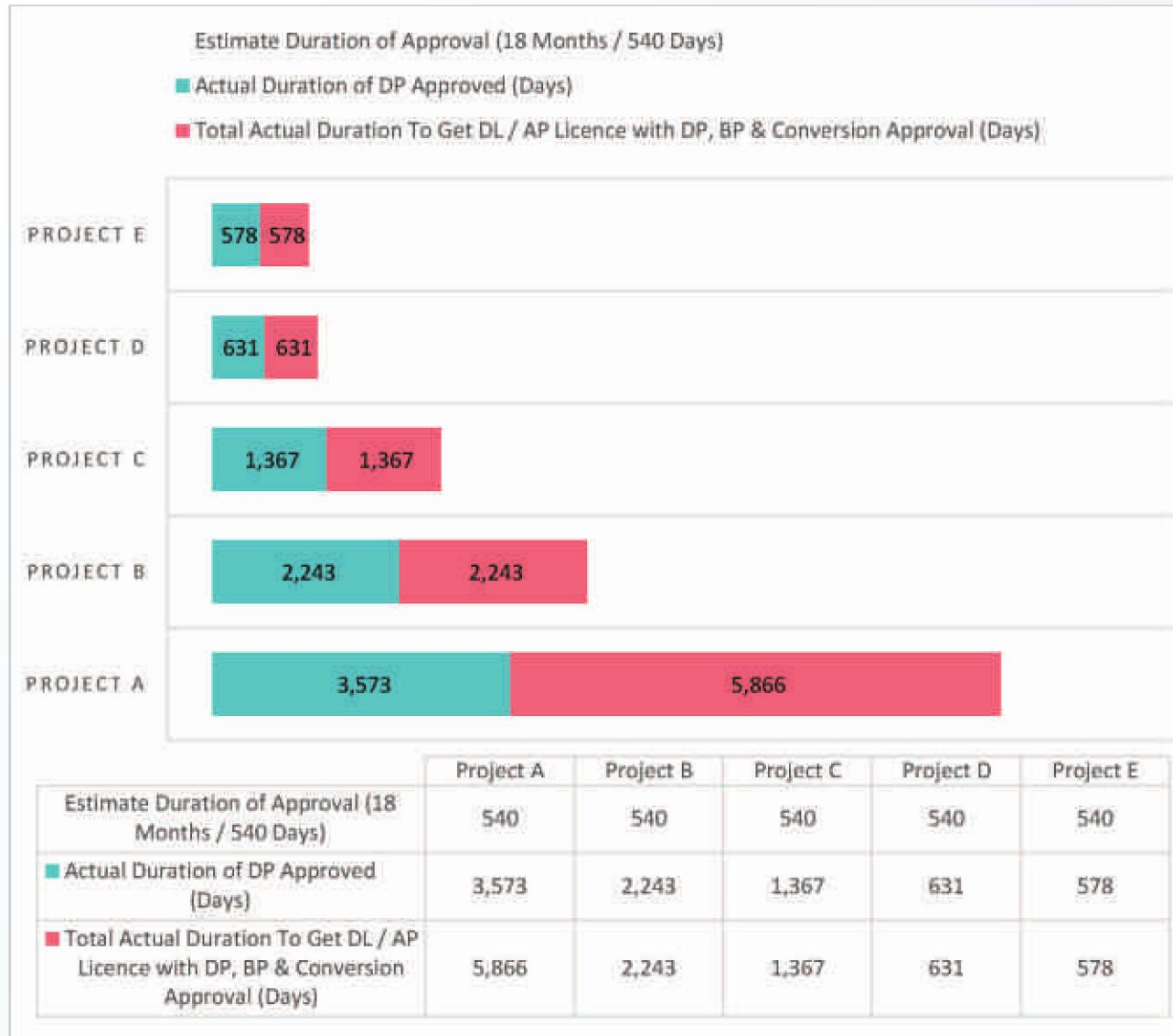


Figure 4 shows the five projects submitted with DP approved more than 18 months in West Coast and Tawau Division. Three projects were registered under MDPPG while the other two were both from DBKK and MDLD.

The estimated duration of approval is approximated within 540 days or 18 months. Based on the table above, actual duration of DP approved for Project A takes 3,573 days. By calculating the total actual duration to get developer's licence (DL) / advertising permit (AP) licence together with development plan (DP), building plan (BP) and conversion approval, Project A has taken a total of 5,866 days.

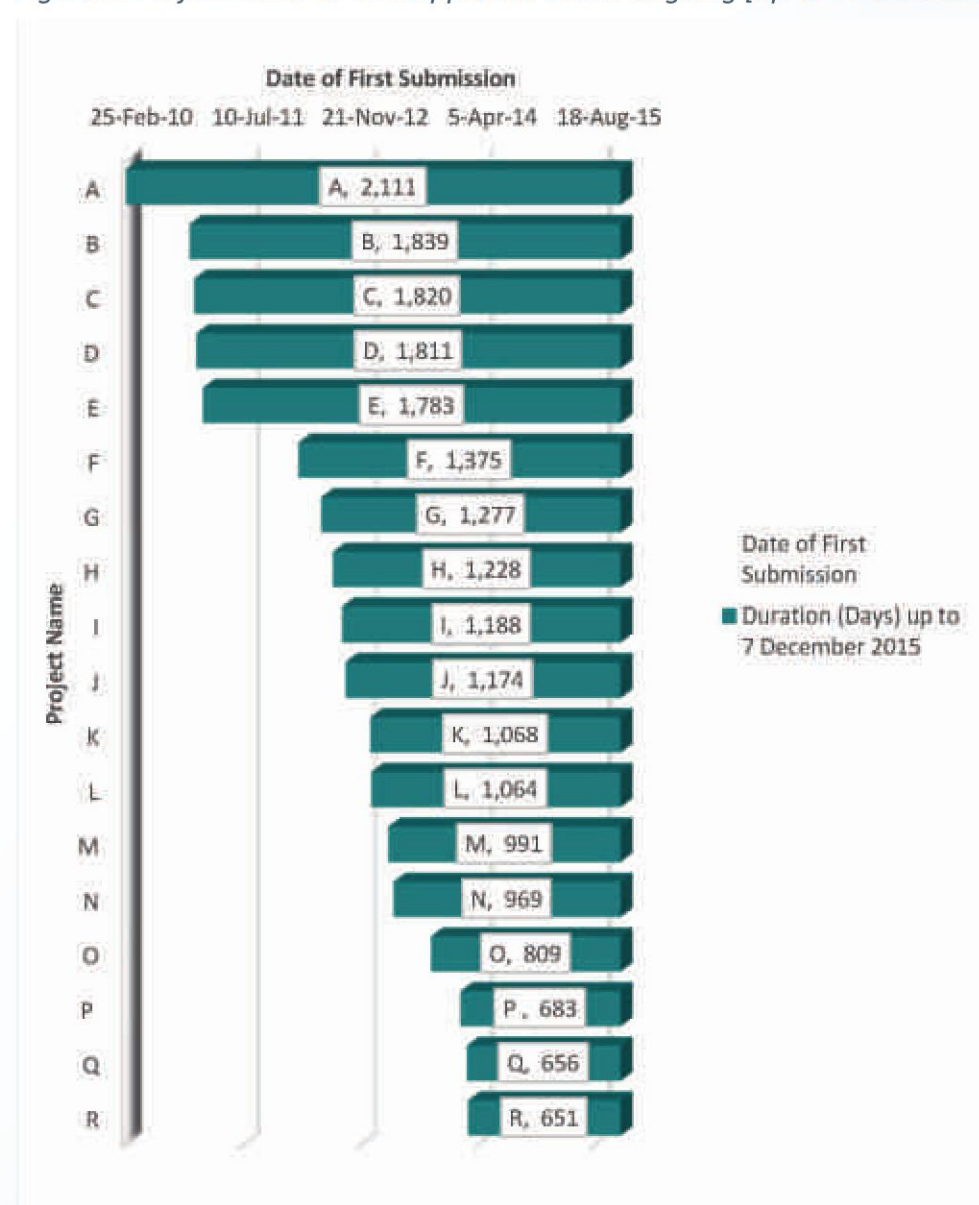
On building plan (BP) endorsement/ approval, Figure 4 of Project A agonised over 815 days to get its BP endorsed after its DP approved. Although Project E has taken the least durations than other projects, however, Project E comes second as the longest period taken to get its BP approved – 338 days. As for Project B and D, these projects obtained its BP endorsement 52 days and 14 days for the latter.

Based on Figure 2, for projects with DP approved less than 18 months, from four of the projects registered, three projects has taken 231 days to get its BP endorsed after its DP approved. All of these three projects were under MDTuaran as its approving authority. Whilst the other project, with DBKK as its approving authority, taken 532 days to get its BP endorsement.

The long waiting time does not stop here as some may take 200-300 days for land conversion process that involves Lands & Surveys Department and Hasil Bumi Department. As the developers are using their own finance and resources to obtain development orders while servicing the bank loans for the land; the overheads and office operation costs coupled with the long waiting time for the approving process; inevitably all these will be passed down to the property selling prices.

Based on the respondents' replied – with its project's DP were approved, on the duration of land conversion approval in the survey conducted by SHAREDADA, out of four projects, three projects taken 173 days to get its conversion approval, whilst the balance one project has taken the longest period of 267 days.

Figure 5: Projects with DP Not Approved & Still Ongoing [up to 7 December 2015]



Project Name	Date of First Submission	Duration (Days) up to 7 December 2015
A	25 February 2010	2,111
B	24 November 2010	1,839
C	13 December 2010	1,820
D	22 December 2010	1,811
E	19 January 2011	1,783
F	2 March 2012	1,375
G	8 June 2012	1,277
H	27 July 2012	1,228
I	5 September 2012	1,188
J	19 September 2012	1,174
K	3 January 2013	1,068
L	7 January 2013	1,064
M	21 March 2013	991
N	12 April 2013	969
O	19 September 2013	809
P	23 January 2014	683
Q	19 February 2014	656
R	24 February 2014	651

Figure 5 shows 18 projects were registered with pending DP approval and still ongoing up to 7 December 2015.

In 2010 alone, four projects were recorded to have its DP yet to be approved, where three projects were under DBKK and one MPS. Highest projects logged on both 2012 and 2013 with five cases each on respective year and relevant responsible approving authorities were from West Coast, Interior, Tawau and Sandakan Division. Only one project was recorded in 2011 while three were in 2014. All three projects in 2014 were under DBKK's jurisdiction.

To have projects yet to seal its DP approval for about five years shows a dire state of the current procedural system. Albeit cases registered throughout the year were slightly plummeting, the State Government could not turn into a deaf ear on developers' biggest agony and hefty woe.

June 2015 will always be remembered and not easily forgotten, after an earthquake hit a popular tourism spot in Sabah. The earthquake also resulted in many professional bodies, such as Persatuan Arkitek Malaysia (PAM) Sabah Branch, calling for a guideline for earthquake resistant buildings in or near quake zones. Three engineering professional bodies, comprising The Institution of Engineers Malaysia (IEM) Sabah branch, Association of Consulting Engineers Malaysia (ACEM) Sabah branch and Sabah Engineers Association also urged the government to consider reviewing the current design codes and take into account the earthquake loadings in all future buildings and development projects in the State. This has prompted government to impose Seismic Load of earthquake resistant design to be incorporated into building structure design.

