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**Affordable housing....
How to define
How to built and make profit**

*REI Group of Companies
Presentation by Dr. Daniele Gambero*

Connecting the dots between economy, demographic trends and new housing concepts



Group of Companies**What we do**

CONSULTANCY

- Strategic Marketing
- Property Market Surveys
- Property Market Reporting
- Property Market Analysis
- Branding
- Creative



**Strategic Marketing
&
Property Analysis**

*"The ability to convert ideas in facts is
the secret to outward success"*

Gambero Property Market Intelligence (Gambero PMI)

- access updated information & data on both Regional & Local economic indicators
- latest information on future market trends in property development
- insights on developers information, new forthcoming hotspots and proposed infrastructures



**Gambero Property Market
Intelligence Program**

*Connecting the Dots Between Global Economy and
Property Investment Decisions*



Best Project Marketing Company

REI Group of Companies





Best



Organizations that have invited Dr. Daniele Gambero as speaker to their events are:

Rehda KL, Rehda JB, Rehda Malacca and Rehda Penang

Sheda Kuching

Asian Strategic Leadership Institute (ASLI)

FIABCI Malaysian Chapter

iProperty, PropertyGuru Malaysia and Singapore and EG Expos

Malaysian Property Incorporated

University Malaya KL

Wealth Mastery Academy, Comfori and Starfish

Special Property Market Outlook presentation to the Bod of:

Encorp Bhd

Hatten Group

UEM Sunrise

Post Election Property Forecast

大選後房地產市場預測

11 & 12 May 2013 (Saturday & Sunday)
10.30am - 5.30pm
Sabah Trade Centre, Kota Kinabalu

| Gavin Tee | Michael Yeoh | Enoch Khoo
| Ishmael Ho | Richard Oon | Dr Daniele Gambero

Session
RM100 per pax (Saturday or Sunday session)
*Light refreshment provided during Tea Break
*Goodie Bag for each delegate
*Lucky Draw

Registration
Online at Pihex.com or
call 088-719787



PIHex
[展博] 房地產投資展

Website: www.Pihex.com Facebook: [facebook.com/PIHex](https://www.facebook.com/PIHex)
Telephone: 088 719 787 Fax: 088 728 387 Email: info@Pihex.com

Organizer:



FIABCI-MALAYSIA **SMART INVESTMENT IN PROPERTY SEMINAR (IX) 2013**
Post GE 13 - Where?

One day seminar feature on various topics:



It is the right time to Invest?
 Mr. Siva Shanker
 President
 Malaysian Institute of Estate Agents (MIEA)



Commercial OR Residential Real Estate
 En. Fakru Radzi Ab. Ghani
 Head of Head of Investment & Property Management
 Perbadanan Kemajuan Negeri Selangor (PKNS)



First Step in Property Investment
 Sr. Michael Geh
 Senior Partner
 Raine & Horne International Zaki + Partners Sdn Bhd



Auction Property
 Mr. Gary Chia
 Chief Executive Officer
 Auction Guru Abacus Research Sdn Bhd



Local Properties VS Oversea Properties
 Dr. Daniele Gambero
 Chief Executive Officer
 REI International Holding Sdn Bhd



Taxation
 Dr. Ben Ng
 Managing Director
 Total Business Advisory Sdn Bhd

Registration Fee

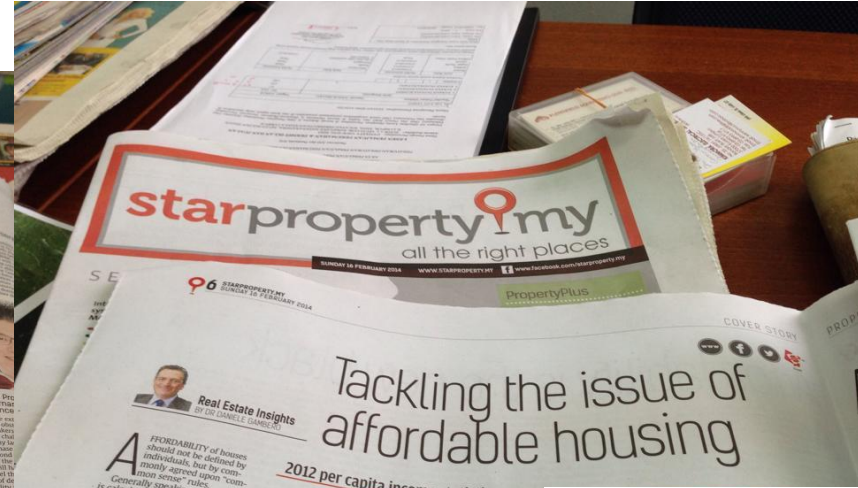
Date: 7 September 2013
 Time: 9.00 am - 5.00 pm
 Venue: Berjaya Times Square Hotel

- FIABCI Members RM288 per pax
- Non Members RM338 per pax

With 6 CPD Hours

Regular columnist for several newspapers and specialized magazine such as:

- The Star
- Malaysian Reserve
- Malay Mail
- The Sun
- PropertyTimes
- Real Estate Malaysia
- Property Hunter
- Property Insight



Pasaran hartanah Malaysia menarik berbanding ra



TERRY (tiga dari kiri) melihat kertas kerja persidangan hartanah yang akan diadakan pada 11 Januari di Kuala Lumpur semalam.

