

11 DEC 1998

PROPERTY-DISCOUNT

DEVELOPERS OFFER DISCOUNTS OF MORE THAN RM700 MILLION

KUALA LUMPUR, Dec 11 (Bernama) -- Property developers are offering discounts totalling more than RM700 million for residential and commercial properties during the one-month Home Ownership Campaign which would be launched tomorrow.

A total of 222 property companies nationwide had stated their intention to participate in the campaign, offering properties originally valued at RM5.228 billion, said Kajang Utama Bhd managing director Mazlan bin Ali.

After the discount, the total value is RM4.529 billion but the exact figures would be known tomorrow when Prime Minister Datuk Seri Dr Mahathir Mohamed launches the campaign, he told reporters during a briefing on the event.

The Prime Minister is expected to announce government incentives for the campaign which would end on January 12 next year.

Mazlan said the majority of the property are residential units which account for more than half of the total.

The largest number of participating developers are from Selangor/Kuala Lumpur at 76, offering 7,075 units of residential and commercial units valued originally at RM1.779 billion. After discount, the value is RM1.56 billion.

Residential properties offered are diversified, ranging from below RM100,000 to well over RM200,000 while the discount offered varies from a minimum of 10 percent to 50 percent.

Tan & Tan Developments Bhd is opening the discount offer to foreigners as well and has devised plans to attract them, including sending a sales team to Singapore, offering free pick-ups at the airport and providing free accommodation at Micasa and Sucasa, hotels and service apartments, said chief executive officer Tan Lei Cheng.

She said the property offered by Tan & Tan are high-end units in the market that are priced above RM200,000, adding that the target clientele includes Malaysians who are working abroad.

She also said that from their standpoint, the devaluation of the ringgit against the US dollar has meant a reduction in property price of up to 50 percent.

It is also a good deal for investors and those who want to upgrade to higher value accommodation, she explained, adding that the property offered for sale are not merely leftover units but are the best units available.

As part of its contribution to the campaign, the General Insurance Association of Malaysia will give a 25 percent discount on the insurance premiums for properties bought during the campaign, said its executive director/secretary, Lim Chia Fook.

Lim said as a sweetener, about 50 general insurance companies that are involved in the campaign have also agreed to provide personal accident insurance of RM10,000 at a nominal premium of RM1.00.

Members of Life Insurance Association of Malaysia, who want to play an active part in supporting the campaign as well, have agreed to allow a 10 percent discount on the premium of mortgage reducing term assurance, said its representative, Ahmad Subri Abdullah.

Ahmad, who is the chief executive officer of Mayban Life Assurance Bhd, said as part of the package, commissions payable by life insurance companies to banks are limited to five percent. -- BERNAMA

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