review of operations
property investment & development

Promotional leaflets from Property Division, Berjaya Land Berhad
review of operations

PROPERTY INVESTMENT

KL Plaza experienced a slight decrease in its occupancy rate from 95% in the previous financial year to 88% mainly due to a mini anchor tenant, who was occupying an area of 23,365 sq. ft., vacating the premises. However, due to an upward revision of tenants’ rental rates of between 10% to 30%, revenue had increased from RM22.0 million to RM23.0 million in the financial year under review. Despite the uncertainty in the occupancy rate at KL Plaza for retailers opening flagship outlets in the city centre.

The occupancy rate at Plaza Berjaya declined slightly from 77% in the previous financial year to 74%. Revenue also declined slightly from RM5.5 million in the previous year to RM4.8 million in the year under review mainly due to an anchor tenant on the ground floor vacating the premises to facilitate the conversion works for the sidewalk cafes.

Upgrading and refurbishment activities have been done on a major section of the ground floor of the complex facing Jalan Imbi and the frontage of the complex which has been converted into an open-air sidewalk café concept with two glassed-up kiosks. With the completion of the development of sidewalk cafes with Alfresco dining and open air cafes in July 2002, Plaza Berjaya is set to be re-positioned as an up-coming food and entertainment complex targeting the working middle class, trendy urbanites, expatriates and tourists. The majority of the tenants who have confirmed taking up the sidewalk café lots are scheduled to commence operations by the third quarter of 2002.

The rental rates for the other floors are also expected to increase marginally but progressively when the sidewalk cafes and KL Monorail station are fully operational and shopper traffic increases.

Kota Raya Complex achieved an average occupancy rate of 95% for the year under review compared to 81.04% in the previous year. Accordingly, revenue also increased mainly from its new tenants on level 4 and 5 replacing the vacant video arcades and increase in rental rates. A promotion and exhibition platform at the main entrance of the complex was erected and a new family entertainment centre and snooker centre was opened on level 4 and 5. More kiosks were also created at the ground floor. This augurs well for the complex and we expect to see further growth in our revenue.

ulasan operasi

PELABURAN HARTANAH

KL Plaza mengalami susutan kecil pada kadar penghuniannya, daripada 95% pada tahun kewangan sebelumnya kepada 88%, berpunca terutamanya daripada pengosongan premis oleh satu penyewa besar yang menduduki ruang seluas 23,365 kali persegi. Bagaimanapun, disebabkan kenaikan kadar sewa penghuni sebanyak 10% hingga 30%, perolehan meningkat daripada RM22.0 juta kepada RM23.0 juta dalam tahan di bawah kajian. Meskipun dengan ketidakpastian ekonomi akibat peristiwa 911 di Amerika Syarikat, yang menyebabkan sektor jualan runcit dan beberapa keadaan mencabar yang lain seperti penutupan sebahagian Jalan Bukit Bintang untuk mengadakan “Bintang Walk” dalam tahun berkenaan, KL Plaza kekal sebagai kompleks membeli-belah pilihan para penat peruncit yang membuka kedai-kedai utama di pusat bandar.

Kadar penghuni Plaza Berjaya jatuh sedikit daripada 77% pada tahun kewangan sebelumnya kepada 74%. Perolehan juga turun sedikit daripada RM5.5 juta pada tahun sebelumnya kepada RM4.8 juta pada tahun di bawah kajian, disebabkan terutamanya oleh satu penentu besar di tingkat bawah yang mengosongkan premis untuk membolehkan kerja-kerja pengubahsuaian dijalankan bagi kafe-kafe pinggir jalan.


Kadar sewa pada tingkat-tingkat lain juga dijangka naik sedikit demi sedikit apabila kafe pinggir jalan dan stesen KL Monorail bermoperasi penuh dan bilangan pelanggan bertambah.