However, many had voiced the possible hike in building costs by incorporating serious earthquake measures in buildings throughout the State without good justification. Also, new policy of engaging a structure checker on hill slope development will be implemented by government which will have negative effect on house selling price.

Apart from inefficiency of government staff administration and its long procedural process; these projects suffered in complying various Traffic Site Planning (TSP), Environmental Impact Assessment (EIA), Health Impact Assessment (HIA), Drainage study (MSMA) etc. Some even have to go through High Risk Building Committee and Landscape submission for DP compliance and endorsement.

The state government is well aware of the alarm raised in timeframe of local authorities when approving development plans in Sabah, paving way for the Local Government and Housing Ministry to strive in shortening the process of approving required documents for physical developments.

Assistant Local Government and Housing Minister Y.B. Datuk Zakaria Idris said the new measure – a process chart, aims to shorten the time for considering and approving development plans – those that comply with zoning and standards – will only be between three to six months. Whereas complicated development plans which involve preparation of detailed studies such as Environmental Impact Assessment reports shall require six to 12 months.

Govt to cut time for approvals of devt plans, says Zakaria

KOTA KINABALU: The state government has a new standard process chart to be used by all local authorities when approving development plans in Sabah.

Assistant Local Government and Housing Minister Datuk Zakaria Edris (pictured) said this new measure aims to shorten the time for considering and approving development plans.

He said based on this process chart, the timeframe for considering and approving straightforward development plans - those that comply with zoning and standards - will only be between three to six months.

"Complicated development plans which involve preparation of detailed studies such as Environmental Impact Assessment reports shall require six to 12 months. However, this will further depend on the length of time needed for the preparation and approval of the reports," he explained.

He also said the Local Government and Housing Ministry is striving to shorten the process of approving required documents for physical developments by cutting red tape.

Zakaria said this was adopted from resolutions concluded in a convention of local authorities held last year to be implemented this year.

At the local authorities' convention, several resolutions that were deemed prac-

tical will be considered for the implementation of development projects and in the interest of the people," he said.

He added that one of the resolutions was to streamline the process of approving development plans, building plans and issuance of Occupation of Certificates (OCs) and that a one-stop centre to process and look into all development projects, would be activated.

Zakaria said this would be done before the documents were sent to the Central Board for the final approvals.

By adopting this approach, he hoped the Standard Operating Procedure (SOP) in all local authorities could cut down bureaucracy.

"There is no need for the opposition to suggest setting up a one-stop centre to expedite the approvals for development plans and related matters. It has been in the pipeline all this while. They probably picked up the idea when my ministry announced it during State Legislative Assembly sitting last November.

"While real estate and property development is a vital economic activity, please remember that there are laws, rules and government regulations that must be adhered to," he said.

Zakaria also said the authorities must ensure that no property development is allowed near environmentally-sensitive areas such as wa-



ter catchment areas and wetlands.

"Some developers are simply guided by the bottom line. It is easier to build rows and rows of shop houses, with no proper drainage and open spaces, let alone landscaping.

"At the end of the day, does it give true satisfaction to the buyers and added-value to the property market in Sabah?" he quipped.

Zakaria also said the government would always listen and respond to the requests of housing developers and it has come a long way in regulating the industry without unnecessarily burdening the developers while not compromising the interests of the people.

"Real estate and housing development plays a vital role in the development of Sabah. It is therefore very important that all stakeholders work together in pushing for progress.

"As developers, please don't allow yourself to be manipulated by parties whose primary interest is pushing for a political agenda" he pointed out.

SHAREDA does not oppose any good policies to safe guard the interest of the people. SHAREDA opined that it's the duty of the government to improve its mechanism in simplifying plan processing as it helps to reduce unnecessary regulatory burdens in government agencies and move towards a conducive business environment. This is in line with government aspiration to advance better against World Bank Ranking Standard towards a developed nation status.

This can be done by granting development plan approval by the Town and Country Planning Department to ensure the land is fit for its intended use within the right zoning and then the technical aspects for compliance to be dealt with and settled professionally later at the building plan stage and before the application of Occupational Certificate. This will definitely cut short the double handling of plans as it is now back and forth of several rounds between local agencies to Councils and Town Planning Department.

Be that as it may, this resolution still adopting the same manner of traditional 'bottom up' process to Central Board - relevant technical or advisory departments will give their comments and feedback on the development plan, and later documents were sent to the Central Board for final approval.

CONCLUSION

Compared to what had been recommended by SHAREDA's President before, Datuk Francis Goh has suggested a fast track process of 'top-down' approach instead whereby it is highly suggested that the DP is submitted directly to the Board, which is the highest authority to approve the DP. If this new procedure to be implemented, it will reduce development risks.

SHAREDA pleaded government to look into the matter seriously in the interest of the people and the building industry as a whole by shortening the approval process to six to nine months instead of the current 30 months or more. We believe it will benefit the public in general with reduction of property prices up to five per cent

On second note, it was reported in January 2016 that Malaysia has the potential to secure a better ranking in the World Bank's Ease of Doing Business Report following the introduction of innovative ways to inspect small scale low risk buildings that also helps reduce billions of ringgit in compliance cost. The new mechanism can help lower the risk of procedural delays when applying for inspection from technical agencies. It also helps to reduce unnecessary regulatory burdens in improving private and government efficiencies and move towards a conducive business environment.

Coming back to the topic, it all comes down to the root of all dilemmas and concerns were raised if there is a conducive and effective mechanism in processing the approval of development plan; it will end developers' misery. SHAREDA believes together with the relevant authorities to work hand in hand, streamlining and brainstorming what is the best mechanism in tackling this long-dragging issue that been plaguing construction industry and hindered our beloved state in becoming high nation status by the year 2020.

Thank you.

BANKS SHOULD BE COMPELLED TO GIVE 100% AUTOMATIC LOAN TO 1ST TIME HOME BUYERS

As banks are generating a significant amount of profit from the property industry, banks must play their CSR role on affordable housing which is in high demand and create more approaches to assist the low to middle income earners in owning their first homes. Banks could also provide financial facilities with incentive to the property developers who plan to develop affordable housing so as to increase the supply of affordable homes in the country.

Star 14th March 2015

Bank's CSR on affordable housing

Food for Thought
ALAN TONG

FESTIVE seasons is always a time for sharing and giving. During Chinese New Year, I have seen and heard of organisations leading their hands to the needy. Such events being there in both parties, the contributors and the recipients.

Having said that, charity events are not just confined to festive seasons or special occasions. A sustainable way of contributing to the community will be more impactful in the longer term. This explains why many companies have their own corporate social responsibility (CSR) programmes. One of the objectives of such programmes is to channel funds to the needs of the underserved/privileged communities.

In my last article, I shared my wish list for the Year of the Goat. One of them being the bank's CSR on affordable housing. Some find this wish interesting and have asked for more details. I think this topic is worth discussing in more depth considering its benefits in housing the nation.

Having browsed through the CSR programme of several banks on the internet, I find that most of their CSRs are focused on workplace, marketplace, community and environment. What was missing in the piece on affordable housing that will benefit the low-income earners.

Today, most banks in Malaysia are generating a significant portion of their profits by providing loans. As high as one-third of their loan portfolio comes from the property industry. According to Bank Negara's Monthly Statistical Bulletin January 2013, bank's exposure to residential property stands at 29.3% and a further 13.4% is from non-residential property. With such high exposure in property industry, it would be ideal if banks could also contribute back to the community by allocating a CSR fund to assist the rakyat in owning affordable homes.

In other countries, there are examples where banks contribute to national housing efforts. Wells Fargo & Company, a financial services company headquartered in San Francisco with operations in more than 8,700 locations, has contributed US\$42.8m (RM126.6m) in grants to support home ownership effort in 2013.

Their effort includes support for affordable housing, home buyer education, counselling, downpayment assistance and home repairs.

Another example is Bank of America. The bank has supported Habitat for Humanity's for more than two decades. They also work with families, volunteers and sponsors to build affordable housing for low-income families in the United States, United Kingdom and a few other countries in Asia Pacific.

The above shows the various ways on how banks CSR apply to affordable housing. In our country where affordable housing is in high demand, banks can even create more approaches to assist the rakyat in owning an affordable home.

Just to share a few, banks can consider offering lower interest rate for low-cost housing loans, and imposing certain quota to provide loan for affordable housing, especially for low-income families who are first-time home buyers. To help in increasing the supply of affordable homes, banks could provide financing facility with incentive to small and medium-sized developers who plan to develop affordable housing.

Unlike developers who are required to include low-cost elements for development of land beyond 4.47ha, banks in our country has no obligation to contribute in the housing industry despite property loan being one of their biggest business portfolios. To date, developers have constructed significantly in the 1.06 million low-cost homes in Malaysia. Some form of requirement or quotas imposed on banks to allocate their CSR fund to the housing industry will be instrumental in pushing our housing policy forward.

For a developing country with a young and growing population like us, housing issue is of priority especially when our country aims to become a developed nation by 2020. On this note, as a major stakeholder in the industry, banks play a significant role in addressing the housing issue and helping our nation to march towards this goal.

CSR on affordable housing is especially relevant at our current stage of development. If banks can set aside part of their CSR funds to help the rakyat to own a roof over their heads, it will elevate the quality of our peoples' life tremendously.

PNB's Asia-Pacific regional secretary chairman Derek Alan Tong has over 30 years of experience in property development. He is also the group chairman of Bank Kians Properties. For feedback, please email: feedback@bank-asiapacific.com

Look into high home loan rejection rates, Najib urged

Posted on 21 October 2015 - 02:55pm

Last updated on 21 October 2015 - 04:07pm

Aaron Ngui

newsdesk@thesundaily.com

GEORGE TOWN: Prime Minister Datuk Seri Najib Abdul Razak has been urged to address the high home loan rejection rates by banks during the coming Budget 2016 unveiling.

State Housing Committee chairman Jagdeep Singh said a Real Estate and Housing Developers Association (REHDA) study showed rejections rates were at 70%.

The highest rejection rates were recorded in Johor, followed by Selangor with Penang coming in third, he added.

He said this was a serious issue which was challenging for the industry to address whether from developers or house buyers as both parties were affected.

"I hope the supply of affordable housing and the high rejection rates will be addressed and be given priority in the coming Budget announcement," he told a press conference today.

Jagdeep also pointed out the rejection rates were highest among applicants who were applying for low-cost housing.

He said the higher priced for a house, the lower the rejection rate while it was the other way round for low priced houses.

He said not only Penang experienced this phenomenon as other states underwent the same thing too.

"The banks and government have to take this seriously," he said when asked about the claims that high affordable housing prices were to blame and not loan rejection rates.

Our Prime Minister was urged to look into the serious matter of high home loan rejection rates especially for the affordable housing category as this a very challenging issue for the property development industry impacting both the developers that experienced difficulty in selling off the low to middle cost homes and buyers who faced an impossible dream of obtaining their homes as they were unable to secure financial assistance from the banks.

SHAREDA urged the government to compel the banks to grant automatic 100% loan to the low to middle income earners who are first time home buyers and SHAREDA also urged the Prime Minister, Datuk Seri Mohd Najib Tun Razak to impose a quota for the affordable homes on all the banks in Malaysia. With the imposition in place, banks have to carry out their corporate social responsibility (CSR) by granting the 100% automatic loan to the first time home buyers. Each bank should contribute a CSR loan of 250 units per branch to realise the provision of half a million homes ownership dream as promoted by the Prime Minister.