Oleh NOR SYARIZA MUHD. TAHIR
norsyariza.tahir@kosmo.com.my

KUALA LUMPUR - Persidangan hartanah terbesar, Property Outlook Conference (POC) yang bakal berlangsung pada 11 dan 12 Januari ini akan memfokuskan isu untuk menarik lebih ramai pelabur asing ke dalam sektor hartanah negara ini.

Ketua Pegawai Eksekutif Wealth Mastery Academy Sdn. Bhd. yang merupakan pengorganisasi POC, Datuk Terry Ong berkata, dengan situasi pasaran hartanah yang dilihat kekal menarik dan berdaya saing, pihaknya optimis sektor tersebut akan terus menjadi cabang utama pelaburan asing ke Malaysia.

"Kebanyakan daripada pelabur Asia mengukuti bahawa pasaran hartanah domestik lebih menarik

berbanding negara-negara lain rantau ini termasuklah Singapura dan Indonesia.

"Meskipun dalam pembenangan Bajet 2014 baru-baru ini, kerajaan mengumumkan penetapan harga lantai bagi pembelian hartanah dalam kalangan pembeli individu kepada RM1 juta, ia dilihat masih pada kadar mampuni serta tidak akan memberi kesan kepada permintaan hartanah di pelabur luar," katanya.

Beliau berkata demikian ketika ditemui pada sidang akhbar sebelum POC di sini semalam.

Menurut Terry, selain itu, Malaysia juga merupakan satu-satunya negara yang menawarkan lisi pembelian hartanah pegun bebas kepada pelabur luar.

"Dengan pelbagai polisi membolehkan yang diperkenalkan



State	2012 GDP @ constant prices	2012 population in 2012	2012 RM billion
Kuala Lumpur	1,718,680	114,106	
Sarawak	2,501,000	71,874	
Penang	1,654,640	52,530	
Selangor	6,026,240	176,239	
Malacca			