Kompleks Kota Raya mencapai kadar purata penghuni sebanyak 95% pada tahun di bawah kajian berbanding 81.04% pada tahun sebelumnya. Sejarah dengan pencapaian ini, perolehan turut meningkat disebabkan terutamanya oleh penghuni-penghuni baru di tingkat 4 dan 5 yang mengambil alih arked permainan video yang dikosongkan, serta kenaikan kadar sewa. Sebuah pelantaran promosi dan pameran telah dibina di pintu masuk utama kompleks, dan sebuah pusat hiburan keluarga dan pusat snuker dibuka di tingkat 4 dan 5. Lebih banyak gerai juga disediakan di tingkat bawah. Ini merupakan pertanda baik bagi kompleks tersebut dan kami menjangka akan melihat pertumbuhan perolehan yang selanjutnya.
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**Berjaya Megamall** continued to enjoy an occupancy rate of 98% with a net lettable area of 436,011 sq. ft. The management has continued to carry out its weekly innovative marketing strategies and promotional programmes to attract more interesting tenants. The management will also continue to focus on promoting the complex as a one-stop shopping, leisure and entertainment mall. Arrangements have been made to synergise with the local tourism agencies and hotels in Kuantan to increase the number of tourists coming to Berjaya Megamall.

**PROPERTY DEVELOPMENT**

**PROPERTY MARKET OVERVIEW**

The property sector performed slightly better in the first 8 months of the financial year under review, but on the whole the property market remained weak despite various incentives like favourable borrowing conditions and relaxation of the FIC regulations governing property purchases by foreigners. Following the global economic slowdown and the weak yen which is pressuring a re-pegging of the Ringgit, the property market sentiment remained negative. However, towards the last quarter of the financial year ended 30 April 2002, there were signs of improving market sentiment judging by the increase in transaction activities especially in the residential sub-sector.

The Property Division has been pooling its resources to plan and secure the necessary government approvals for the development of various projects and has also embarked on a vigorous marketing program to boost the sales of new projects launched. This includes participation in various property exhibitions, home ownership campaigns, series of print advertisements and numerous weekend sales. The Property Division also organised several Family Day ‘get-together’ gatherings to foster better relationships with the purchasers of our properties. During the financial year under review, the Property Division generated slightly over RM200 million in sales value.

**ON-GOING PROJECTS**

In line with the market demand for residential properties, the Property Division concentrated on the development of housing projects on the major portion of Berjaya Land’s landbank within Wilayah Persekutuan and Selangor.

For the financial year under review, the Property Division has a total of 1,541 units of properties under various stages of construction. These properties with a total sales value of approximately RM180 million consist of 320 units of...
property in the comprehensive mixed development project in Berjaya Park, Shah Alam were completed and vacant number of 428 units of single and double storey houses at Berjaya Park, Shah Alam. Within the same year, a total number of 428 units of single and double storey houses at Berjaya Park, Shah Alam were completed and vacant possession handed over to the purchasers.

The Property Division launched a new phase of landed properties in the comprehensive mixed development project in Berjaya Park in Jalan Kebun, Shah Alam. Maple, comprising 96 units of double storey linkhouses, was launched at Berjaya Park. The Property Division also generated a total sales value of RM7.3 million from the sale of industrial lots within the same development.

The launch of Kinrara Putri Apartments in Taman Kinrara IV, Puchong received encouraging response. Kinrara Putri Apartments comprising 210 units of 3-room low medium-cost apartments was launched in July 2001 and to date, all the 210 units have been sold.

Further to the sell-out of Phase 1 of Arena Green Apartments in Bukit Jalil Golf & Country Resort, Phase 2C with 201 units priced at an average price of RM133,000.00 was launched and to-date over 96% of the units have been sold for a total sales value of RM25.1 million.

Within the development of Cemerlang Heights, all 60 units at Cemerlang Apartments and 10 units of semi-detached houses were sold with a total sales value of RM105 million. Cemerlang Heights, comprising of 89 bungalow lots with a total sales value of RM50 million was relaunched.

The Division also launched a new bungalow project, Subang Heights, comprising a total of 346 bungalow lots. The premier bungalow lots planned around the gated community concept and enhanced with perimeter fencing around the entire parcel and 24 hours security/surveillance will also boast of beautiful landscaping garden, 50 ft wide service road and underground utility. Subang Heights East comprising 115 lots was launched in February 2002. The bungalow lots priced between RM55 to RM80 psf received encouraging response with over 90% of the lots sold and a total sales revenue of RM37.06 million achieved.

