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REHDA-MAPEX

RM11 BLN WORTH OF PROPERTY TO BE FEATURED AT MAPEX 2001

KUALA LUMPUR, July 6 (Bernama) -- With an estimated total of 58,000 units of housing properties worth around RM11 billion to be featured at the Malaysia Property Expo 2001 (Mapex 2001), house buyers will be spoilt for choice when the exhibition opens soon at a venue close to their home town.

Organised by the Real Estate and Housing Developers' Association Malaysia (Rehda), the exposition is being held in conjunction with the Rehda-initiated house-ownership campaign to stimulate the rapid recovery of Malaysia's economy from the widespread financial crisis of 1997/98.

"Rehda is compiling the details of the properties offered and a list of the properties participating in Mapex 2001 will be made available to visitors during the expo," the president of Rehda, Datuk Eddy Chen told reporters at a briefing on the exposition here today.

To be officiated by the Prime Minister, Datuk Seri Dr Mahathir Mohamad, the national level five-day exhibition will be launched at the Putra World Trade Centre (PWTC) in Kuala Lumpur on August 2.

Meanwhile, Mapex 2001 would kick start its three-day state-level shows in Seremban on July 13, to be followed by other state-level shows from August 2 onwards.

According to Chen, the RM3 billion to RM4 billion worth of properties expected to be realised through Mapex 2001 would represent a conservative figure "considering the slowdown in the property market in recent years".

Chen said most developers are facing a very tight situation because most financial institutions are reluctant to provide bridging loans to property developers due to the high level of risk and long pay back period on each projects.

However, consumers do not have any problems in getting loans for purchasing houses, Chen said.

According to the National Property Information Centre (Napic), the property overhang as at March this year stood at close to RM29 billion, of which RM6.0 billion are from the residential sector.

For property development to contribute strongly to economic recovery or development, Chen said, efforts should be made to attract foreign buyers through roadshows and promotional activities.

Foreign buyers, in spite of the relaxation in the rules affecting the foreign ownership of land and properties in Malaysia, have adopted a wait and see attitude in their purchasing outlook.

Under the newly-revised guidelines announced by the government, foreigners can now own all types of residential and commercial properties costing more than RM250,000 each without having to set up companies local equity.

Under the guidelines, companies or individuals involved in selling property worth less than RM20 million each need only to report the relevant transactions to the secretariat of the Foreign Investment Committee (FIC) for record purposes.

With this the state authority need not wait for approval from FIC in the management of such cases.

These regulations cover the sale of property by bumiputeras, non-bumiputeras to bumiputeras, non-bumiputeras to non-bumiputeras and foreign interests to Malaysians.

"Developers are also reluctant to lower their price as they have to speed up the pay-back period for their investment and settle all their

outstanding loans," Chen said.

Mapex 2001 provides house buyers with a wide choice of properties and special incentives including discounts on selected projects ranging from 2 percent to 20 percent, higher margin of financing for locals, residents and foreigners, reduced legal fees and stamp duty waiver for transaction of completed residential, commercial and retail properties. -- BERNAMA

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