HOUSING CRISIS FOR MIDDLE INCOME GROUP

Agenda






Malaysian Economy: Fact File

Malaysian Demographic: Fact File

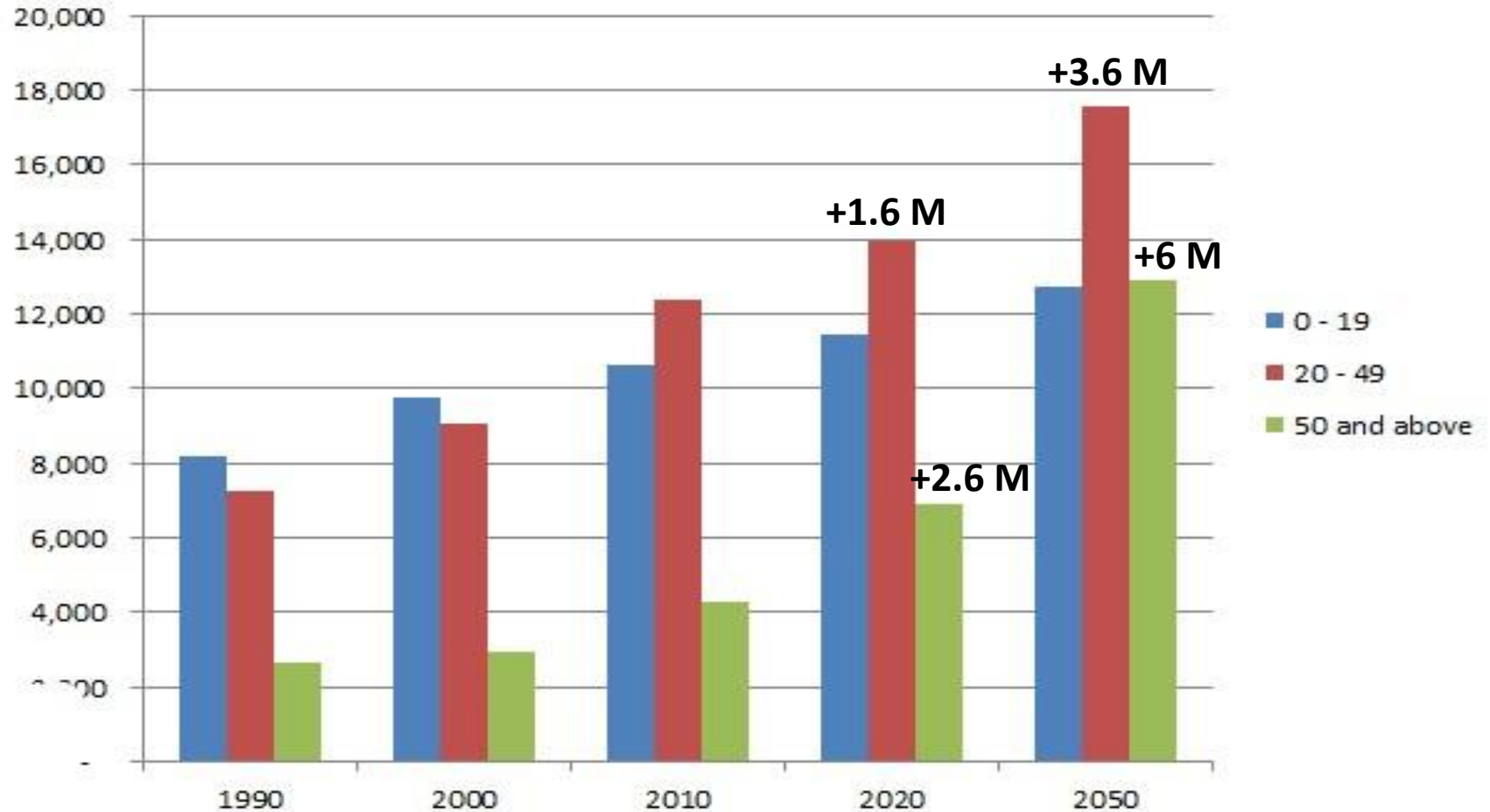
Malaysian Wealth: meaning of Affordable

Malaysian Real Estate: Strategically Sustainable

GLOBAL & MALAYSIAN ECONOMY - FACT FILE

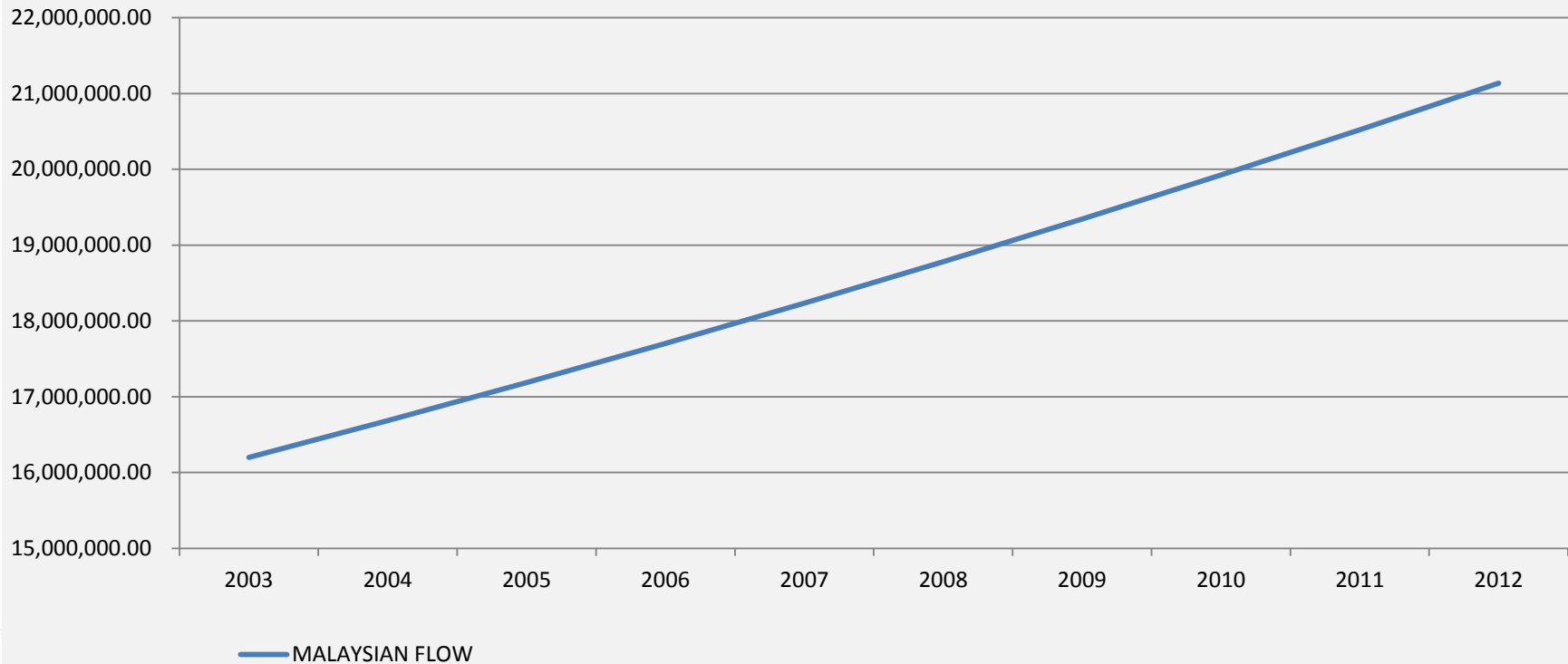
	USA	EU	JAPAN	AUSTRALIA	UK	MALAYSIA
GDP Growth	2.10%	-0.90%	0.90%	0.55%	0.63%	4.70% 
Gov debt as % of GDP	101.60%	90.60%	218%	21%	92%	54.80% 
Gov deficit as % of GDP	-8.50%	-3.7%	-9.2%	-3.1%	-6.3%	-4% 
Balance of current acc	-440 USD Bil	25.9 USD Bil	60 USD Bil	-57 USD Bil	-93.5 USD Bil	18.6 USD Bil 
Inflation	1.5%	1.10%	1.10%	2.20%	2.70%	2.50% 
Unemployment	7.20%	12%	4.10%	5.60%	7.70%	3.10%
Business confidence	56	-1	12	12	7	115.2
consumer confidence	73	-14	45.2	108	-18	125.3

