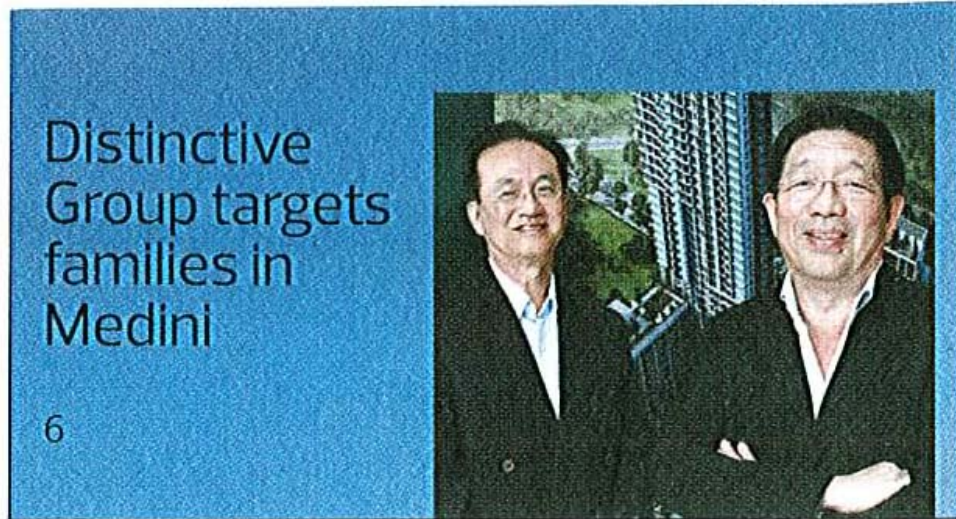


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Distinctive Group targets families in Medini

BY LAM JIAN WYN

Property developers launching in Medini will be up against stiff competition as more projects take off in the business precinct of Iskandar Malaysia's Flagship A.

Some of these projects include significant mixed-use developments such as Pulau Indah Ventures Sdn Bhd's Afiniti Medini, MCT Consortium Bhd's D'Pristine @ Iskandar Malaysia, Tang Group's iMedini Walk and Zhuoda Group's Paradiso Nuova luxury condominiums.

Distinctive Group is not too concerned with the competition, however. It has designed its Iskandar Residences condominium project — billed as one of the few purely residential developments within Medini — to stand out from the crowd.

"We are not too worried about other developments in the area as our studies show that 78% of these are commercial. Most of the serviced apartments there are around 600 sq ft or smaller," says Distinctive Group executive director and CEO Lim Ech Chan.

Executive chairman Datuk David Koh adds: "Iskandar Residences is fully residential, compared with many other developments in the vicinity which are commercial in nature and in the form of serviced apartments mixed with other commercial components like retail space and offices. Being a fully residential development, we offer more privacy, better security control and the ambience of residential resort living."

What are the prospects of larger family-sized units in the area? If Afiniti's success is anything to go by — all 147 units were snapped up in two days — there is pent-up demand for larger homes to cater for families in the precinct: given its proximity to Singapore, quality facilities and entertainment.

Within the precinct itself are attractions such as Legoland theme park and hotel as well as the Mall of Medini. Meanwhile, the 300-bed Gleneagles



An artist's impression of Iskandar Residences in Medini

Medini Hospital will open in 2015. On an adjacent plot is Afiniti Medini, a 210-acre mixed-use development, which will include serviced apartments, strata homes, a corporate training centre, a mall and a wellness centre.

In neighbouring EduCity is the newly opened Marlborough College Malaysia campus and Raffles American School that is under construction. Meanwhile, Newcastle University Medical's (Numed) Malaysia campus opened its doors in September 2011.

Iskandar Residences will come up on a 6.31-acre tract that fronts the Iskandar Coastal Highway. The Customs, Immigration and Quarantine Complex in Johor Baru and the Tuas Checkpoint is a 20-minute drive away.

The lease on the property is 99 years from June, with an optional 30-year extension.

The development comprises two blocks of condominiums. Tower A is 40 stories and has 355 units, while Tower B is 29 stories and has 285 units. The built-ups of the regular units range from 633 to 1,751 sq ft, while the penthouses range from 3,140 to 3,400 sq ft.

The studios and one-bedroom units will be allocated one parking bay, while condos with two and three bedrooms will come with two bays. The penthouses come with three parking bays.

About 60% of the units have built-ups of over 1,000 sq ft and have at least three bedrooms to cater for

families who will likely be drawn to the numerous facilities nearby.

