

# INVESTING IN GROWTH

Putrajaya is fast becoming a bustling city... and today, investors have an opportunity to be part of it.

**P**UTRAJAYA'S development has been massive and impressive, transforming this once rural oil palm estate into a planned world-class city. The progress of development is commendable by any standards, and it is touted as the country's biggest and most ambitious development project.

To be developed in two phases over a period of 15 years, from 1996 to 2010, Putrajaya is two-thirds on its way to completion. Phase One, which took off in November 1996 until 2000, saw the completion of several main government buildings, notably Perdana Putra (the Prime Minister's Office in Parcel A), the Prime Minister's Official Residence and the Prime Minister's Department in Parcel B.

Phase 2 will essentially focus on the development of commercial buildings, such as hotels and office space, along with the remaining government quarters and office blocks, public parks and amenities, and sports and recreational components.

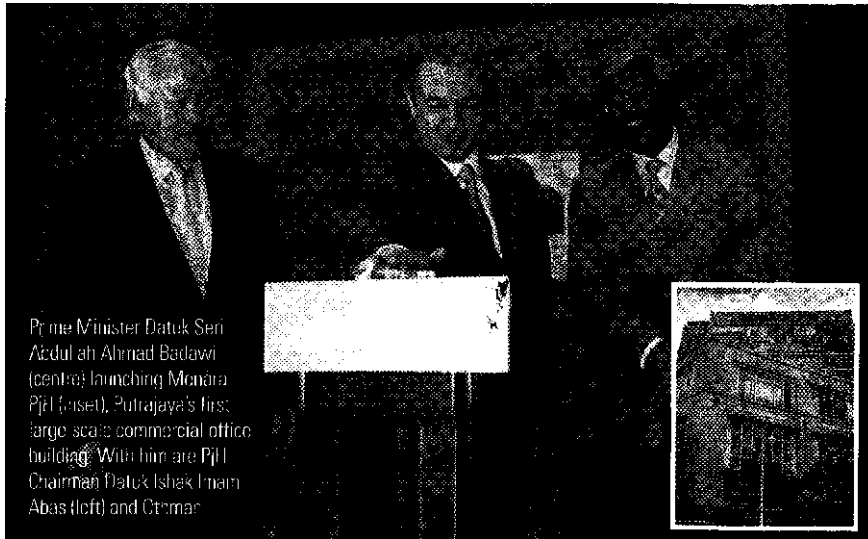
In this critical last lap, main developer Putrajaya Holdings Sdn Bhd (PJH) is looking for far-sighted investors to participate in the commercial component of Putrajaya. PJH believes that this proactive move will benefit both parties, speed up the development process and usher in new businesses to the city. 'We believe that bringing various external investors and developers to participate in this historical development will create a rich tapestry of lifestyle and activities that make a city great,' says chief executive officer Datuk Ir Mohamad Othman Zainal Azim.

PJH, he adds, is keen on attracting investors who realise the huge potential and high returns of Putrajaya, spurred by

**The Core Island:**  
The heart of the city



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Prime Minister Datuk Seri Abdullah Ahmad Badawi (centre) launching Menara PjH (inset), Putrajaya's first large scale commercial office building. With him are PjH Chairman Datuk Ishak Manan Abas (left) and Othman.

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the fact that the land is freehold and is limited in supply, not to mention strategically located in the Southern Growth Corridor. Target investors include developers, office occupiers, lifestyle/entertainment business operators and F&B operators, both local and foreign.

'As a master developer, PjH welcomes investors to submit their offer and proposals,' Othman says. 'PjH can surely offer them a reasonable and flexible options, be it direct purchase, long lease or other forms of joint ventures, such as built-operate-and-transfer. Furthermore, as in any new mega development, the entry cost today is definitely cheaper than if we were to compare with the next few years.'