MALAYSIAN DEMOGRAPHIC - FACT FILE



MALAYSIAN MIGRATION FLOWS - FACT FILE

Malaysian Migration Flow Rural to Urban Areas



Source: World Bank Statistics

2012: 72.5% of the Malaysian population lives in urban areas

2012: 21,000,000 Malaysians live in urban areas 3.5% growth every year

KL – GREATER KL – KLANG VALLEY ... AND BEYOND

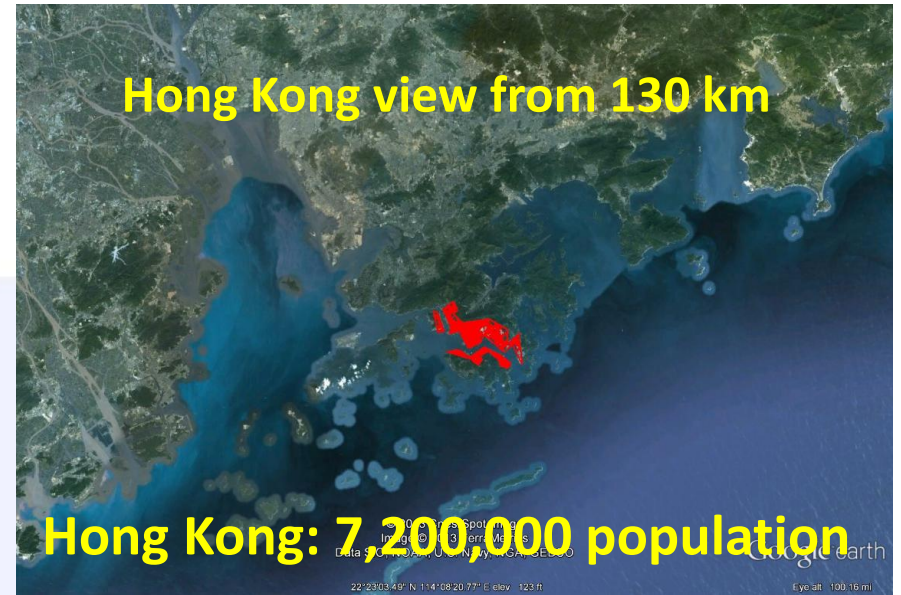
Klang Valley 1990

Population 3,400,000

Klang Valley 2012

Population 7,800,000

KL – GREATER KL – KLANG VALLEY ... AND BEYOND



Just a consideration on how Greater KL should evolve...



KL – GREATER KL – KLANG VALLEY ... AND BEYOND



MALAYSIAN WEALTH DISTRIBUTION - FACT FILE

FEW CONSIDERATION ON MALAYSIANS WEALTH:

Malaysian average per capita income 2013 (PPP) – Source IMF/WB

USD17,046 per year = RM4,400 (per month)