If banks do not perform their CSR, then SHAREDA foresee that government's vision to house the nation such as PR1MA and MyHome Scheme will not come to fruition unless the banks relax the stringent loan procedure as most of the 1st time home buyers do not possess good financial record and good repayment history.

2016 BUDGET TOUCHPOINTS

PROVIDING AFFORDABLE HOUSES

103) House Ownership Programmes:

HOUSING SCHEME	DETAILS
PR1MA	<ul style="list-style-type: none"> Build 175,000 houses & 10,000 units are expected to be completed in 2016 Sold at 20% below market prices
SPNB	<ul style="list-style-type: none"> 10,000 units of <i>Rumah Mesra Rakyat</i> A subsidy of RM20,000 for each house
PPA1M	<ul style="list-style-type: none"> Build 100,000 units by 2018 A Facilitation Fund of up to 25% of development cost is provided
PPR	<ul style="list-style-type: none"> Build 22,300 units of apartments and 9,800 units of terrace houses
MyHome Scheme	<ul style="list-style-type: none"> Provide First House Deposit Financing Scheme
Transit Oriented Development	<ul style="list-style-type: none"> 5,000 units of PR1MA and PPA1M houses In 10 locations in the vicinity of LRT and monorail stations
Orang Asli	<ul style="list-style-type: none"> RM60 million for building houses
Housing for Second Generation of Settlers	<ul style="list-style-type: none"> 20,000 units by FELDA; Max Price: RM70,000 2,000 units by FELCRA 2,000 units by RISDA
Government Linked Companies (GLCs)	<ul style="list-style-type: none"> 4,600 units (Sime Darby Property) 800 units (Kwasa Land)

- 104) Reviving abandoned low and medium-cost private housing projects by KPKT – RM40 mil
- 105) Exemption on stamp duty for financing instruments to contractors who revive abandoned projects as well as the original purchaser of the abandoned house
- 106) Build and repair 11,000 dilapidated houses in rural areas by KKLW – RM150 mil
- 107) Maintenance of low-cost public housing and 1Malaysia Maintenance Fund by KPKT that provides 100% financing for repair of lifts, railings as well as rewiring – RM155 mil

納吉表示，他總是優先考慮人民擁有可負擔房屋的問題。

納吉：居者有其屋

【吉隆坡三日訊】首相拿督斯里納吉指出，他向來重視人民福祉，包括為全民，特別是為聯邦土地發展局（下稱Felda）的第二代墾殖民建立可負擔房屋，讓人民居者有其屋。



是我優先急務

“能居者有其屋是可負擔的房屋，包括為墾殖民定居，以及為全民追求福祉，向來是我的優先急務。”

納吉今日透過面千書和推特發文，祝福彭亨州峇株巴轄區（Keraton）10區的奠基儀式順利舉行，該儀式由副首相主持。

調低房價讓新生代擁屋

納吉昨日透過面千書指出，為彭州峇株巴轄區第二代Felda墾殖民所建的新房屋，將會調低房價，讓更多的第二代墾殖民能夠擁有夢寐以求的房屋。

基於第二代墾殖民指出他們無能力負擔房價，要求政府重新檢討房價，因此他

宣佈，房屋由原本每單位12萬5000令吉隆價至9萬令。

“我們理解第二代墾殖民所面對的困難，針對他們的訴求，我已指示Felda總監案督納納比蘇海津重新檢討房價。”

Najib: People's home ownership is my urgent priority. PM is always concerned about the welfare of the people, particularly in establishing the affordable home scheme for the people so that everyone can have their own home. He announced that he had instructed Felda director to review the property prices, from the original selling price of RM125,000 to RM90,000.

developers stating that purchasers face problems with the home loan approval and the main issues with obtaining the financial assistance are the ineligibility of house purchasers' household income, lower margin of financing and banks requesting more documents to fulfil the bank's lending criteria and furthermore the Central Credit Reference Information System records and CTOS reports are elements that were utilised to verify credit worthiness.

The housing and property sector plays a key role in the adequate supply of affordable housing for the nation. One of the common worries concerning the provision of affordable housing is the stringent bank lending policies for the first time home buyers. Even though there were several financing schemes such as the My First Home Scheme, the Youth Housing Scheme and MyHome Scheme that were introduced to provide ample opportunities for the low and middle income earners, banks on their end did not provide the end-financing to assist the genuine first time home buyers to obtain a home. Thus, we see many highly sought after affordable home products still unsold. Developers found out that the affordable homes were difficult to sell due to the stringent bank lending policies as indicated by the high rate of loan rejection. The financing issues are a major hurdle for property

REHDA calls for measures to ease affordable housing purchase

KUALA LUMPUR: Real Estate and Housing Developers' Association Malaysia (REHDA) has called for measures to be introduced to ease affordable housing purchase.

Its chairman, Datuk Anthony Adam Cho said REDHA proposed that houses below RM500,000 as well as major building components like cement and bricks to be zero-rated under the Goods and Services Tax (GST).

The government should also look into reducing the rate of stamp duty for the purchase of properties to ease the burden of buyers as they will also be subjected to the GST, he told a press conference on the forthcoming Malaysian Property Exposition (Mapex) 2015, here yesterday.

On Mapex, scheduled for April 3-5 at the Mid Valley Exhibition

Centre here, Mapex committee chairman Datuk Ng Seing Liong said Rehda has increased the number of booths to 260 from 206 last year.

Currently, 80 per cent of the booths have been taken, he said, adding that two more exhibitions would be held on July 31-Aug 2 at the Sunway Pyramid Convention Centre and Oct 30-Nov 1 at Mid Valley.

"Mapex had received encouraging response over the years with over 40,000 visitors visiting each expo. From this year onwards, Mapex will be held three times a year in the Klang Valley.

"The positive response from both developers and buyers toward properties depicts that the supply and demand is still good despite uncertainties in the market," he said. — Bernama

Measures needed to ease affordable housing purchase such as building materials to be zero-rated under GST and reduction rate of stamp duty.

Senator proposes 100% bank loan for youths to buy houses

KUALA LUMPUR: A senator has proposed that the youths be given a 100 per cent bank loan facility as some are unable to pay the deposit even for an affordable house.

Norliza Abdul Rahim said many of those who had just started working did not have adequate money especially as the price of an affordable house currently cost around RM400,000 per unit.

"We have to look seriously on the issue of bank loans because for the Malays in particular, to buy a house and pay a deposit of 10 per cent is quite hard at such a young age," she said when debating on the Yang di-Pertuan Agong's speech at Dewan Negara here yesterday.

The senator from Penang also suggested that a suitable mechanism be used or streamlined to solve the problem.

"However I congratulate the Prime Minister (Datuk Seri Najib Tun Razak) and also the government for the many efforts being implemented to ensure this housing problem can be addressed such as the 1Malaysia People's Housing Scheme programme (PRIMA), affordable housing and many others," she said.

A proposal stating that banks should give 100% bank loan for the youths to buy homes.

By PAUL MU
Paul@newsabah-
times.com.my

KOTA KINABALU: The government must compel the banks to grant automatic 100 per cent loan to first-time buyers to realise its home ownership campaign.

The Sabah Housing and Real Estate Developers Association (SHARED A) in making the call said the Prime Minister, Datuk Seri Mohd Najib Tun Razak who is also the Finance Minister must impose the loan quota for affordable housing on all the 2,300 bank branches in Malaysia.

"This quota will compel the banks to perform their corporate social responsibilities (CSR) by granting automatic 100 per cent loan to first-time buyers of affordable homes.

"Bankers should not fear giving the full loan because most of the affordable homes such as those built by PRIMA, PPPA1M and SHARED A are 20 per cent cheaper than the prevailing market price," said SHARED A president Datuk Francis Goh Fah Shun at the association's 37th anniversary dinner themed 'Moving Forward and Beyond' at a resort here on Friday.

In case of foreclosures or auction, he said the banks can easily recover their principal amount above forced sale value.

"Each bank should be asked to contribute a CSR loan of 250 units per branch to realise the half a million homes ownership dream promoted by our Prime Minister," suggested Francis in referring to the

government's intention to build 500,000 units of affordable homes in Malaysia.

Otherwise, he said the property market will continue to be gloomy as according to SHARED A 2015 interim mid-year report, the gross development value of properties launched so far is only RM928 million or a 43 per cent drop.

Francis said SHARED A actually forecast a positive outlook and a market rebound in 2015 but that was not the case as it was affected by the repeated kidnapping incidents and recent earthquake disaster in Ranau.

The gross development value recorded by SHARED A in 2013 was RM7.563 billion and it dropped by 50 per cent to RM3.347 billion in 2014.

Other factors that contributed to the sharp drop in the Sabah property market are the impact of goods and services tax (GST) on market sentiments, 30 per cent increase in electricity tariff, stringent loan approval by banks and increase in real property gain tax, among others, he highlighted.

The current market shows that high-end development such as luxury condominiums face difficulties in sales due to a high rate of loan rejection, he said.

To adjust to the market trend, developers are switching to build more affordable apartments with prices ranging from RM250,000 to RM400,000, he said, adding that SHARED A members have pledged to build about 5,000 units of affordable apartments with prices ranging from RM220,000 to

RM300,000 in 2015.

"The housing and real estate development sector plays a big role in spurring the state's economy because its prosperity is linked to almost 165 related businesses and the employment sector in the supply chain," Francis said.

Therefore, he said the government should acknowledge the problem of the housing sector over issues of delays in development plan approval, conversion approval, high capital contribution to SESB and market confidence, particularly on security.

"The issue of lengthy processing of development plans has been a major problem faced by developers in Sabah for decades. We are pleading for a change," said Francis.

To address the issue, he said SHARED A along with Pertubuhan Arkitek Malaysia, The Institution of Engineers Malaysia, Association of Consulting Engineers Malaysia, Malaysia Institute of Planners and Sabah Law Association has collectively drafted a joint memorandum and submitted to the Local Government and Housing Minister Datuk Seri Hajiji Noor a month ago.

"The memorandum calls for the expedient gazetting of the draft local plan and to adopt a 'top-down' fast-track approach to the approval of development plans.

"We wanted the DP approval approach to be an interim measure. SHARED A sincerely hopes the memorandum will be approved by

Datuk Seri, so that development plan approval period can be shortened from 30 months to 12 months," Francis said.

Despite the challenges and decline in the property market, he said the developers are still moving forward to find better solutions to face the odds.

As reported in SHARED A Property Annual Report 2014 & Market Outlook 2015, Francis said leisure property and tourism related development will be the future trend of development for diversification.

Developers should now upgrade the quality and facilities of their products, for example, fully furnished products for sale to foreign market especially in Brunei, Singapore, Japan, South Korea, Hong Kong and China as the weak ringgit may prove to be an attraction for foreigners to invest in Malaysian properties, he said.

For high end property, he encouraged SHARED A members to capitalise on the "One Belt, One Road" development strategy of enhancing regional connectivity launched by the China Premier Xi Jin Ping in 2013 and recently the Bank of China also announced RMB 100 billion in loans to be made available to support stakeholders involved in the programme.

