EXCLUSIVE REPORT

ISKANDAR PUTERI
MALAYSIA’S PERSPECTIVE OF THE FUTURE SMART CITY

As a greenfield development, Iskandar Puteri, previously known as Nusajaya, has gone through two growth phases - infrastructure and property development.

Iskandar Puteri is projected to be a unique melting pot of business and culture for Iskandar Malaysia. Being one of the largest property developments in South East Asia, it aims to create synergies between Malaysian and Singaporean economies.

In this issue, Property Hunter highlights the transformation of Iskandar Puteri from its palm oil plantation days to its economically vibrant city today.

By Property Hunter
THE BRIDGING OF OPPORTUNITIES
ISKANDAR PUTERI

Iskandar Puteri, a newly developed planned city in Johor Bahru District, has never been intended to attract the agriculture or manufacturing industries. Thought to be a signature and catalytic development billed as the global business services (GBS) outsourcing industry.

Formerly known as Nusajaya, the city adopted the formername, Iskandar Puteri, on January 1st, 2016. Yayasani Warrisah Johor historical research officer, Kamal Kamli said Iskandar Puteri was the appropriate name to replace Nusajaya as it complements the existing waterfront development Puteri Harbour and the state administrative centre Kota Iskandar.

Serving as the heart of Iskandar Malaysia, Iskandar Puteri, a city at 22,000 acres, is projected to be a unique melting pot of business and culture for Iskandar Malaysia. Just under half of the entire Iskandar Puteri land bank is being developed by UEM Land Berhad, a wholly-owned subsidiary of UEM Land Holdings Berhad.

Signature Developments
Previous known for its Greenfield site and home to palm oil plantations, Medini is rapidly transforming into an integrated urban municipality of international standing with four carefully planned zones. Comprising of 2,273 acres, Medini is now home to Legoland Theme Park, Pinewood Iskandar Malaysia Studios and just a stone throw’s away from EduCity.

EduCity
EduCity Iskandar Malaysia (EduCity) is a pioneering multi-venue education hub located in Iskandar Puteri, housing the celebrated universities and institutes of higher education such as Newcastle University Medicine Malaysia (NUMed), Marlborough College Malaysia (MCM), University of Southampton Malaysia Campus (USMC), University of Reading Malaysia (UoRM), Netherlands Maritime Institute of Technology (NMIT), Raffles University Iskandar (RUI), Multimedia University (MMU), Management Development Institute of Singapore (MDIS), Johan Cruyff Institute Malaysia (JCIM), and Primary and Secondary Trust Schools. As an Entry Point Project (EPP) under the education National Key Economic Area, EduCity aspires to create Asia’s first “best-in-class” higher education destination with a superior education environment.

Pinewood Iskandar Malaysia Studios
Located on a 40 acres site, Pinewood Iskandar Malaysia Studios is a studio complex which targets the Asia-Pacific region. The state-of-the-art facilities in the studio include 100,000sqft of film stages, ranging from 15,000sqft to 30,000sqft. The 30,000sqft stage has a water tank for productions that require work on or under water. The studio houses 2 TV studios, each at 12,000sqft. In spring 2015, the studio was used for the filming of a Chinese action film, Lost in the Pacific. The reputable studio was also used in film Marco Polo, an American drama television series. The world-class filming facility will be a catalyst to transform Malaysia into a destination for filmmakers worldwide, aiming to bring in RM1.9 Billion and create more than 11,000 jobs by 2020.

Kota Iskandar
Kota Iskandar, Johor’s new administrative centre, is a development comprising Johor State and Federal Government offices, set amongst landscaped gardens and parks. Designed to house more than 6,000 civil servants and 76 state and federal government departments, Kota Iskandar is expected to handle more than 1 million transactions a day. Kota Iskandar stands majestically on 320 acres of manicured gardens and parks as a symbol of a new attitude towards government efficiency.

Puteri Harbour
Puteri Harbour is the jewel of Iskandar Puteri that spans 688 acres offering a panoramic view of the Straits of Johor. The Harbour is designed to bring world-class waterfront living to Malaysia. Located adjacent to the majestic Kota Iskandar, Puteri Harbour offers the experience of unique waterfront living, dining, entertainment, and the arts and culture in a safe and scenic natural setting.