Malaysian Wealth Distribution

Lowest 20%

Share 5% of Malaysian wealth

Highest 20%

Share 40% of Malaysian wealth

=

Median 60% share 55%

18,000,000



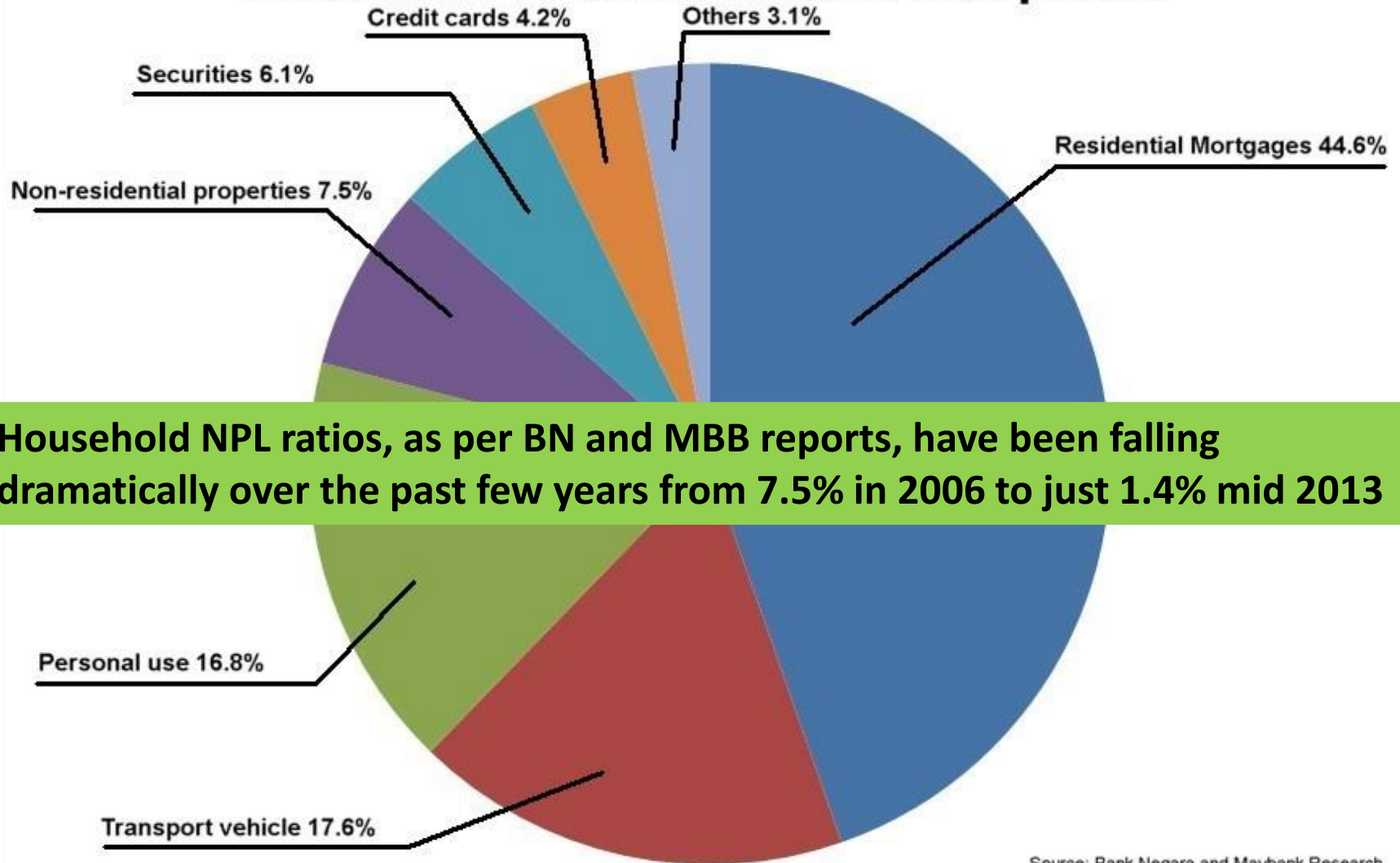
MALAYSIAN WEALTH DISTRIBUTION - FACT FILE

2012 PER CAPITA INCOME STATISTICS

State	State by state (est) Population in 2012	GDP 2012 @ const prices 2012 RM Billion	GDP 2012 per Capita at current prices		35% of monthly income = Loan repayment RM	Affordable House value (30 yrs loan @ BLR-2.3 4.4%)	
			Yearly	Monthly		Per capita	Per household
			RM	RM			
Kuala Lumpur	1,718,680	114,106	73,931	6,161	2,156.32	480,000	720,000
Sarawak	2,501,000	71,874	40,414	3,368	1,178.74	260,000	390,000
Pulau Pinang	1,654,640	52,530	37,006	3,084	1,079.34	240,000	360,000
Selangor	5,626,240	176,239	36,135	3,011	1,053.94	240,000	360,000
Malacca	832,320	21,953	33,550	2,796	978.54	220,000	330,000
Negeri Sembilan	1,040,400	27,717	32,511	2,709	948.24	220,000	330,000
Pahang	1,560,600	30,750	26,197	2,183	764.08	165,000	247,500
Johor	3,337,360	68,791	24,574	2,048	716.74	160,000	240,000
Terengganu	1,144,440	19,627	22,733	1,894	663.05	145,000	217,500
Perak	2,396,960	39,627	20,569	1,714	599.93	135,000	202,500
Sabah	3,437,360	44,434	19,010	1,584	554.46	125,000	187,500
Perlis	208,080	3,535	18,119	1,510	528.47	120,000	180,000
Kedah	2,080,800	25,307	15,814	1,318	461.24	105,000	157,500
Kelantan	1,654,640	13,461	10,617	885	309.66	70,000	105,000

MALAYSIAN HOUSEHOLD DEBT - FACT FILE

What does household debt comprise?