Francis also hoped the government would attract more investors from China to invest and reside in Sabah through the Malaysia My Second Home programme and the

Govt must compel banks to grant automatic 100% loan – SHARED A



Joachim (sixth left) and Francis (fifth left) together with SHARED A members and the recipients of donations posing for a group photo after the presentation ceremony

branding of Kota Kinabalu as a most livable city.

"If 10,000 China investors, tourists or silver-haired retirees were to visit or reside in Kota Kinabalu, it would help boost our tourism and property market and could generate an annual revenue of RM5 billion on costs of living and purchase of their second home," said Francis.

The establishment of a China consulate in Kota Kinabalu further improves the bilateral relationship between China and Sabah which could provide an easy source for reference, fast approval of visas and assist in promoting tourism and property investment by encouraging more

investors and tourists from China to visit Sabah, he added.

The highlight of the evening was the presentation of donations amounting to RM595,500 from SHARED A members to Sabah Anti-Tuberculosis Association; family members of the four mountain guides who perished during the recent Ranau earthquake; Mount Kinabalu Guide Association and victims and families of the earthquake disaster.

Assistant Minister of Local Government and Housing Datuk Dr Joachim Gunsalam represented his minister, Datuk Seri Hajiji Noor as the guest of honour.

Hajiji: Ministry to bring SHAREDADA's proposal to PM

KOTA KINABALU: The Ministry of Local Government and Housing will convey the proposal by Sabah Housing and Real Estate Developers Association (SHAREDADA) on granting 100 per cent loan for first-time housebuyers to Prime Minister Datuk Seri Najib Tun Razak who is also the Finance Minister.

Its minister, Datuk Hajiji Noor hoped the government would seriously study the matter.

"I am confident that we can tackle the challenges as they emerge, when we work together," he said during the SHAREDADA 37th anniversary dinner at a resort here on Friday.

And, Hajiji also assured he would give due consideration to the recommendations in a joint memorandum submitted by SHAREDADA and five other professional bodies.

The recommendations call for the introduction of a 'top-down' approach to speed up the approval of development plans "and we are studying it".

"If there is one thing I would like to say,

and categorically so, is that the government or the Central Board, does not have a policy or a habit of sitting on a development plan longer than necessary.

"Having said that, I am not in any way denying the developers' frustration over the length of time taken to approve development plans.

"We, in the ministry are fully aware that delay translates to cost and cost is ultimately passed to house buyers," he said in his speech read by his deputy Datuk Dr Joachim Gunsalam.

On another note, Hajiji praised SHAREDADA for its commitment in sharing the government's burden to build sufficient affordable homes as its members have already begun building part of the 10,000 units they pledged within this five years.

In order to carry out this pledge more effectively, he said SHAREDADA has proposed to set up a special-purpose company to shoulder this massive task.

Hajiji said his ministry was also concerned about the challenges faced by the younger

generation in buying their first home as property prices in Malaysia had outpaced the growth in wages.

The scarcity of land and rising cost of building materials, he said, also contributed to increasing price of properties.

"Despite the adversity, SHAREDADA members still show a strong spirit of corporate responsibility in discharging their duties," he said, adding that the cyclical up-and-down effects of the economy did not spare any one or any economic sector.

Meanwhile, Hajiji said the decline in property launch in Sabah in the first half of this year was likely a result of the cyclical effects.

"I noted the concerns expressed by Datuk Goh on the various contributing factors such as GST, security and stringent banking policies.

"I must admit as a member of the state cabinet, it is difficult to determine a policy that suits all economic sectors, nor make a decision that will cure everyone's headache," he explained. - By PAUL MU



PROPOSED SEISMIC BUILDING DESIGN GUIDELINES FOR SABAH

BY DATO' IR. JOHN CHEE SHI TONG, JP

1. INTRODUCTION & SABAH EXPERIENCE

Earthquake is a phenomenon one would rarely encounter or experience particularly here in Sabah. Though Sabah experiences earthquakes and aftershocks, but she is not situated in the volcanic zone. Sabah, Borneo is eloped by the "*Pacific Ring of Fire*". Therefore would encounter/experience certain amount of seismic activities.

The recent earthquake happened on 5th June, 2015 of magnitude 5.9 recorded by the Richter scale, which is the worst encountered ever. The epicenter was detected at Ranau, about 80 km from Kota Kinabalu. The recent earthquake caused panic; deaths and damages to some buildings at Ranau. Most of the damages recorded were found to be in Ranau. Damages appear to affect more on Low Rise building than Medium rise building.



2. GOVERNMENT OBJECTIVE

In view of the damages and loss of lives from the recent earthquake, the government is taking a proactive role to instill buildings design guidelines and formulate strict regulations to face such calamities in the future.

For building design guidelines, Institution of Engineers Malaysia (KL) has been tasked to draft the seismic design code/guidelines – National Annex for Malaysian Standard (MS). The guidelines will be based on Eurocode EC8. The committee is supposed to work out the guidelines and the adoption of data with public consultation – industries players and stack holders. The adoption of PGA strength has to take into consideration of the economic cost factor that would affect the industries.

3. INTERNATIONAL PRACTICE

EUROCODE advise and also being practiced by many countries experiencing earthquake to formulate their own seismic hazard zonation maps with reference to Earthquake ground motion estimation using peak ground acceleration and response spectral ordinates.

Zonation Maps are prepared basing on the respective ground conditions giving response spectral and the forecasted and return period. (See Table 1.2.3 Ground Types, EC 8)

4. NATIONAL ANNEX COMMITTEE

The National Annex committee adoption of 12% g as the PGA value for seismic design for Sabah is not conclusive. They have failed to follow the practice of earthquake counties to formulate Hazard Zonation Maps. We are of the opinion that Kota Kinabalu and Ranau should be placed in different zoning and by adopting a single PGA value for the whole of Sabah is not economically viable to the building industries. Zonation is commonly practices in Taiwan and many earthquake counties.

The committee also confessed that they do not have sufficient soil data to determine the PGA values and soil liquefaction values. It is paramount that ground condition need to be taken into consideration in such assessment.

The committee made reference to the macro regional earthquake mapping – South China Sea and the "*Pacific Ring of Fire*" off the coast of Sabah. Another factor which we do not understand why the committee pick a return period of 2500 years instead of 475 years, which is commonly practice and recommended by EC8.

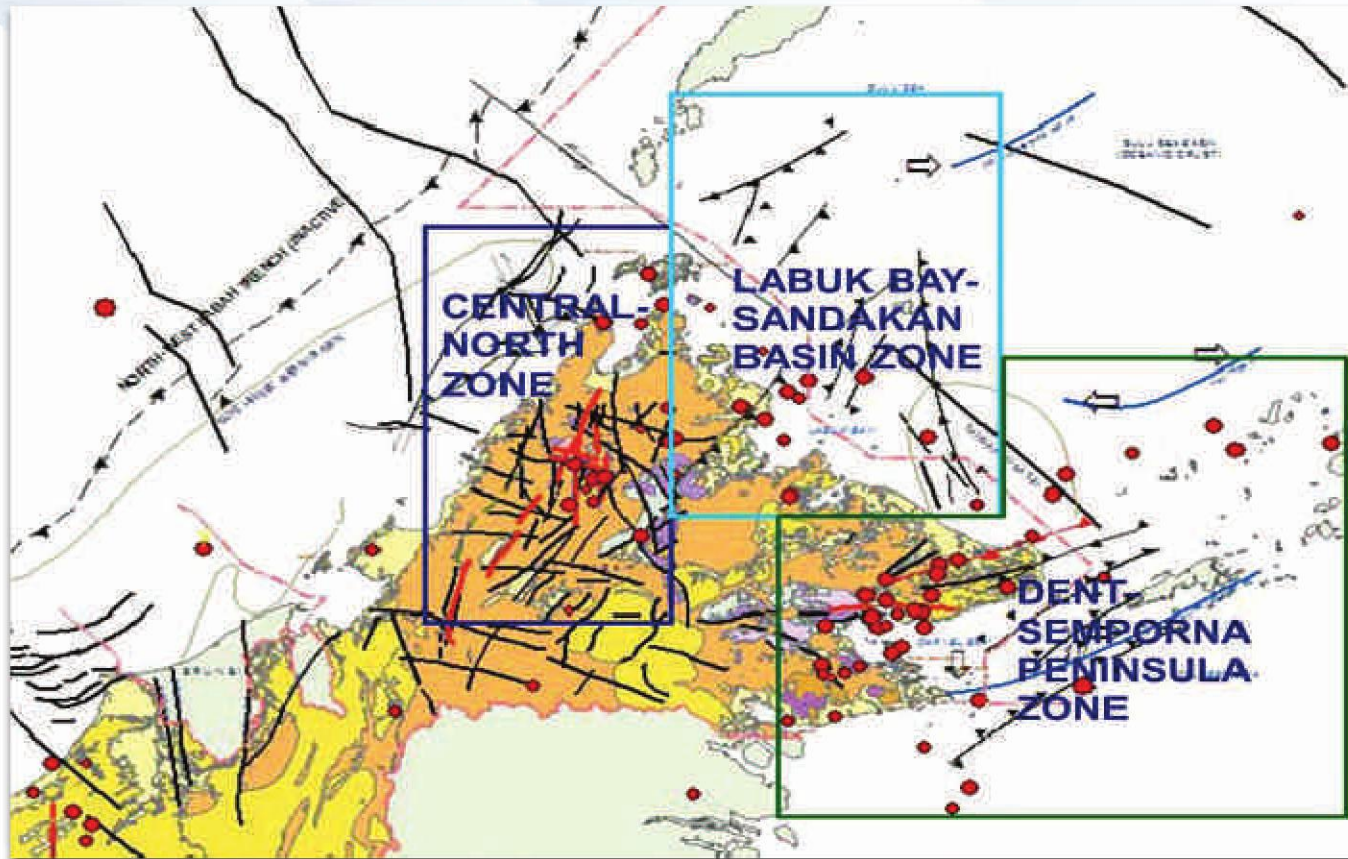
5. CONCLUSION

The authorities such as JMG should be given more aids to carry out zonation hazard mapping for Sabah. With reference to responses spectral for the estimation peak ground acceleration (PGA).

More monitoring stations should be set up here in different parts of Sabah.

DBKK and other local authorities should provide avenues and guidelines to carry out structure integrity check for older Buildings without seismic strengthening.

