

LUXURY CONDOMINIUMS

Kuala Lumpur
2H 2007



SUPPLY as at 2H 07:

- The existing supply stood at 4,859 units as at 2H 2007 with the completion of The Loft, 2Hampshire Condominium, Madge Residences, 12 Persiaran Ritchie and Seri Hening, contributing a total of 257 units.
- Four (4) projects offering a total of 1,097 units were launched during the period, i.e.:-
 - Lumina Kiara in MK / SH by ECH Development & Management Sdn Bhd
 - Seni Mont' Kiara in MK / SH by Aseana Properties Limited
 - 11 Mont' Kiara in MK / SH by Sunrise Berhad
 - Gallery @ U-Thant in AH / UT by Prinaissance Development Sdn Bhd
- The recent launches of luxury condominiums predominantly offer larger unit sizes. Excluding Lumina Kiara development, typical units have built-up areas of between 2,350 sq ft – 4,550 sq ft, whereas penthouses have built-up areas of between 4,050 sq ft – 7,700 sq ft.

DEMAND/OCCUPANCY as at 2H 07:

- With the new completion of luxury condominium developments, the average occupancy rates of luxury condominiums reduced slightly to register at 83% in 2H 2007.
- Developer's sales prices of newly launched luxury condominiums ranged between RM500 – RM900 per sq ft of built-up area.
- Selected developers have revised the selling prices of their luxury condominiums from the initial launch price of between RM500 – RM900 per sq ft of built-up area to RM600 – RM1,000 per sq ft of built-up area.
- Sub-sales of luxury condominiums were noted to be transacted at between RM500 – RM950 per sq ft of built-up area.
- YNH Property Berhad had accepted the offer by CMREF 1, a private real estate fund managed by CIMB-Mapletree Management Sdn Bhd to underwrite 66 units of Ceriaan Kiara project in Mont' Kiara.
- 80 units of Palazzio project in Sri Hartamas by Sunway City Berhad was reported to be sold to Radiant Splendour Sdn Bhd for RM219 million.
- Asking prices of luxury condominiums ranged between RM530 – RM1,100 per sq ft of built-up area in the secondary market.

SUMMARY/OUTLOOK

- New supply of luxury condominiums with possible completion in end 2008 are expected to contribute a total of about 2,743 units.
- Future supply of luxury condominiums in Kuala Lumpur are mostly from key property players such as Bandar Raya Developments Berhad, Malton Berhad, Sunrise Berhad and IGB Corporation.
- The supply situation is anticipated to create further pressure on occupancies and rentals upon completion.
- The exemption of Real Property Gains Tax (RPGT), the lifting of Foreign Investment Committee's approval on the purchase of properties by foreigners and the effort to promote Malaysia My Second Home Programme are anticipated to boost the luxury condominium market.
- The luxury condominium market is expected to be stable to soft with sales and prices anticipated to stabilise.

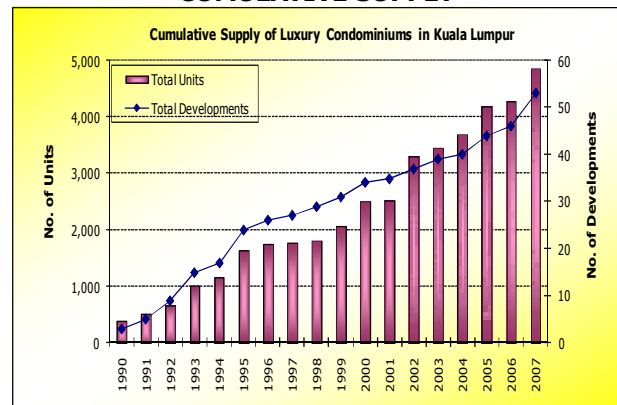
PERFORMANCE

First Half 2007

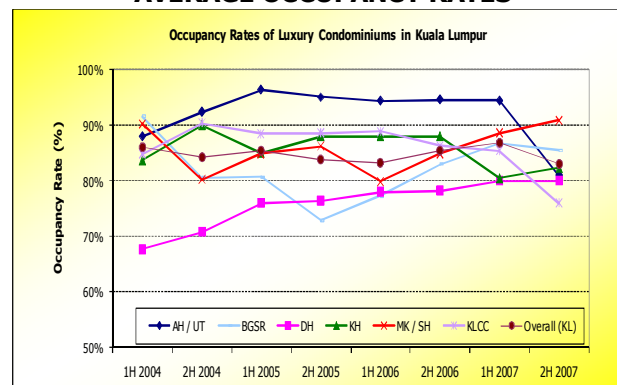
Second Half 2007



CUMULATIVE SUPPLY



AVERAGE OCCUPANCY RATES



Note: WTW has redefined luxury condominium price benchmark from a minimum price of RM380 per sq ft to a minimum price of RM500 per sq ft.

For more information and advice, please contact:

C H Williams Talhar & Wong Sdn Bhd

32nd Floor, Menara Tun Razak

Jalan Raja Laut

Kuala Lumpur

T: 03 2693 8888

E: marketupdate@wtw.com.my

F: 03 2693 6565

W: wtw.com.my

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Unless otherwise stated, all currencies are expressed in Ringgit Malaysia (RM)

All dimensions are expressed in square feet. (1 square metre = 10.7639 square feet)

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