SiLC (Southern Industrial and Logistics Clusters)
SiLC is Iskandar Puteri’s premier industrial and environmentally sustainable development. Spanning across 1,300 acres of neighbouring development-ready land, SiLC features advanced, innovation-driven industries augmenting the value chain of integrated ‘clean’ industrial sectors in four major areas – advanced technology, health & nutrition, logistics, and biotechnology. SiLC is complete with full fibre world-class ICT connectivity, an imperative to support 21st century industries and businesses.

Afiat Healthpark
Iskandar Puteri’s Afiat Healthpark is tailored specifically towards developing healthcare facilities to meet the increasing local and regional demand for premier and all-inclusive healthcare services. Dedicated to bringing together health and wellness services in one location, Afiat Healthpark sees the establishment of private hospitals, specialist clinics, health screening, centre, rehabilitation and dialysis centres and facilities for modern, traditional and complementary medicines (TCM) in a 68-acre development.

Residential Developments in Iskandar Puteri
Iskandar Puteri Residences combine the best of urban living and the refreshing, de-stressing power of nature. Complemented by modern conveniences and infrastructure, each development will boast signature topographies that distinguish it from the rest. Among the residential areas being developed are Estuari, Horizon Hills, Ledang Heights, Nusa Bayu, Bukit Indah, and Nusa Idaman to name a few.

East Legadang
East Legadang is UEM Land’s most prestigious offering with contemporary and spacious luxury resort homes nestled within 7 parks featuring 31 hidden, intimate and lush gardens. Covering 275 acres, the lake, forest, wetland and canal themes are combined together with tropical landscaping, celebrating the beauty of nature. This development has received international recognition by being awarded Best Development Malaysia (highly commended) at the Bloomberg Asia Pacific Property Awards 2010. It was also recognized as one of Southeast Asia’s 20 Best Resort Developments by Property Report Southeast Asia’s i-Property Awards 2010.

Horizon Hills
Spanning across 1,200 acres, Horizon Hills is an integrated residential township complete with private 18 Hole Par golf course. Regarded as one of the best golf course residential properties in Johor Bahru, Horizon Hills takes full advantage of its unrivalled location of a mere 30 minutes‘ drive to Singapore. A strategic joint venture development between Gamuda Land and UEM Sunrise raises the benchmark for property development in Johor.

Nusa Idaman
Nusa Idaman is a mixed development spanning 250 acres in the suburbs of Iskandar Puteri. This mixed development was the first in Malaysia to introduce anti-termite homes, precint concept, single entry and exit points, low density, lush parks and family recreation space. This residential precinct is adjacent to a 650-acre urban forest (Regional Open Space) and features a large linear park. The development components of Nusa Idaman comprise of residential and commercial units, kindergarten, primary school, mosque, a community hall, public field, recreation lake, petrol stations, landscaped parks and vista points.

Country | Risk | Notes
--- | --- | ---
China, Hong Kong, India, and Singapore | Too expensive & restrictive | Cooling measures, anti-speculation, low loan quantum, foreign buyers restriction
Australia, Japan, Korea, New Zealand, Taiwan | Too slow | Stable, mature, strong anti-speculation measures in place for a long time
Cambodia, Indonesia, Laos, Philippines, Myanmar, Thailand, Vietnam | Too risky | Weak secondary market, lower standard of living, not suitable to those without holding power
Malaysia | Low cost, faster growth, less risky | Relatively developed, no language issues, close to other Asia Pacific countries, less restrictions on foreign property ownership

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Game Changer
With the iconic High-Speed Rail’s location in Iskandar Puteri announced by both the Singaporean and Malaysian Prime Ministers in July this year, Gerbang Nusajaya is fast taking shape with a 25-year master plan that will match Singapore’s very own Jurong Lake District.

Winner of Best Masterplan at the RABCI Prix d’Excellence Awards in 2012, Iskandar Puteri consists of signature catalytic developments aligned with the identified sectors and industries in the 10th Malaysia Plan. The next wave of catalytic developments spanning approximately 4,500 acres within Iskandar Puteri will take place in Gerbang Nusajaya.

According to the data from Iskandar Regional Development Authority (IRDA), demand from investors have remained strong with a recorded total cumulative committed investments of RM202.45 billion from 2006 until March 2016.

DTZ Consulting & Research Malaysia and Singapore concurs on this in its latest report, titled Market Assessment of Gerbang Nusajaya and Iskandar Puteri. 