Figure 1: Seismic Zonation Of Sabah

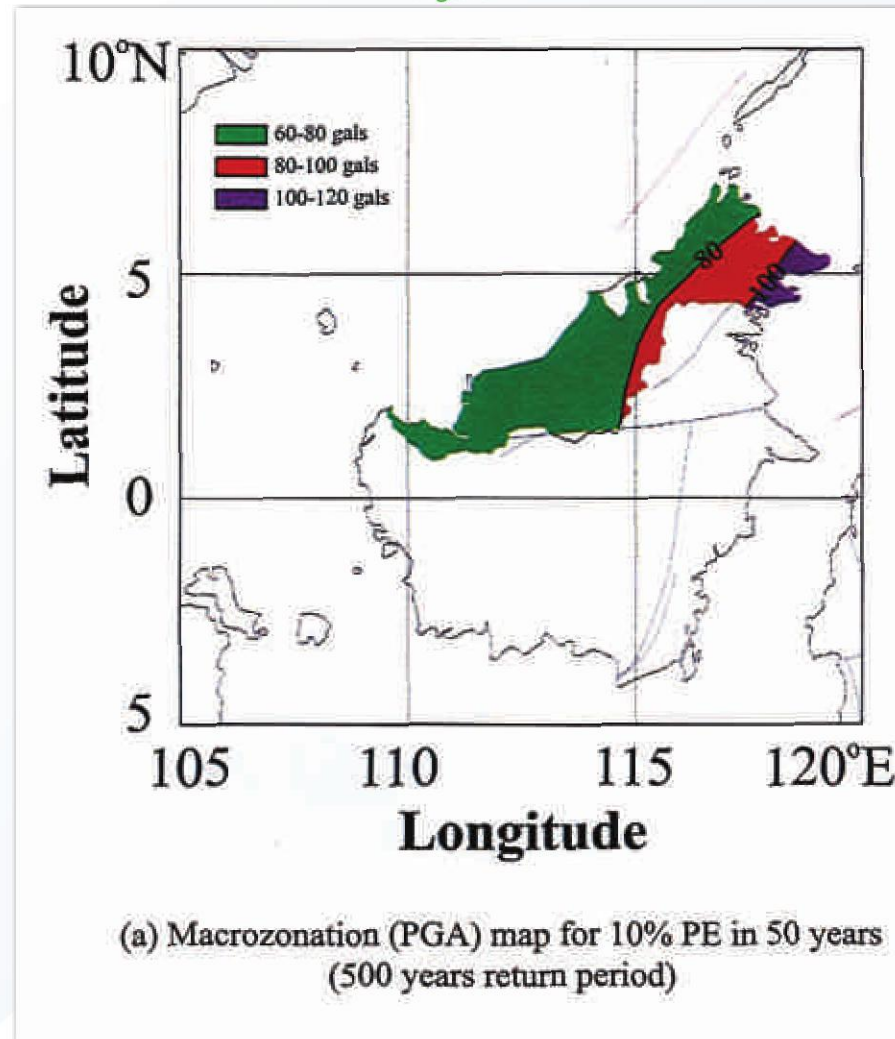


- Since 1897, more than 130 earthquake events (excluding aftershock) had occurred in Sabah with magnitude ranging from 1.9 to 5.9 Mb.
- Most of the earthquakes are caused by local active faults located mainly in the Ranau-Kundasang, Labuk Bay-Sandakan and Dent Peninsula-Semporna areas.
- So far, Sabah has experienced 3 destructive earthquakes; in 1976 at Lahad Datu with magnitude of 5.8Mb at depth of 33 km, in 1991 at Ranau, magnitude 5.1 Mb at depth of 18 km and recently at Kinabalu on 5 June 2015 with magnitude of 5.9Mb at 10km depth.

<i>Sesimic Zone</i>	<i>Seismic Source</i>
Central- North	Local active faults
Labuk Bay - Sanadakan	Onshore and offshore thrust faults
Dent – Semporna Peninsula	<ul style="list-style-type: none"> • Onshore and offshore thrust faults. • Distance earthquakes from the Sulu sea area

The PSHA PGA value (500 years) by PWD (2005 for Sabah as shown in Figure 2.

Figure 2

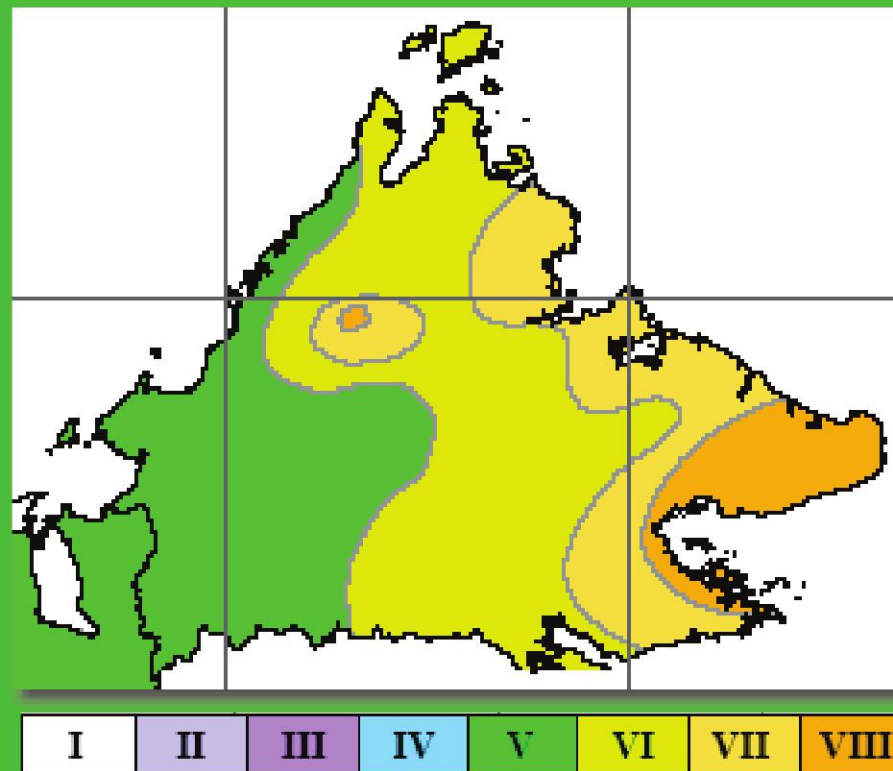


West Coast of Sabah - PGA 0.06 to 0.08g

Central Sabah - PGA 0.08 to 0.10 g

Eastern - 0.10 to 0.12 g

Figure 3: Maximum Observed Intensity (MMI Scale) (Source: ASM, 2009)

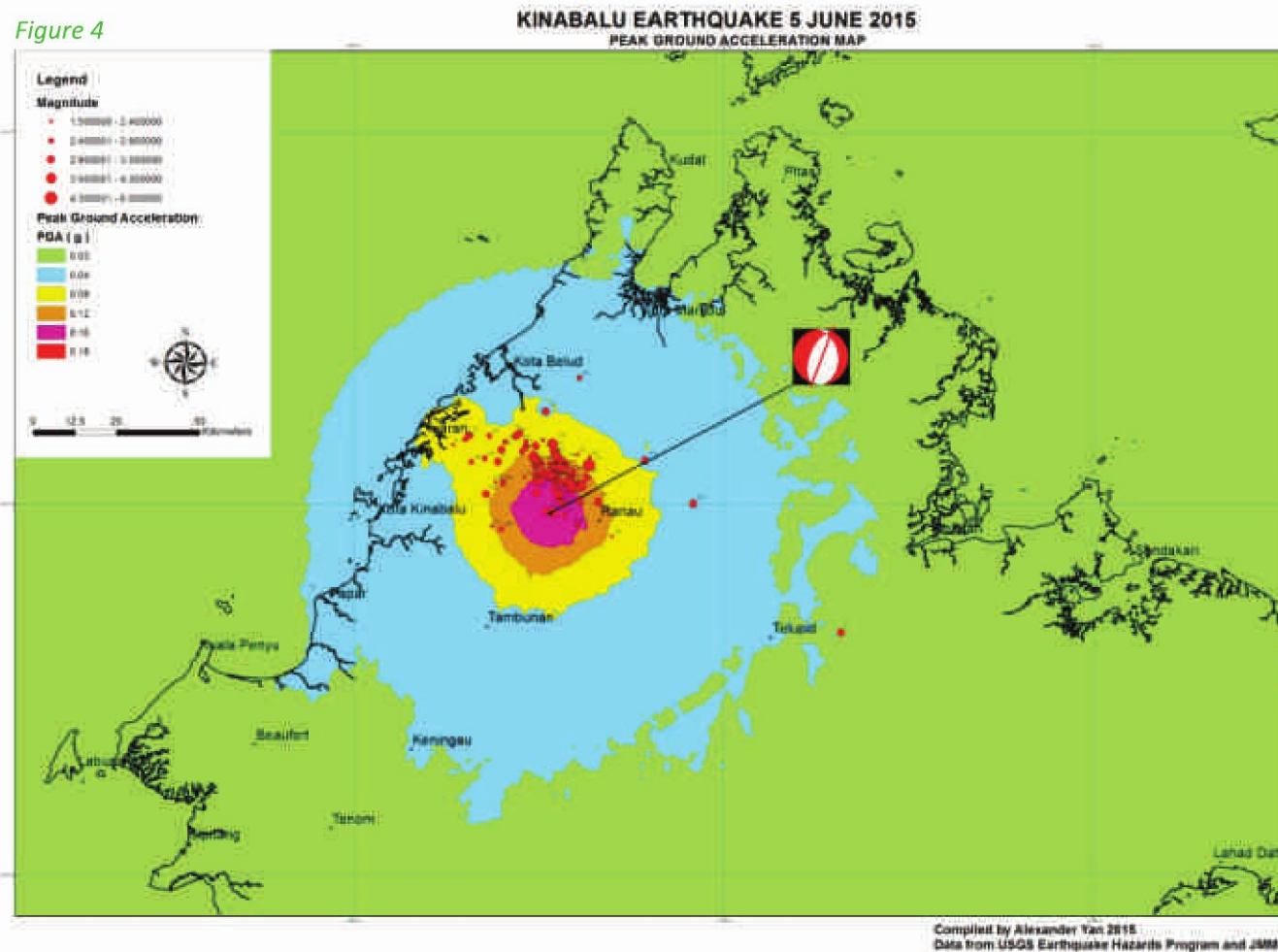


Understanding Peak Acceleration (%g) Values									
	< 0.17	0.17 - 1.4	1.4 - 3.9	3.9 - 9.2	9.2 - 18	18 - 34	34 - 65	65 - 124	> 124
Perceived Shaking	Not Felt	Weak	Light	Moderate	Strong	Very Strong	Severe	Violent	Extreme
Potential Damage	None	None	None	Very Light	Light	Moderate	Moderate / Heavy	Heavy	Very Heavy
Instrumental Intensity	I	II-III	IV	V	VI	VII	VIII	IX	X+

RECENT RANAU EARTHQUAKE OF M5.9

The PGA, PGV and PSA determined by USGS Earthquake Hazard Program as shown in Figures 4, 5 & 6, respectively.