Apart from the new launches, the Property Division also generated a total sales revenue of RM21 million from the sale of completed properties at Robson Condominiums, Greenfields Apartments, Bukit Jalil and Sri Pelangi Condominiums, Setapak. The Property Division’s branch at Batu Pahat achieved an impressive RM62 million revenue from the sale of 400 acres of residential and homestead land.
PROJECTS COMING ON-STREAM

In Bukit Jalil Golf & Country Resort, the Property Division is planning to launch Phase 1 of the Green Avenue Condo (PS2) comprising 188 units of medium cost apartments in September 2002. Priced at an average of RM150,000.00 per unit, the total sales revenue expected would be approximately RM28.2 million.

Block D of Greenfields Apartments, Bukit Jalil Golf & Country Resort consisting of 169 units of apartments priced at an average price of RM185,000.00 was launched in June 2002. The Property Division is also planning to launch 128 units of medium cost condominium, Block D Petaling Indah Condo in October 2002. Sale of the units with a built-up of 837 sf and priced at RM88,000.00 will translate into revenue amounting to RM11.264 million.

Following the success of Subang Heights East, Subang Heights West was launched in March 2002 at an average price of RM75 psf. The gated bungalow lots is expected to be well received judging from the overwhelming response to the Subang Heights East project. The total sales revenue from the 231 lots will amount to RM107 million.

MARKET OUTLOOK

The nation’s economy is on the road to recovery and judging from the overwhelming response from several high-end housing property launches, there is a renewed confidence among developers that a rebound in the property market is imminent. Furthermore, the Government’s unrelenting efforts to reduce the property sector overhang by implementing positive measures that include relaxation of FIC regulations governing purchase of property by foreigners, temporary waiver of stamp duty and also the availability of low financing rates, is expected to boost the property market.

However, in spite of the positive measures and conditions in the property market, buoyancy is only sustainable if the mismatch between supply and demand of properties is checked. In this respect, thorough planning and market/feasibility studies would be carried out to ensure that the properties developed meets the market demand. In line with this, the Property Division will be focusing on planning and developing several residential properties.

dan ladang, serta jualan kedai daripada Berjaya Land Development Sdn Bhd dan BT Properties Sdn Bhd di Kim’s Park.

PROJEK-PROYEK YANG BAKAL DIJALANKAN

Di Bukit Jalil Golf & Country Resort, Bahagian Hartanah merancang untuk melancarkan Fasa 1 Green Avenue Condo (PS2) yang terdiri daripada 188 unit pangsapuri kos sederhana pada bulan September 2002. Dengan purata harga jualan RM150,000.00 seunit, jumlah perolehan jualan dianggarkan pada RM28.2 juta.


Bahagian Hartanah juga merancang untuk melancarkan 128 unit kondominium kos sederhana, iaitu Blok D Petaling Indah Condo pada bulan Oktober 2002. Jualan unit-unit tersebut dengan kawasan terbina seluas 837 kaki persegi pada harga RM88,000.00 akan membawa perolehan berjumlah RM11.264 juta.


TINJAUAN PASARAN

Ekonomi negara berada di atas landasan pemulihan dan berdasarkan sambutan hangat terhadap beberapa pelancaran kediaman mewah, terdapat keyakinan baru di kalangan pemaju bahawa kebangkitan semula pasaran hartanah pasti berlaku. Tambahan pula, usaha gigih Kerajaan mengurangkan ancaman terhadap sektor hartanah dengan melaksanakan langkah-langkah positif yang termasuk kelonggaran peraturan FIC bagi pembelian hartanah oleh orang asing, penepian sementara cukai setem dan juga kemudahan pembiayaan berfaedah rendah, dijangka akan menggalakkan pasaran hartanah.

Namun begitu, meskipun dengan langkah-langkah dan suasana positif dalam pasaran hartanah, daya apung hanya dapat dikekalkan sekiranya ketidakpadanan antara bekalan dan permintaan dibetulkan. Sehubungan dengan ini, perancangan rapi dan kajian pasaran akan dijalankan untuk memastikan supaya hartanah yang dimajukan mempunyai permintaan pasaran. Sejajar dengan ini, Bahagian Hartanah akan menumpukan usaha untuk merancang dan memajukan beberapa kawasan perumahan.

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