

2025

**PROPERTY
PLUG** *Weekly*

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Corporate Edition

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RESEARCH

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INDUSTRIAL

EcoWorld Malaysia Sells Johor Land to Microsoft for RM694 Million

(Source: The Edge Malaysia, February 17, 2025)

Eco World Development Group Bhd (EcoWorld Malaysia) has agreed to sell a 138.532-acre industrial land within its Eco Business Park I in Iskandar Malaysia, Johor, to Microsoft Payments (Malaysia) Sdn Bhd for RM693.96 million.

This transaction follows a previous sale of a 123.141-acre plot in Eco Business Park VI to Microsoft for RM402.3 million in June last year. These sales highlight Johor's appeal as a hub for hyperscale data centre operators and the suitability of EcoWorld's industrial parks for high-tech operations. Proceeds from the sale will be used to complete infrastructure development and for working capital.

Hektar REIT Acquires Penang Industrial Asset for RM30 Million

(Source: The Edge Malaysia, February 19, 2025)

Hektar Real Estate Investment Trust (Hektar REIT) is purchasing a light industrial property in the Bayan Lepas Free Industrial Zone, Penang, from Microlead Precision Technology Sdn Bhd (MPT) for RM30 million.

The property, tailored for semiconductor manufacturing and logistics, is being acquired at a 9.1% discount to its market value. This acquisition marks Hektar REIT's strategic move to diversify into the industrial sector, reducing its reliance on retail assets. Upon completion, MPT will lease back the property for a 15-year term under a triple net master lease, with an option to extend for another 15 years and a 5% rental escalation every three years.

LAND

Selangor Targets Cruise Tourists with Shore Excursions (Source: The Star, February 18, 2025)

In line with Visit Selangor Year 2025, Tourism Selangor is enhancing shore excursion packages for cruise passengers docking at Port Klang Cruise Terminal (PKCT).

Recognizing that travelers typically have six to eight hours on land, the focus is on culturally immersive experiences, such as tours of colonial architecture and local culinary adventures. There's also a growing demand for eco-friendly and personalized activities, including white-water rafting. Mangrove Point in Port Klang is highlighted as an ideal destination, offering a lush mangrove setting and local seafood delicacies. These initiatives aim to boost Selangor's tourism revenue by catering to the preferences of cruise visitors.

Court of Appeal to Hear Long-Standing 'Duta Enclave' Land Dispute

(Source: The Edge Malaysia, February 19, 2025)

The Court of Appeal is set to hear the appeals concerning the 263.272-acre "Duta enclave" land dispute in Kuala Lumpur on February 20 and 21, 2025.

The case involves Semantan Estate (1952) Sdn Bhd and the Federal Territory Land Registrar, along with the federal government. Key issues include whether the court can compel the government to return the land or if monetary compensation is sufficient. The land, now hosting several government buildings, has been under contention for over half a century. Previous court rulings recognized the government's trespass, but the matter of rightful ownership and compensation remains unresolved.

COMMERCIAL

CMH Specialist Hospital Embarks on RM110 Million Redevelopment in Seremban

(Source: The Star, February 21, 2025)

CMH Specialist Hospital in Seremban is initiating a RM110 million redevelopment project starting March 1, 2025.

The first phase involves constructing a six-storey car park to accommodate an additional 314 vehicles, enhancing accessibility for patients and visitors. Following the car park's completion in seven months, existing Blocks A and C will be demolished to make way for new medical facilities. This expansion aims to create a more patient-centered environment, reflecting the hospital's commitment to serving the community since its establishment in 1932 by Chinese philanthropists.

Saliran Group Unaffected by US Tariffs, Focuses on Southeast Asia Expansion

(Source: The Edge Malaysia, February 19, 2025)

Saliran Group Bhd, a supplier of pipes, fittings, flanges, and steel products, remains unaffected by the recent 25% tariffs imposed by the US on steel and aluminium imports, as its operations are primarily within Southeast Asia.

Managing Director Dennis Liaw Choon Wei emphasized the company's commitment to expanding in markets like Vietnam and Thailand, where demand remains robust. In line with its growth strategy, Saliran plans to utilize proceeds from its upcoming initial public offering (IPO) to establish a new sales office in South Jakarta, Indonesia, with an allocation of RM1.2 million for office setup and equipment acquisition.

OTHERS

Bank Negara Malaysia Maintains OPR at 3.00% Amid Global Economic Uncertainties (Source: Bernama, February 17, 2025)

Bank Negara Malaysia (BNM) has decided to keep the Overnight Policy Rate (OPR) steady at 3.00%, citing the need to balance economic growth with inflation control amid global uncertainties.

Governor Datuk Seri Abdul Rasheed Ghaffour emphasized that this decision aims to support domestic demand while monitoring external challenges that could impact the nation's economic stability. The central bank remains vigilant, ready to adjust monetary policy as necessary to ensure sustainable economic growth and price stability.

Analysts Express Cautious Optimism on Malaysia's 2025 GDP Outlook

(Source: The Star, February 18, 2025)

Economic analysts maintain a cautiously optimistic view of Malaysia's GDP growth for 2025, projecting a 5% increase, aligning with the government's forecast range of 4.5% to 5.5%.

The Socio-Economic Research Centre (SERC) attributes this growth to robust domestic demand, despite potential challenges from global trade uncertainties and recent U.S. tariffs on steel and aluminium imports. SERC executive director Lee Heng Guie noted that the impact on Malaysia's exports would depend on the substitutability and competitiveness of the affected goods.

FOREIGN

Vietnam's Property Market Demonstrates Robust Performance in 2024

(Source: The Investor, February 18, 2025)

Vietnam's real estate sector experienced significant growth in 2024, driven by strong fundamentals and increased foreign direct investment.

The office market saw net absorption exceeding 160,000 square meters, the highest in five years, with notable expansions in the IT, technology, and finance sectors. Ho Chi Minh City added over 118,000 square meters of new office space, primarily in District 1, while Hanoi introduced nearly 87,000 square meters, attracting substantial pre-leasing interest.

Hanoi's Office Supply Projected to Grow by 7.7% Annually Until 2029

(Source: Real Estate Asia, February 19, 2025)

Hanoi's office market is expected to expand significantly, with total supply projected to grow by 7.7% annually from 2025 to 2029.

In 2025 alone, the city anticipates adding 24,500 square meters of new office space. Despite a slight decrease in rents for both Grade A and Grade B offices in the fourth quarter of 2024, demand remains strong, particularly from sectors such as banking, manufacturing, information technology, insurance, and logistics. Starting from 2027, vacancy rates are expected to rise to 27-28% due to the influx of new supply.

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