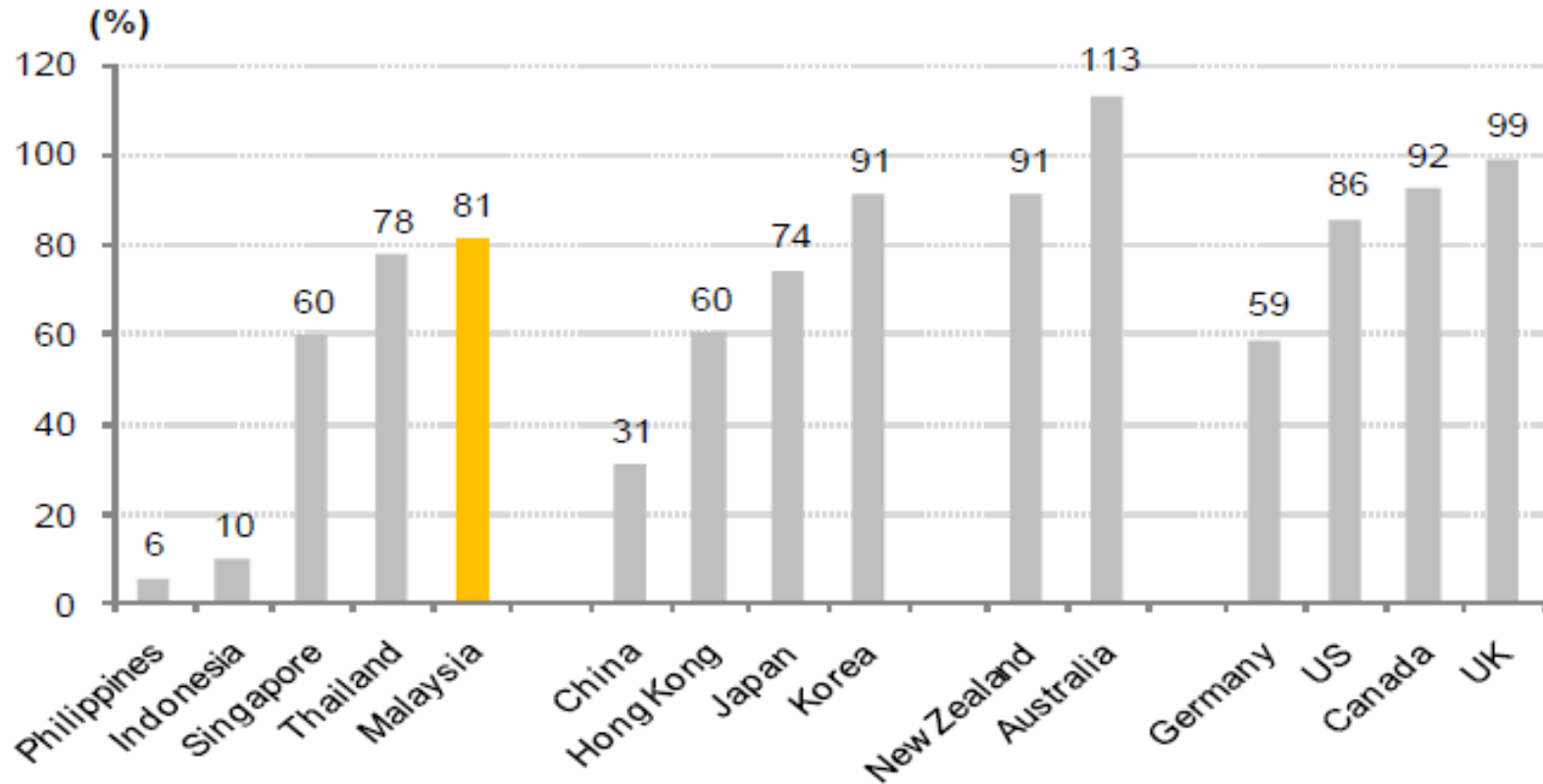


Household NPL ratios, as per BN and MBB reports, have been falling dramatically over the past few years from 7.5% in 2006 to just 1.4% mid 2013