Figure 4



Kota Kinabalu area - PGA 0.04g

Tuaran area - PGA 0.08g

Ranau area - 0.12 g

Kundsang area - 0.16 g

Figure 5

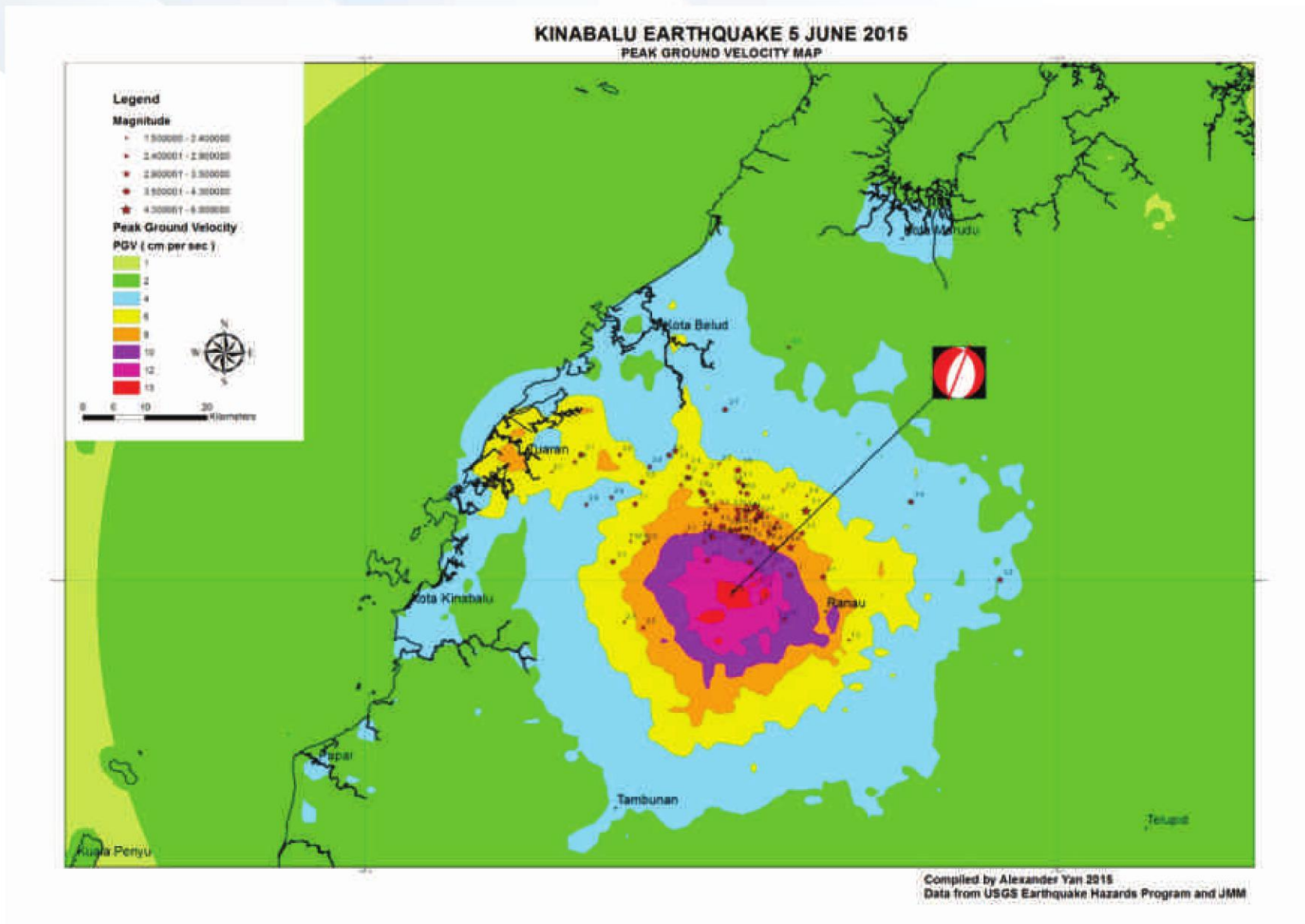
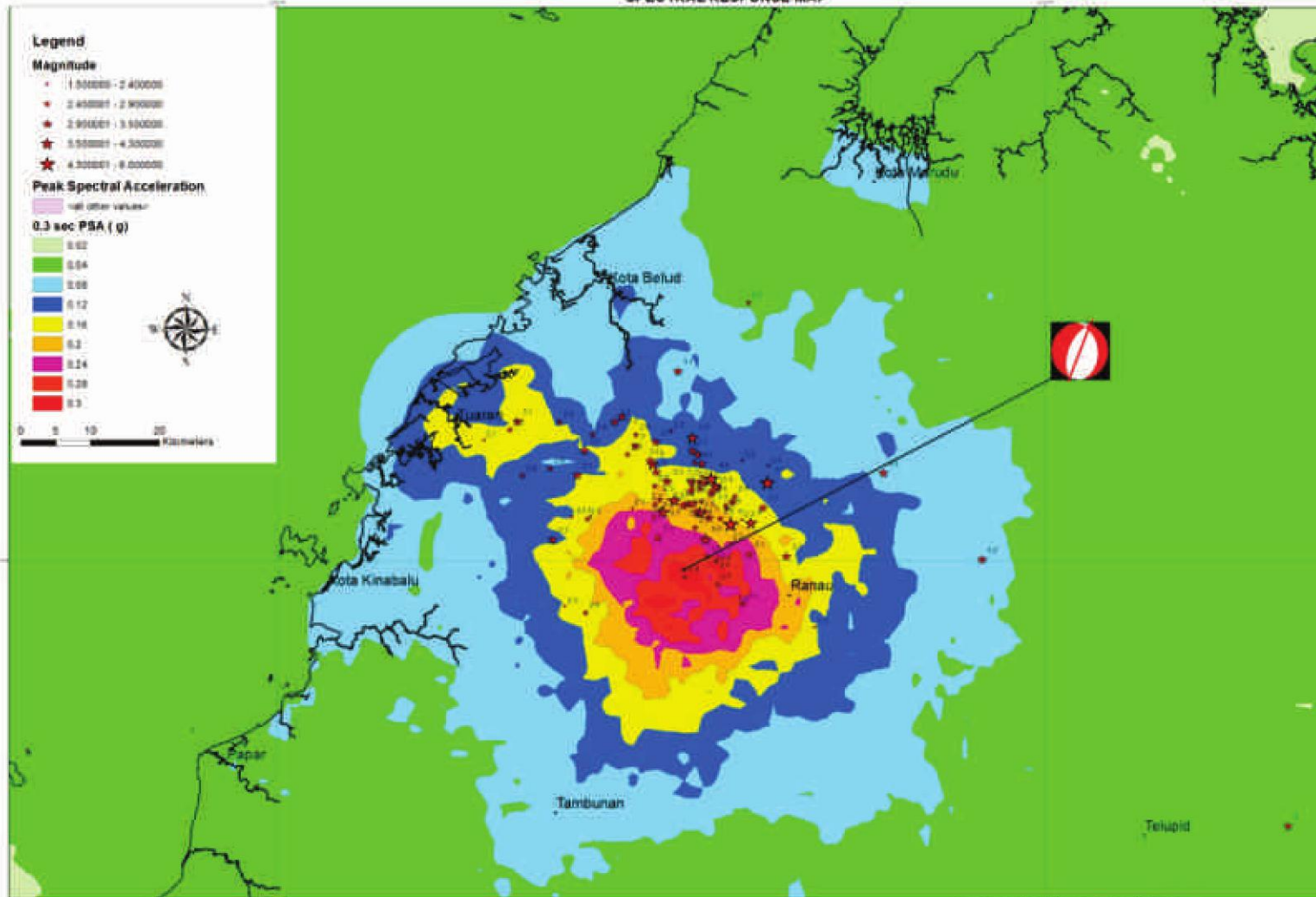


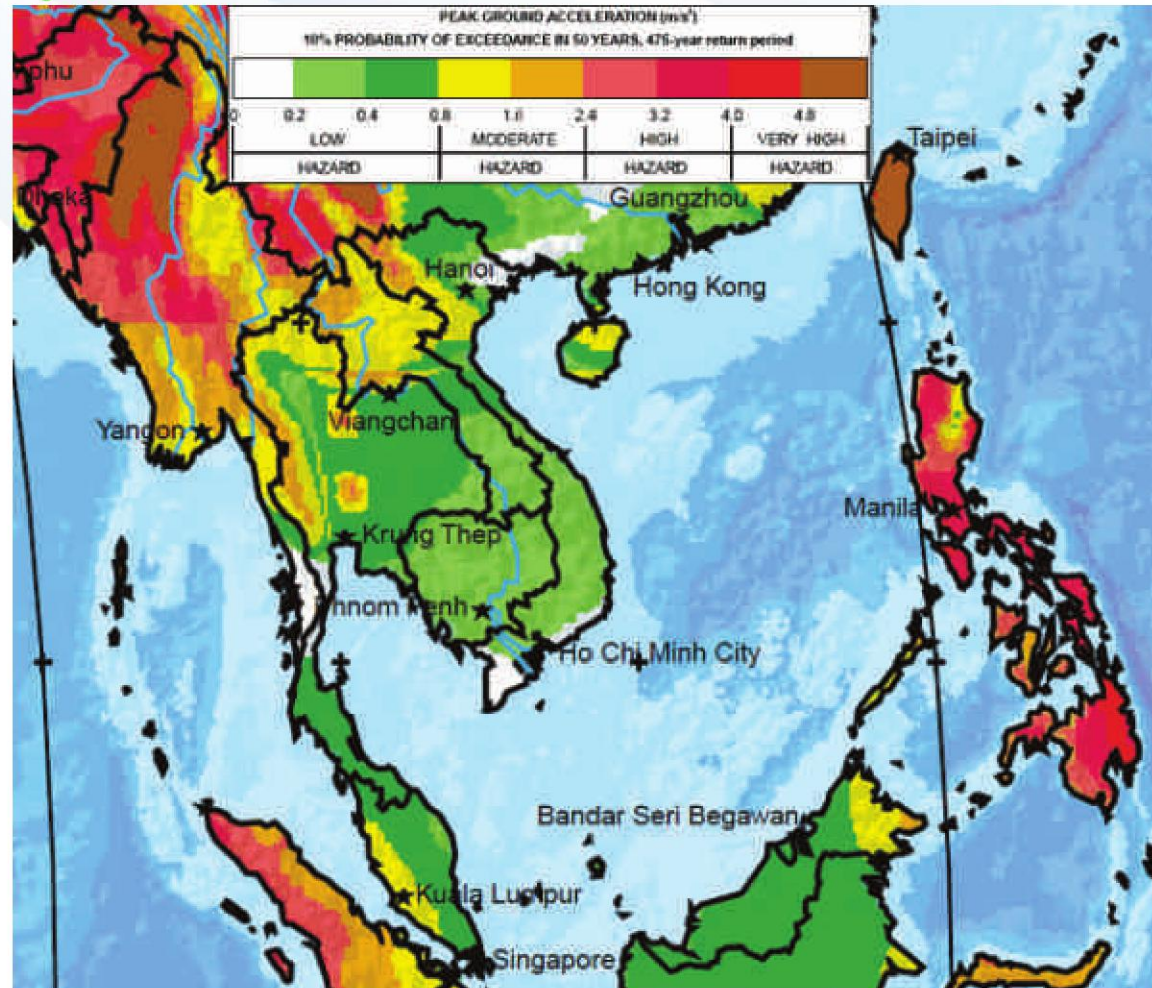
Figure 6

KINABALU EARTHQUAKE 5 JUNE 2015 SPECTRAL RESPONSE MAP



GLOBAL SEISMIC HAZARD ASSESSMENT PROGRAM (GSHP)

Figure 7



The GSHAP map clearly shows that there are 3 seismic zones in Sabah.