Upon completion, Nusajaya Tech Park is expected to create 22,000 employment opportunities. For the whole of Gerbang Nusajaya alone, the area is expected to create an estimated 76,000 direct job offerings, 137,000 indirect job offerings together with an estimated 220,000 population.

“With the presence of key catalytic developments ranging from tourism and leisure healthcare and wellness, education, creative to business and industrial sectors in place to stimulate job creation and economic activities, Gerbang Nusajaya is poised to generate strong population growth that will drive housing demand.”

- DTZ Consulting & Research Malaysia and Singapore

Malaysia’s largest single urban development to date will become the smart and connected Central Business District of Iskandar Puteri. The gross development value of Medini stands at approximately RM87 billion spanning 15 to 20 years.

Medini Iskandar is divided into four main clusters. Zone A, known as The Park, comprises Mall of Medini, Gleneagles Medini, Afini Residences, The Elysia, Paradiso, Grand Medini and Medini. Zone B, or The Pulse, offers offices such as Medini 6, Medini 7, Medini 9 and Medini 10. Another part of Zone B, called The Compass, is poised to be a financial centre and the flagship development of MIM. Zone D is known as The Crescent.

MIMSB’s Managing Director, Datuk Khairil Anwar Ahmad aims to develop Medini Iskandar into a unique central business district (CBD) of Iskandar Malaysia.

According to Khairil, MIM will also focus on commercial developments in the near future, in addition to its residential and healthcare developments respectively.

On August 11, 2016, Medini 10 was most recently awarded the “Best Commercial Development” in Malaysia, at the South East Asia Property Awards 2016, held in Kuala Lumpur.

9 YEARS ON...

Transformation of Medini
Medini is a 2,230 acres urban municipality development planned for a population of 450,000 by 2030. Coupled with an integrated and comprehensive master plan, Medini is coordinated by Medini Iskandar Malaysia Sdn Bhd (MIMSB). The master plan is designed with a strategic vision to unfold Medini as a city that is strong and archetypal with distinct new building designs and people-oriented public spaces.
Huawei became the first tenant in the business district of Medini in 2014. Medini witnessed the groundbreaking ceremony for its high-rise office building known as Medini 9 last year (2015).

Founder of Khalil Adis Consultancy and iProperty.com Malaysia’s Brand Ambassador for Iskandar Malaysia, Khalil Adis said, Medini could be the sweet spot for Malaysia in 2016 with its close proximity to Singapore, no minimum purchase price and zero Real Property Gains Tax.

Here are three reasons why Medini could be the saving grace for Malaysia this year.

**WELL PLANNED TOWNSHIP**

With the rise of Iskandar Puteri in 2008, Medini now has infrastructure that rivals that of Singapore’s. The urban township has been well planned with various catalytic industries to spur economic growth, create jobs and boost demand for homes in and around the municipality. Medini is home to many big players, namely, Sunway, Mah Sing, and Eastern & Oriental.

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**COOLING MEASURES FOR FOREIGNERS**

While the rest of Malaysia is affected by the minimum purchase price requirements, Real Property Gains Tax (RPGT) and Bumiputera quotas, Medini remains the only place where these rules are relaxed. This has predominantly made it attractive for foreign investors who are ensured by the various industries and its well-planned surroundings but where properties are still reasonably priced. Labelled as a free trade zone to make it foreign-investor friendly, Medini is slowly coming to life with a growing number of expatriate communities.

**ENDLESS INCENTIVES**

There are plenty of incentives in Medini for just about everyone. For foreign knowledge workers or returning Malaysians looking to live, work and play in Iskandar Malaysia, you can apply under the ‘15 per cent tax rate scheme for knowledge workers in Iskandar Malaysia’. Those who wish to apply for this scheme need to have the interest to reside in Iskandar Malaysia and to be working in the 9 promoted sectors; tourism, financial advisory & consulting, education, healthcare, creative industries, electrical & electronics, logistics, petrochemical & oleochemical and food & agro processing.

**Developments**

The State Administration Offices, traffic lights, Puteri Harbour, Kota Iskandar are only some of the developments in Iskandar Puteri.