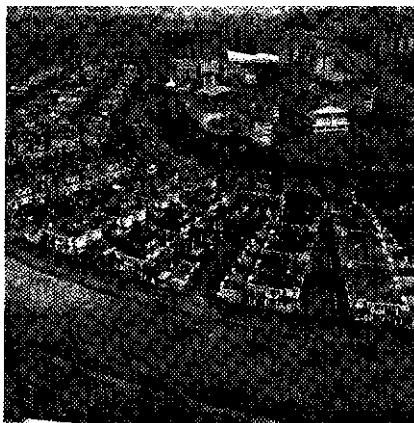
Putrajaya's commercial component not only serves the city's working population and residents but also acts as a catalyst and commercial hub for the entire Southern Growth Corridor. The commercial development of Putrajaya is mainly centred on the core island, which comprises Precincts 2, 3 and 4,' says Othman. 'This is the heart of the city where office owners, business suites, shopping malls, hotels, education institutions, theme parks and recreational centres will be built. There are also three other commercial districts serving the residential areas within the city.'

Current developments include retail

outlets such as Souq, Anjung, Lanai, and, of course, Alamanda Putrajaya; neighbourhood commercial centres and shop offices at the Diplomatic Precinct Town Centre. Hotel operations are run at the five-star Shangri-La Putrajaya, which sits atop Taman Putra Perdana, while the city's first large-scale commercial office building, Menara PjH, was officially launched on Sept 7, 2004.

Investment opportunities abound with several proposed projects, including three private colleges in Precinct 2, mixed developments in Precincts 2 and 3, and

Putrajaya is currently home to 50,000 people, with many more to come.



an office complex and health retreat in Precinct 4.

The colleges will be timely to cater to the 2,500 students currently studying in Putrajaya who will soon complete their secondary education. PjH is also developing the city's first international school with a capacity of 1,200 students, from primary to secondary and up to A-levels, which is scheduled for completion in the third quarter of 2006. 'We have received tremendous response for the school and are currently negotiating for the lease of the property,' Othman adds.

The mixed developments include two waterfront plots, which are suitable for serviced apartments and small retail premises, and a retail-cum-office space development along the Boulevard. Precinct 4 will have its first office tower, where investors can buy or lease space in the nine-storey building, which has a 15:85 retail-to-office ratio, as well as an upscale waterfront health retreat, catering for senior executives. The management retreat will have 100 suites, 20 villas, clinics, laboratories, fine-dining restaurants, conference rooms, sport and spa facilities, a galleria and a helipad.

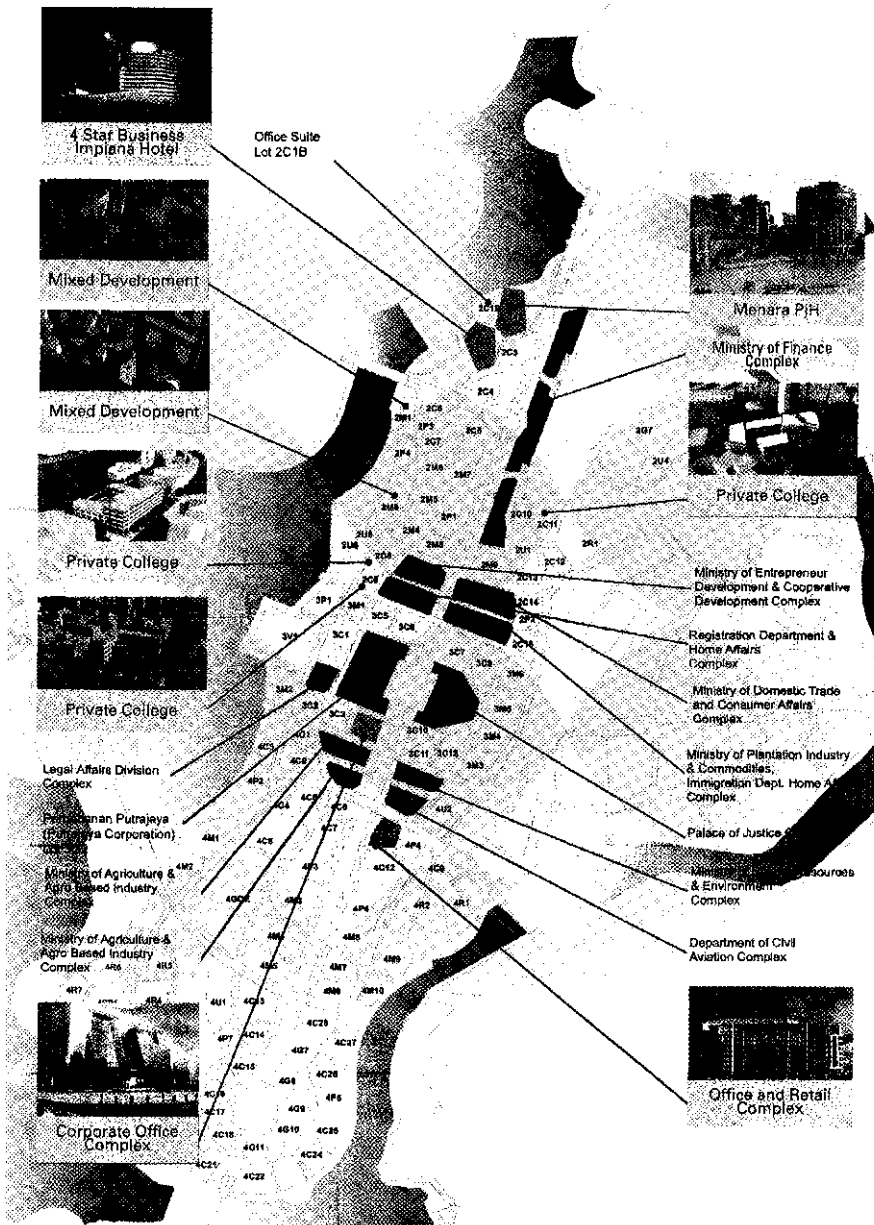
In the works is also a four-star 350-room business-class hotel in Precinct 2 to cater to the demand from the business community in and around Putrajaya. Located next to Menara PjH, the project is scheduled for completion by end-2006.