Source: Bank Negara and Maybank Research

MALAYSIAN HOUSEHOLD DEBT - FACT FILE

Global HH debt/GDP ratios end-Dec 2012



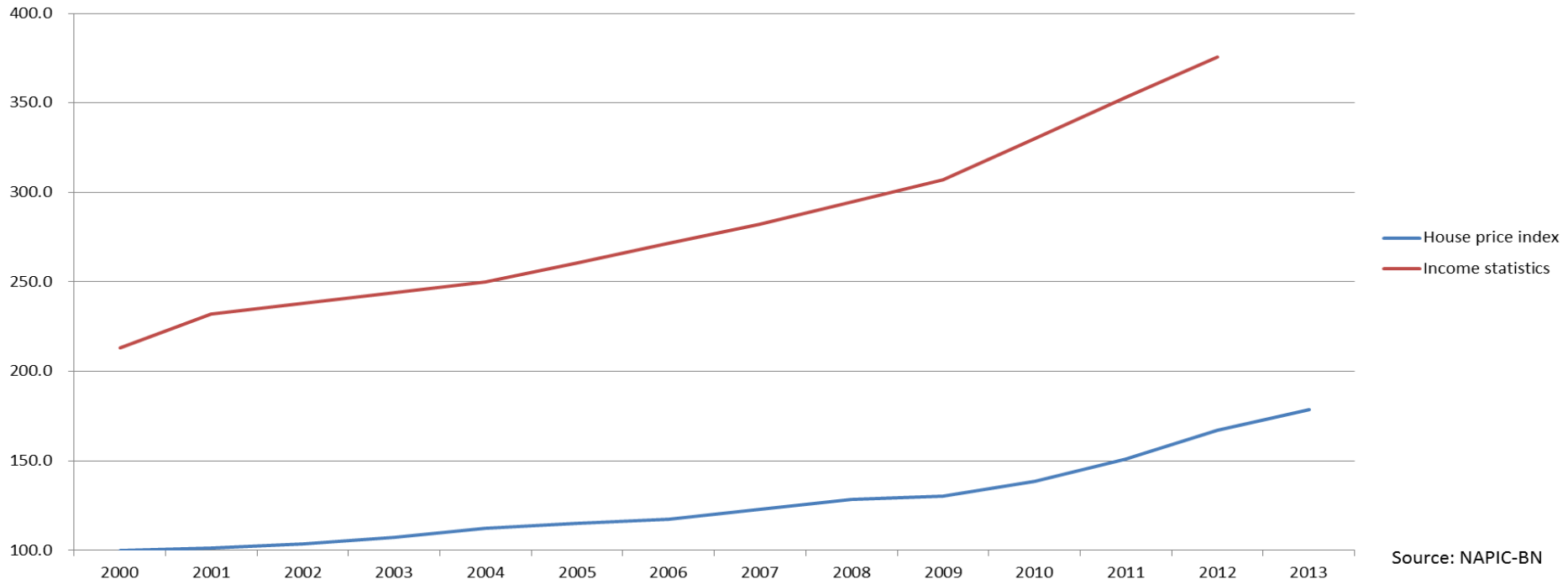
Source: CEIC, Bank Negara, Maybank KE

MALAYSIAN PROPERTY MARKET SUSTAINABILITY

How House Price Index and Per Capita income index are strictly correlated, what is this comparison showing?

House - Income trend	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
House price index	100.0	101.1	103.5	107.5	112.4	115.0	117.2	123.1	128.6	130.5	138.8	151.2	167.2	178.4
Income statistics	213.0	232.1	238.2	244.2	250.0	260.8	271.5	282.2	294.6	307.0	330.0	352.9	375.8	