West Coast region - PGA 0.4 -0.8 m/s² (0.04 – 0.08 g)

Central region - PGA 0.8- 0.16 m/s² (0.08 – 0.16g)

East Coast region - PGA 0.16 – 0.24 m/s² (0.16 -0.24g)

Table 1.2.3 Ground Types

Ground Types	Description of Stratigraphic Profile	Parameters		
		$v_{s,30}$ (m/s)	N_{SPT} (blows/30cm)	c_u (kPa)
A	Rock or other rock-like geological formation, including at most 5 m of weaker material at the surface.	> 800	-	-
B	Deposits of very dense sand, gravel, or very stiff clay, at least several tens of metres in thickness, characterised by a gradual increase of mechanical properties with depth.	360 - 800	> 50	> 250
C	Deep deposits of dense or medium-dense sand, gravel or stiff clay with thickness from several tens to many hundreds of metres.	180 - 360	15 - 50	70 - 250
D	Deposits of loose-to-medium cohesionless soil (with or without some soft cohesive layers), or of predominantly soft-to-firm cohesive soil.	< 180	< 15	< 70
E	A soil profile consisting of a surface alluvium layer with $v_s > 800$ m/s.			
S ₁	Deposits consisting, or containing a layer at least 10m thick, of soft clays/silts with a high plasticity index ($PI > 40$) and high water content.	< 100 (indicative)	-	10 - 20
S ₂	Deposits of liquefiable soils, of sensitive clays, or any other soil profile not included in types A – E or S ₁			

THE BORNEO POST
Saturday, July 25, 2015

Shareda continues with CSR projects

By Shalina R

KOTA KINABALU: Sabah Housing and Real Estate Developers Association's (Shareda) 37th anniversary will launch the body's vision to leave current challenging economic times and development paradigm behind.

"As you all know, we are in an economic slowdown so we have to be an overcomer of the situation," said its vice president John Chee at the Shareda Nite 2015 press conference here, yesterday.

"In view of these challenges, our members will have to strive on with green and sustainable technology," added Shareda secretary general Datuk Chua Poon Ping.

"We, in Shareda, believe that all industry players and its associates are able to arise and continue to move forward and beyond the boundaries, to continue to adapt (to) the ever changing developing and exploring environment," said its treasurer general and organizing chairman Chai Meng Kong.

Chai said members would have to be innovative in developing properties although Malaysia has succumbed to the plummeting ringgit due to falling crude oil prices, declining number of tourist arrivals due to kidnapping and earthquake incidents.

In addition, he said members would also have to overcome the six percent GST challenge that had increased construction cost and led property price increase.

"Hence, the spill-over effect on property industry is great. No doubt it is in our

wish list to expect the property market to recover and stay resilient as our industry spearheads forward for a better remaining year in 2015 and coming 2016 as we experience the changing economy paradigm," emphasized Kong.

Meanwhile, Shareda will play host to 1,000 industry partners from various government ministries and departments, business associates, industry players, trade associations, professional bodies, banks, as well as its counterparts from Sarawak, Peninsular Malaysia and Hong Kong, during its annual dinner at the Magellan Sutera Harbour Resort & Spa, here.

"As a tradition each year, Shareda Nite contributes back to society in our commitment to Corporate Social Responsibility (CSR) program in donations or in kind.

"This year our Shareda Charity Fund campaign target was raised to a total sum of RM92,500 from our members and associates," Chai said. Shareda has selected Sabah Anti-Tuberculosis Association (Sabata), to receive RM10,000 to build a single storey rest house for outstation tuberculosis patients and their families seeking treatment in Kota Kinabalu.

The remaining RM82,500 will go to the families of the four Mount Kinabalu guides who lost their lives while saving others, Persatuan Malim Gunung Kinabalu for their mountain guides who lost their

livelihood, Ranau victims and families of the quake disaster who suffered from the devastating 6.0 magnitude June 5 earthquake and aftermath tremors, this year.

In the past, Shareda members have volunteered to build a taxi station at Kampung Air, and its youth wing will also contribute to building a centre for the Sabah Society for the Blind, which is estimated to commence at the end of July or early August.

"We are in the process of awarding the work by this week, so hopefully the project will be done before December this year," said Shareda Youth Council secretary Benny Ng. "The Youth (Council) will also be doing charity work that includes a RM500,000 bus stop in Tenom Town. It will be given free to the district council. Also, I believe, there will be a RM3 million project on the Penampang Bypass," he added.

According to Ng, around 1km of the Penampang Bypass highway, adjacent to International Technology and Commercial Centre (ITCC) Penampang, and upcoming new designer residential development, Cpark, which is in the process of piling and getting approval for Phase Two from the government, will include a new bus stop.

"I have heard that the government has given the money to upgrade the middle part of Penampang Bypass, involving a little bit of widening, upgrade of infrastructures. Hopefully this will come in next year," said Ng. Ng, who is also Glowbest Sdn Bhd executive director, said the company would build a new bus station, which could



Chee (seated third left), Chai (second left) and Ng (right) with other Shareda council members.

accommodate over 20 buses in Tenom.

"We do it for the District Office. At the moment, Tenom doesn't have a really good bus station. They only have a bus stop that can accommodate six to ten mini buses and not even a big bus.

"So since there is going to be a new project called Orchard Plaza there, we are building a new bus stop, which has already been approved by the government. This is our individual commitment to society," he said.

"They don't have a proper bus stop. The mini buses have to park here and there around the town. So we are trying to centralize it for the government and we see the need for it," added Ng.

The guest of honour is Local Government and Housing Minister Datuk Seri Panglima Hajji Noor, with performers The Metalist David Lai, The Akoustik Connexion Live Band and the Dance Academy at the dinner.

Guests will also have a chance at lucky draw prizes such as return air tickets for two to Tokyo, Seoul, Ho Chi Minh and Bangkok as well as gadgets such as iPads and iPhones.

THE BORNEO POST
Thursday, April 2, 2015

Shareda sponsors Green Toilet for convention

KOTA KINABALU: The Sabah Housing And Real Estate Developers Association (Shareda) has pledged their support for the second World Toilet Convention of the World Toilet Association by sponsoring a Green Toilet.

Its president, Datuk Francis Goh, said that the Green Toilet will be designed together with the Quality Restroom Association Malaysia (QRAM), the organisers of the World Toilet Convention, while the construction costs will be fully absorbed by Shareda.

"I am very happy that QRAM is bringing the World Toilet Convention to Sabah because our City truly needs a wake-up call to do something about the quality of our toilets.

"To show Shareda's support towards the convention, we will build a Green Toilet, which will be designed together with QRAM while the construction cost will be absorbed by Shareda's annual CSR budget for 2016," he said during a courtesy call by the World Toilet Convention committee members, led by chairman Damian Chai.

"The World Toilet Convention is a very big-scale international event so Shareda wants to contribute something that will last forever and most importantly, something that will benefit and can be utilised by the public.

"This is why the Green Toilet project will be the perfect contribution from Shareda for the World Toilet Convention as it is exactly what the Convention is about, besides also giving support towards their objectives in any other way we can," Goh added.

During the courtesy call, Chai



Francis Goh (third right) presenting the sponsorship to Damian Chai.

extended his deepest gratitude towards Goh and Shareda for coming in and supporting the convention with full force.

"We sincerely did not expect Shareda to come in with such strong support and the World Toilet Convention Committee is extremely overwhelmed with Datuk Francis' generosity and commitment.

"Hopefully more and more entities will take Datuk Francis as an example and come forward with full force to support their convention in any way they can," said Chai.

He added that Shareda's contribution will greatly support the convention's four-step formula, which was created by committee member Datuk Chua Kim Hing, which are Change Mindset,

Upgrade Toilets, Maintain Cleanliness and Functionality and Educate Users.

"This will greatly benefit the second point, which is Upgrading Toilets - in fact, Shareda one-upping things by building a whole new toilet for us," Chai added.

The convention will be held in Kota Kinabalu, in conjunction with the World Toilet Day for Malaysia, on November 19 and 20, this year.

Organised by the QRAM Sabah, the convention is entrusted to promote and advocate the progressive development of quality restrooms.

Expected to attract almost 4,000 participants, the convention also hopes to adapt a World Resolution, pledging participating countries to advocate quality restrooms practices.

Broken Ground! New Initiative by SHAREDA Youth at the Wallace Blind Centre, Tuaran (Jul 30, 2015)



SHAREDA council members and SHAREDA Youth members with Datuk Rosalind Chew Bee Koh

The groundbreaking ceremony for a new building, a detached single storey house, was successfully done earlier this afternoon by Sabah Housing and Estate Developers Association (SHAREDA) at The Wallace Blind Centre here in Tuaran.

Dato' Ir John Chee, SHAREDA's Vice President says that the new building is expected to be completed within the next 6 months. "A total half million ringgit was donated to The Wallace Blind Centre in order to support the project 'Centre for the Blind'. We are very honoured to be part of the project." The Wallace Blind Centre's President Datuk Rosalind Chew Bee Koh was present at the conference and is thrilled for the project for it will bring a better living for the blind community and their families, thus will enhance their life quality and unity in society.



Datuk Rosalind Chew and Dato' Ir John Chee officiating the ground breaking ceremony.

SHAREDA Youth's spokesperson Mr. Roy Chiew stated that the idea of the project has been discussed last year. "Presently the centre has several timber based buildings which have been affected by natural causes such as termite attacks and floods. The new concrete building will be built and the present buildings will be renovated in the nearest future," he said when asked about the current situation of the centre.

The new 3,165 sq. ft concrete building will include 8 rooms, where each room is unsuited with its own bathroom. Tiled kitchens and toilets, 2 living rooms with open kitchen and eatable linear gardens and an outdoor plaza are also part of the proposed design to the building.

Mentioned sponsors include Panabalu Tenway Sdn Bhd, Cement Industries (Sabah) Sdn Bhd, Aluminium Y.S. Sdn Bhd, Kilang Papan Hiong Tiong Sdn Bhd, City Top Enterprise Sdn Bhd and Kiong Sing (Sabah) Sdn Bhd. Also present during the conference from SHAREDA's Council Members were Datuk Susan Wong Siew Guen (SHAREDA's Immediate Past President), Datuk Sr. Chua Soon Ping, Mr. Wesley Chai and Youth Secretary, Mr. Benny Ng Su Pei.

State govt looking into Shareda proposals – Musa



Local Government and Housing Minister Datuk Seri Panglima Hajiji Noor (third right) witnessing the exchange of signed memorandum documents between Shareda president Datuk Francis Goh (third right) and SCWS president Datuk Zainie Abdul Aucasa. They are accompanied by SWCS honorary treasurer George Ngui Kuang Kee (left), Shareda secretary general Datuk Sr Chua Soon Ping (second right) and council member Ronnie Ang Guo Wei (right).

KOTA KINABALU: It is important for the Sabah Housing and Real Estate Developers Association (Shareda) to remain positive and renew their commitment to work together to advance the development of Sabah, said Chief Minister Datuk Seri Panglima Musa Aman.

"This year's PROPEX is taking place at a time of intense speculations in the market. Some of these predictions and speculations are so well argued and well written that it is sometimes difficult not to believe them. However, in the process of decision making, we must be rational and objective," said Musa, whose keynote address was read by Local Government and Housing Minister Datuk Seri Panglima Hajiji Noor at the Shareda Property Exhibition (PropEX) 2015 launch here yesterday.

"This is especially true in the business of government as well as property and real estate development. I do not dispute that perceptions are very powerful and sometimes they overpower rationality. But facts remain

facts, and perception remain perceptions. Facts are what we work with; perceptions are what we have to deal with.

"In addressing Sabah's growth and economy, it is done within the bigger picture of the Malaysian economy and all plans that the government has in place. For us to succeed, it is important for professional business organisations like Shareda to remain positive and to work hand in hand with the government," he elaborated.

