



Peak Achievement

Yuk Tung Group shot into fame this year when its flagship property development, The Peak @ Bukit Prima Cheras won the coveted 5 Star Best Development Award (Malaysia) under the Residential Property category in the prestigious Asia Pacific Property Awards 2010 held in association with Bloomberg Television. We caught up with its Managing Director Mr Tan You Hock who shared with us the company's plans as well as its experiences trying to garner interest for The Peak.

Q1: Tell us a bit about your most successful development to date.

A: The Peak @ Bukit Prima Cheras is our most successful project. These are landed superlinks and semi-Ds with GDV of RM380 mil. This project is 95% sold out and the last phase of the semi-d will be completed by Jan 2011. The 360 units of landed luxury properties are developed on 54 acres of freehold land in Cheras. We built a gated & guarded residential enclave which incorporates a lifestyle concept within the undulating terrain. A clubhouse, costing more than RM10 mil, excluding land cost has been built to provide condo facilities to the residents.

When we first launched, potential buyers were uncertain and adopted a 'wait-and-see' attitude. But we were very confident that the new lifestyle concept and first of its kind gated and guarded

community in the neighbourhood 'will sell' as such a concept is what the buyers needed and wanted all along.

Showhouses were built and people were impressed with the designs and layouts. Buyers started to come after our constant awareness campaign to improve the acceptance level of the project. We then saw very good take-up rates for our subsequent phases.

For example, for the last phase of superlinks, we sold all 96 units within 3 months. The price for a 24' x 80' superlink was RM638K then, now it's sold in the secondary market for close to RM1mil. As for our 2-storey semi-D, it was sold for RM900K each while we witnessed overwhelming sales for the 3-storey semi-Ds which sold out at RM1.3 mil each. The last phase of the 3-storey semi D (40'x110') was priced at RM1.6 mil each

and limited units of semi-d and bungalow lands are available for sale now.

Several factors contributed to the success of The Peak which was awarded the 5 Star Best Development Award (Malaysia) under the Residential Property category in the prestigious Asia Pacific Property Awards 2010. It was a gated and guarded development with an attractive lifestyle concept and huge space. A typical unit comes with 2 master bedrooms, 6 bathrooms and good finishes. In terms of feng shui, the area was located at a very favourable location. A good portion of land was reserved for natural greenery.

The Cheras market is mostly owner-occupied and there are few investors. Most of the purchasers for The Peak had bought them for their own occupation.

Q2: What are your current projects and how is the response to them?

A: We have 2 blocks of condo located at Jalan Kiara 3 in Mon't Kiara called Kiara 3 @ Mon't Kiara. The first phase was fully sold out and it shall be completed ahead of schedule, by January 2011.

The second phase consisting of 96 units will be launched in the beginning of 2011 with indicative prices starting from RM800per square feet for built-ups from 1,900 – 2,400 sq ft. We are targeting foreign buyers as foreign interest in Mon't Kiara is still very positive.

We noted that the Chinese from China prefer large units while those from Hong Kong, Singapore, Europe and Malaysia prefer smaller units. The foreigners have shown interest and are keen on properties located in KLCC, Mon't Kiara and Ampang.

In the coming month, we shall be launching 531 units of service apartments in Menara U (formerly known as 'U Tower') in Section 13, Shah Alam, located next to Management Science University (MSU). The earlier phase of apartments in the same locality was all sold out. The 160 units were handed over to the buyers 2 years ago. With MSU being built just across the road from Menara U, the location has become vibrant. Menara U not only provides high quality living in a opportune neighbourhood, but also vast potential for capital appreciation.

The built-up area for the service apartment ranges between 527 – 622 sq ft and will have attractive prices. Within this development, we will also have 38 retail shop lots located within the building - to put the pleasure of shopping right at the residents' doorstep.

The financial institutions and banks are very supportive of this project and we are confident that it will sell very well.

Q3: Where are your current landbanks and what new developments are planned there?

A: We are talking to a few parties to buy land. As we are focusing on niche developments,

we are not looking for huge tracts of land but pockets of land. As land is now very expensive, we are targeting land that already has development approval. Our project in Section 13 Shah Alam (Menara U) will be officially launched soon. Next year, another project, Central Residence, located in Sg Besi (opposite Desa Petaling) consisting of service apartments and SOHO will also be launched.

As for high end condominium project, Royce Residence located in Jalan Yap Kwan Seng (KL), shall be launched in the 2nd quarter of 2011.

Q4: What is your view on the property market outlook for next year?

A: Very positive for the next 12 months. There is a lot of action by the government such as the ETP (Economic Transformation Plan). We are of the view that the government's ongoing reform measures have enhanced the overall entrepreneurial environment and is priming the economy, which is good for property players. Banks are also very positive and are ready to participate in our sector. We believe that if you are a prudent and reputable company, banks are ready to do business with you.

Micro-wise, location of the project is still very important, for example, any projects planned within KL city radius, will still be good for both investors and property players. We have benefited from the growth of China, India and Indonesia to a certain extent and are happy to note that people in London are looking for other places, including Malaysia, to invest.

Regionally, our properties are relatively cheap [in terms of property prices] and affordable compared to other Asian capital cities. Malaysia shall continue to be a favoured destination among the foreign buyers due to its affordability, attractive rental yield, stable price appreciation, quality of life and the availability of a variety of properties. ■

“Buyers started to come after our constant awareness campaign to improve the acceptance level of The Peak”