Based on market studies, Othman is confident that PjH's offering will be well accepted and provide business opportunities to investors to tap into the city's huge trade and commercial potential. After all, demand for Putrajaya properties has been very encouraging, with strong interest from locals as well as foreigners.

For example, Menara PjH was fully tenanted soon after its completion in March 2004. Besides housing PjH's corporate office in the 10-storey Block 1, Menara PjH offers the eight-storey Block 2 for lease to the private and government sectors, with a net lettable floor area of some 144,000 sq ft.

The 57 Tropics shop offices at Phase

# PUTRAJAYA CORE ISLAND DEVELOPMENT



1A of the Diplomatic Precinct Town Centre were all sold out within three days of their launch on Dec 9, 2004. Ranging from 1,300 sq ft to 5,600 sq ft, and priced from RM650,000 to RM1.8 million, the units were snapped up by business operators, private companies and individual investors.

Shopping mall Alamanda Putrajaya attracted more than 70,000 visitors on its soft-opening weekend in August 2004. This number skyrocketed to surpass the one-million mark well before its official launch by Prime Minister Datuk Seri Abdullah Ahmad Badawi on Oct 4 last year.

Similarly, the city's residential component has received good response, especially for the double-storey terrace houses. In the past eight years, more than 4,000 units of house have been launched. 'More than 95% of properties launched in Putrajaya have been sold,' says Othman. 'Properties launched in Precinct 10 (neighbouring the Prime Minister's official residence) were sold out within two weeks.'

At the end of the development period, PjH will have approximately 67,000 residential units (52% government quarters and 48% private units) in Putrajaya, housing a population of 330,000 by 2010. This will, no doubt, augur well for businesses. Putrajaya currently has a residential population of 50,000, and an additional working population of 30,000, as of December 2004.

Future developments, Othman says, will continue to be built on market demand and will be opened to all Malaysians as well as foreigners. 'We want a proper mix — bungalows, semi-detached and terrace houses — to meet the needs of all Malaysians.' **mb**

## 10 REASONS TO INVEST IN PUTRAJAYA

- |   |                                      |
|---|--------------------------------------|
| 1 Prime location, strategic MSC synergies         | 5 Global and regional connections    |
| 2 Cosmopolitan city, prestigious business address | 6 Plug and-play environment          |
| 3 Progressing as planned                          | 7 Bright growth prospects            |
| 4 Wired for the future                            | 8 Freehold land                      |
|   | 9 Investor-friendly environment      |
|   | 10 Developer with strong credentials |

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