Musa highlighted that the property and real estate development sector is an important component of the state's economic wheel as many businesses are directly dependent on the real estate and property development sector.

"You can say that if the real estate and property development sector sneezes, many industries will catch a cold. I understand from your (Shareda) president Datuk Francis Goh that the gross development value of properties launched up to this point has sharply declined compared to previous years," said the Chief Minister.

"We are as concerned as Shareda, because of the impact on the economy, and we are looking into your various proposals on how the approval process can be expedited. We have considered your views on the workings of the Central Board, and how to give real meaning to the term one-stop centre.

"I truly believe that with professionalism and transparency among developers and the civil service, expediency can be achieved to serve public interest," he added.

Musa affirmed that the state government remains steadfast in efforts to provide affordable housing especially to first-time home buyers and commended developers who have pledged to build 10,000 units within these few years.

"We cannot achieve the vision of affordable housing without support from the property development sector. There are challenges and obstacles but we remain positive. Let us renew our commitment to work together to advance the development of Sabah," said the Chief Minister.

Shareda signs MoU on mangrove protection

dailyexpress

YOUR LOCAL VOICE | SUNDAY, OCTOBER 25, 2015

Jason Santos

KOTA KINABALU: The Sabah Wetlands Conservation Society has inked a memorandum of understanding (MoU) with the Sabah Housing and Real Estate Developers Association to raise awareness among developers on the importance of mangroves.

Society President Datuk Haji Zainie Abdul Aucasa said it is hoped the signing of the memorandum will change the minds of developers to be sensitive to the presence of wetlands at their project sites and protect them.

"We want them to take note of the wetlands when they are about to start a new project, that they will be more careful and understand what is needed to be done when they run into any wetlands.

"It's also our new move to focus on the developers after raising awareness among children and non-governmental organisations for many years," he told the *Daily Express* after signing the MoU, here.



Zainie (second from left), Goh (third from right) with Hajiji (middle) and others during the signing of MoU here.

Both signatories aim to undertake capacity building and awareness initiatives, and will promote human capital development and also seek funding to enhance wetland forests, restoration, conservation

and conservation awareness.

The MoU was signed by Zainie and Shareda President Datuk Francis Goh and was witnessed by Local Government and Housing Minister Datuk Hajiji Noor.

Society celebrates World Wetland Day

KOTA KINABALU: The Sabah Wetlands Conservation Society (SWCS) opened its door to the public on February 27 in conjunction with the World Wetland Day.

The theme for the event, 'Wetlands for our Future: Sustainable Livelihood', was organised by the Sabah Wetlands Conservation Society in collaboration with the Ministry of Natural Resources and Environment.

This environmental event aims to raise awareness on the importance of wetlands for our future generations, while promoting a healthy lifestyle with a two-kilometre walk and Plant A-Thon into the mangrove forest with family and friends.

Some of the activities held were the Mangrove Challenge for students, lucky draws, free health screening and the voluntary registration as KK Wetlands guardians.

One of the highlights for the day involved the launching of a book entitled, 'A Guide to the Plants of Kota Kinabalu Wetlands' which was printed and sponsored by Kinsabina.

According to Kinsabina's chief operating officer, Datuk Gerald Goh, the 1,000 guidebooks are in line with SWCS' objectives to promote the conservation of wetlands in Sabah and to create awareness and appreciation of the wetlands and the variety of plants surrounding it.

"In fact, Kinsabina is one of its pioneer members.

"As part of Kinsabina's Corporate Social Responsibility, our employees are also here to support the educational event under our KERIS (Kinsabina Employees Recreation & Innovation Society) programme for the two-kilometre walkathon," he said.

Prior to this, a memorandum

of understanding was been signed between Sabah Housing and Real Estate Developers Association (SHARED) represented by its president, Datuk Francis Goh and Sabah Wetlands Conservation Society on the capacity of building and creating awareness initiatives on wetlands conservation and management in Sabah on October 23, 2015.

Such partnerships are vital in ensuring the sustainability of the mangroves, which bring much benefit to our society, according to SWCS.

The ceremony was officially launched by Natural Resources and Environment Minister Dato Sri Dr Haji Wan Junaidi bin Tuanku Jaafar, who was the guest of honour.

Also present at the event was Tourism, Culture and Environment Minister Datuk Masidi Manjun.

Five-year extension to tree-replanting project

THE Sabah Wetlands Conservation Society on Saturday announced a five-year extension of its tree-replanting project with the Sabah Forestry Department.

Its President Datuk Zainie Abdul Aucasa said Forestry Department Director Datuk Sam Mannan was glad to provide the society the extension following the society's success in hitting its goal to replant some 24,000 trees.

"We have successfully planted over 24,000 trees as of Dec 31 last year in the first contract and Mannan was more than happy to hand us another five-year contract to plant more trees.

"I am not sure which area he will assign us to replant the trees as the City Wetlands is already out of space," he said.

Meanwhile, Zainie also said the Ramsar headquarters in Switzerland will be sending an officer to evaluate the City Wetlands which is now in the process of getting the international conservation site status.

He had earlier noted that the State Government had endorsed the papers to nominate the 60-acre site as a Ramsar Site in 2013 and now in the process of getting the Federal Government endorsement.

Also present at the World Wetlands Day were Tourism, Culture and Environment Minister Datuk Seri Masidi Manjun and Natural Resources and Environment Minister Datuk Seri Wan Junaidi Tuanku Jaafar.

Meanwhile, Sabah Housing and Real estate Developers Association (Shareda) clarified that plans to develop the city wetlands are in accordance to the Sabah Wetlands Conservation Society's (SWCS) own masterplan.

Its Deputy President Chew Shang Hai on Saturday said the memorandum signed between Shareda and SWCS on Feb 14 is to assist the society to raise funds, build and operate a certain commercial activity in the wetlands.

He noted that no part of the memorandum mentioned

about a sales and purchase arrangement between both parties.

"So this means we would probably build like a restaurant and we are assigned to look for a contractor who is willing to help in this project.

"This is not based on Shareda's plan but the SWCS own masterplan," he said when met during the Wetlands Day launching at the City Wetlands, here.

Concerns have been raised over the said Memorandum of Understanding signed between SWCS and Shareda where the city wetlands would be developed into a commercial park and the whole area would be privatised, although SWCS planned to raise the status from a park to Ramsar Site in a few years.

"Shareda is only a partner to do a certain commercial activity. This plan is part of the SWCS masterplan for Ramsar.

"This means Ramsar must approve this first. Nothing on Sales and Purchase but more on our part to do CSR (Corporate Social Responsibility) to develop some form of commercial activity," he said.

Meanwhile, one of the highlights for the day involved the launching of a book entitled, "A Guide to the Plants of Kota Kinabalu Wetlands" which was printed and sponsored by Kinsabina.

According to Kinsabina's Chief Operating Officer Datuk Gerald Goh, 1,000 guidebooks will be distributed which is in line with SWCS's objectives to promote the conservation of wetlands in Sabah and to create awareness and appreciation of the wetlands and the variety of plants surrounding it. In fact, Kinsabina is one of its pioneer members.

As part of Kinsabina's Corporate Social Responsibility, our employees are also here to support the educational event under our KERIS (Kinsabina Employees Recreation and Innovation Society) programme for the 2km walkathon, he said. — Jason Santos

Jason Santos

KOTA KINABALU: A 10-year wait for the strata title by 96 Kepayan Apartment owners finally ended when the missing China-based developer showed up and agreed to sign over all the draft titles to them on Wednesday. The developer also paid over RM14,400 in dues to the Land and Survey Department for the 96 subsidiary titles or individual titles, which was already prepared in August 2012.

The China-based company CCECC, which wound up business and ceased all its operations in Sabah shortly after their development, the Kepayan Apartment, received the Occupational Certificate (OC) in Jan 2005, and had been since uncontactable.

The Resident Action Committee Chairman, Hamdin Abdul Kadir, said their frustration was finally over when two directors from the company responded to an advertisement placed by the Sabah Housing and Real Estate Developers Association (Shareda) searching for them late last year.

"I could say it is an early 'ang pow' gift for us... our thanks goes to the Shareda and the commitment of its President Datuk Francis Goh who had come forward to help us in locating them," he said here after meeting with the developer and the Land and Survey to resolve the strata title issue.

The lack of strata titles made it difficult for owners when it came to reselling the unit and previously, the Land and Survey became the target of criticism over the late issuance of the strata titles.

Attempts by residents to locate the developers in the past also failed.

Not until Goh came forward on Nov 17 and vowed to help them locate the CCECC by placing numerous advertisements, which saw the non-governmental organisation also spend over RM10,000 for the purpose.

Shareda's move worked when, shortly after seeing the advertisements, two of the CCECC directors, Chay Ng and Lee Goan Yin, a Malaysian couple, contacted the Kepayan Apartment Residential Action Committee Secretary.

The Beijing headquartered CCECC currently has an office in Singapore, while Chay and Lee, reside in Kuala Lumpur. They were two of the three directors who played a crucial role in the CCECC project in Sabah.

Despite several tense moments between residents and the developer, Chay did not resist and agreed to sign the draft title and paid their dues to the Land and Survey Department the same day.

Chay explained their Beijing head office had instructed all managers to return to China after completing the project,

adding that there were no laws at the time that required them to address the strata title issue.

"We are very sorry. If we had known that earlier, we would have come and sort this out instantly," he said.

Amendments to the Land (Subsidiary Title) Enactment 1972 pertaining to strata titles only came after 2003, requiring developers to continue having a presence in Sabah up until the issuance of strata titles.

Meanwhile, Goh said now the Kepayan Apartment problem has been resolved, Shareda will focus on assisting the residents of Kendara Apartment, who face a similar problem, except the company which developed the project had been declared bankrupt.

"Our next move is to look into the problem faced by the residents there.

We know this is more problematic but we will work together with the residential committee to ensure they will receive their strata titles," he said.

Goh said there are around 300 residents at Kendara Apartment.

Also present during the meeting was Land and Survey Department Deputy Director Mohd Yusrie Abdullah to chair the resolution meeting.

SHARED A HELPS KEPAYAN APARTMENT OWNERS TO OBTAIN THEIR SUBSIDIARY TITLES

dailyexpress

YOUR LOCAL VOICE | THURSDAY, JANUARY 21, 2016

CSR By SHARED A To Prepare Subsidiary Titles For House Buyers

Early 'ang pow' for 96 Kepayan Apartment owners

10-year strata title wait is finally over



Hamdin (fourth from left) and Chay (fifth from left) receiving the individual titles from Mohd Yusrie at the Land and Survey Office as others including Goh look on.

SHARED A Youth Committee 2015-2017



1 | **Roy Chiew**
Asst. Secretary

2 | **Alvin Ho**
Committee

3 | **Jonathan Wong**
Committee

4 | **Stanley Chee**
Committee

5 | **Kevin Thong**
Deputy Youth Chairperson

6 | **Pouline Wong**
Treasurer

7 | **Tee Hong Wee**
Council Member/Youth Chairperson

8 | **Phaedres Hing**
Committee

9 | **Benny Ng**
Secretary

10 | **Violet Chak**
Committee



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

Tel: **088-720848, 722849**

Fax: 088-720843

www.shareda.com