However, Iskandar Residences is also designed to be self-contained, explains Koh. There will be a retail podium that will be managed by the building's joint management body that will be tenanted by F&B outlets and other basic services such as laundromats and a minimart.

To make Iskandar Residences stand out, Distinctive is planning to have a luxurious resort-type environment for the common areas. To this end, the developer has engaged famed landscape architect Karl Prinic, who lent his modern tropical touch to the W Hotel, Kayumanis Resort and Bale Nusa Dua in Bali as well as Seni Mont'Kiara condominium in KL. Notably, the condominium was a past project of Lim's when he was the director of planning at GDP Architects. "There will be a lot of water features. That is Prinic's trademark," says Lim.

Other features include five pools — two 2m by 20m sky pools atop each tower, a 1m by 50m Olympic-sized swimming pool, a 1m by 35m pool at the clubhouse and a children's pool. Other common facilities include a gymnasium, badminton court, squash court, function hall, children's playground, nursery, barbecue area, landscaped garden, entertainment terrace and jogging track.

While the project does not aim for any green ratings, it is designed to maximise the use of natural lighting in its units and common areas, while rain-water harvesting will be used to clean common areas. Maintenance will cost 25 sen psf.

Distinctive is targeting a fairly wide range of buyers — younger investors in their 20s to 40s who seek rental income, parents in their 40s to 60s who wish to invest on behalf of their children, and Malaysia My Second Home applicants who plan to retire here.

So far, potential customers have registered up to 90% of the units in Iskandar Residences' Tower A. About 60% of them are foreigners — largely Singaporeans, followed by Japanese — while the rest are Malaysians who mostly hail from Johor and Kuala Lumpur.

Tower A will be launched by the end of this month, followed by Tower B three months later. The first phase units are priced from RM690 psf. Distinctive Group has not determined the premium on the next phase yet.

In comparison, Pulau Indah Ventures' Afiniti's average prices were RM890 to RM1,000 psf, 1Medini's Medini Signatures was priced from RM742 psf while Mah Sing's The Meridin was sold from RM628 psf (Tower A) and RM661 psf (Tower C).

"It would not be fair to cream off the buyers. They should be able to enjoy the upside of their investments as well," says Koh.

In the Johor Baru housing property monitor published on Aug 19, KGV International Property Consultants (Johor) Sdn Bhd executive director Samuel Tan said the market needed affordable housing so that the middle class would not have to live far away from the city.

Distinctive is now calling for tenders to construct the project. Earthworks and piling are expected to start this month.

Other developments

Just a stone's throw from Iskandar Residences is 18@Medini, a mixed-used development valued at RM2 billion by Distinctive Ace Sdn Bhd, an associate company. IGB Corp Bhd bought a 50% stake in the company in June to jointly develop the 18-acre development which will be divided into two phases.

Phase one will comprise serviced apartments and offices while phase two will feature a hotel and mall. The mall will be managed by IGB, and Distinctive expects it to bring tenants and operators of similar stature to The Boulevard-St Giles Premier Hotel and their own Gardens mall and serviced residences in Mid Valley City, Kuala Lumpur.

Lim and Koh refuse to divulge project specifics as 18@Medini is a joint venture and is still in the planning stages. "There won't be much competition, if at all, with Iskandar Residences because the serviced apartment unit sizes will likely be around 600 sq ft, and that is not big enough for families," says Lim.

The first phase of 18@Medini is expected to be launched in 1Q2014.

IGB had also embarked on a joint venture with Selia Group to develop SouthKey Megamall, a RM6 billion mixed-use development on a 36-acre tract within the SouthKey development in Flagship A,

which will comprise a 1.5 million sq ft mall, other commercial properties and luxury homes.

Over at Johor Baru, Distinctive Group's 1Tebrau is 90% sold. The RM385 million development along Jalan Tebrau near the Sultan Iskandar Customs, Immigration and Quarantine Complex comprises two 21-storey towers of serviced apartments and 36 shopoffices.

Distinctive is eyeing more land in Johor, given the opportunities from the catalytic project. In particular, it is eyeing opportunities arising from Petroleum Nasional Bhd's RM60 billion Refinery and Petrochemicals Integrated Development complex in Pengerang.

"We are always on the lookout for more opportunities, even in the Klang Valley," says Koh.



The landscape will be designed by Karl Prinic who has worked on resorts in Bali including the W Hotel, Kayumanis Resort and Bale Nusa Dua