<table>
<thead>
<tr>
<th>Name</th>
<th>Developer</th>
<th>No. of units</th>
<th>Floor area (sq ft)</th>
<th>Price, from (RM)</th>
<th>Development status</th>
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<tbody>
<tr>
<td>Iskandar Residences</td>
<td>Distinctive Group</td>
<td>640</td>
<td>633 – 1,765</td>
<td>600,000</td>
<td>Ongoing</td>
</tr>
<tr>
<td>UM City</td>
<td>UM Land</td>
<td>213</td>
<td>583 – 1,192</td>
<td>730,000</td>
<td>Ongoing</td>
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<tr>
<td>The Meridian</td>
<td>Mah Sing</td>
<td>644</td>
<td>318 – 885</td>
<td>342,000</td>
<td>Ongoing</td>
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<tr>
<td>Alfiniti Medini</td>
<td>Alfiniti Residences 5nd Bhd</td>
<td>147</td>
<td>484 – 1,064</td>
<td>501,888</td>
<td>Completed</td>
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<tr>
<td>Almas</td>
<td>UEM Sunrise</td>
<td>546</td>
<td>520 – 2,221</td>
<td>390,000</td>
<td>Ongoing</td>
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<tr>
<td>Elysia Park Residence</td>
<td>BCB Berhad JV United Harvest Group</td>
<td>987</td>
<td>518 – 1,251</td>
<td>400,000</td>
<td>Ongoing</td>
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<td>Sunway Iskandar</td>
<td>Sunway Berhad</td>
<td>328</td>
<td>626 – 1,828</td>
<td>563,000</td>
<td>Ongoing</td>
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<td>1Medini Residences</td>
<td>WCT Holdings Berhad</td>
<td>644</td>
<td>720 – 1,704</td>
<td>300,000</td>
<td>Completed</td>
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<td>Paraiso Nuova</td>
<td>ZhuoYuan Iskandar 4 Iskandar Investment Bhd</td>
<td>382</td>
<td>696 – 6,080</td>
<td>540,000</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

Sources:

4. Medini Iskandar Malaysia 5nd Bhd (MIMSB)  
OWN A PIECE OF LUXURY

Rising up in the heart of Medini are two luxury hotel towers located within the Meridian Hotel Suites complex of The Meridian @ Medini—a fully integrated development bringing together the perfect blend of ‘Live, Work, Relax and Rejuvenate’.

Embraced as the new central business district and special economic zone of Iskandar Malaysia, Medini offers investors enticing incentives.

HOTEL SUITES
The Meridian Hotel Suites complex offers fully furnished luxury suites housed under the internationally established Ramada® brand.

A part of the internationally established Wyndham Hotel Group, the Ramada Encore Meridian Johor Bahru and Ramada Meridian Johor Bahru will be managed by leading hotel management company Topco.

RAMADA ENCORE MERIDIN
Scheduled to open in 2018, the 3.5 star, 322-room hotel offers modern and ergonomically designed rooms creating a relaxing and vibrant environment. All guest rooms feature stylish and vibrant social spaces as well as innovative bathroom pools featuring walk-in power showers. Ramada Encore Meridian offers studios, as well as one- and two-bedroom suites (starting from RM340,000).

RAMADA MERIDIN
The 4 star, 322-room hotel offers guests more upmarket accommodation with luxuriously designed deluxe rooms (starting from RM387,000) with a contemporary décor and ergonomic furnishings.

ATTRACTIVE INVESTMENT
State-of-the-art facilities, potential rental returns, a reputable hotel operator and Brand name, as well as strategic location - approximately 15 minutes’ drive to Singapore, and nearby attractions such as Legoland®, EduCity and Glomac’s Medini Hospital - makes for an attractive investment.

• Ramada Encore Meridian
  • 3.5 stars
  • 322 rooms
  • From 387 sq ft
  • 48 sq ft bathroom suites
  • From RM340,000

• Ramada Meridian
  • 4 stars
  • 322 rooms
  • From 387 sq ft
  • 48 sq ft bathroom suites
  • From RM387,000

YOUR VERY OWN RAMADA SUITE IN THE HEART OF MEDINI

√ Next to Legoland® Malaysia
√ Short drive to Singapore

Ramada
• 4 stars
• 322 rooms
• From 387 sq ft
• Studios, 1 & 2 bedroom suites
• From RM387,000

Encore
• 3.5 stars
• 322 rooms
• From 387 sq ft
• Studios, 1 & 2 bedroom suites
• From RM340,000

Foreigners eligible to purchase
Tax exemption:
- Real property gains tax
- 10-year income tax exemption or 5 years investment tax allowance up to 100%" Flexibility to hire expatriates (knowledge workers)
Expatriates allowed to import or purchase duty-free car for personal use

* All rates are subject to variation depending on the exchange rate.

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