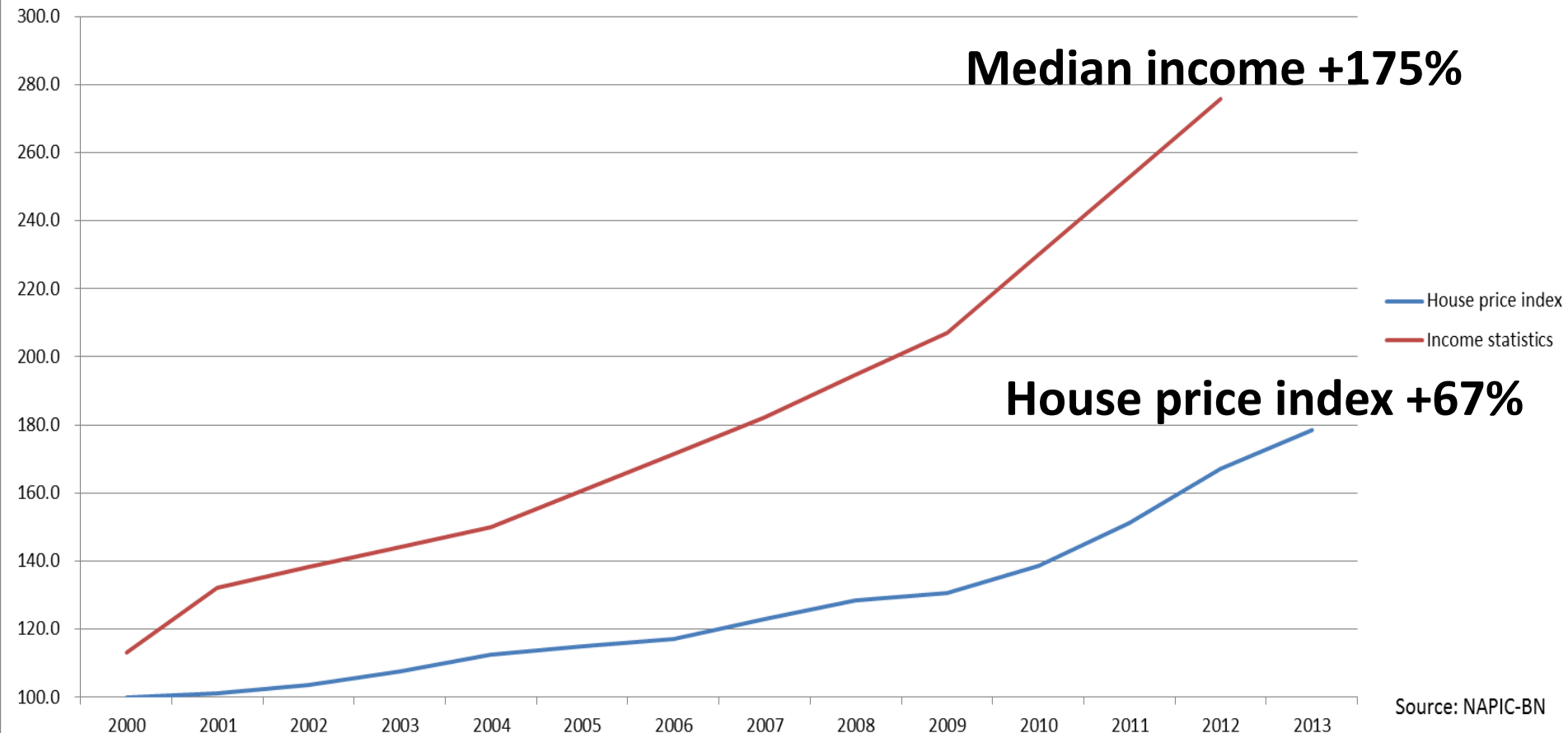
HOUSE PRICE INDEX COMPARED TO PER CAPITA INCOME 2000 - 2012



MALAYSIAN PROPERTY MARKET SUSTAINABILITY

How House Price Index and Per Capita income index are strictly correlated, what is this comparison showing?

HOUSE PRICE INDEX COMPARED TO PER CAPITA INCOME 2000 - 2012



HOUSING EXISTING STOCK AND FUTURE SUPPLY

EXISTING STOCK AND HOUSE SUPPLY TILL 2020

STATE	SUPPLY OF LANDED TILL 2020	SUPPLY OF LOW COST TILL 2020	LOW COST ON POPULATION %	SUPPLY OF HIGH RISE TILL 2020	TOTAL HOUSES SUPPLY BY 2020	POPULATION BY 2020	NEED/OVERSUPPLY OF HOUSES BY 2020
KUALA LUMPUR	113,005	156,915	8.39%	251,854	521,774	1,870,000	101,559
SELANGOR	833,155	491,584	7.83%	342,154	1,666,893	6,279,686	426,336
JOHOR	652,827	260,616	5.79%	87,968	1,001,411	4,499,432	498,400
PENANG	204,903	214,780	13.15%	63,728	483,411	1,633,703	61,157
MALACCA	138,607	50,244	5.49%	18,979	207,830	914,506	97,005
NEGERI SEMBILAN	265,638	90,725	7.11%	47,461	403,824	1,276,244	21,591
PAHANG	230,251	69,856	4.17%	17,862	317,969	1,674,660	240,251
PERAK	383,460	95,873	3.84%	12,909	492,242	2,494,237	339,170
PERLIS	19,804	9,294	3.82%	1,602	30,700	243,400	30,150
KELANTAN	67,511	12,722	0.83%	4,189	84,422	1,533,613	426,782
TERENGGANU	91,254	43,173	4.13%	1,026	135,453	1,045,864	213,168
KEDAH	247,710	115,217	5.92%	3,173	366,100	1,947,472	283,057
SABAH	98,335	62,930	1.83%	41,618	202,883	3,443,107	485,738
SARAWAK	189,640	51,915	2.04%	14,893	256,448	2,543,759	252,304
GRAND TOTAL FOR MALAYSIA	3,536,100	1,725,844	5.50%	909,416	6,171,360	31,399,685	3,476,669

MALAYSIA AND THE REGION: WHERE ARE WE?

Average price of property per country 2012 - SEA REGION to income per capita (PPP) ratio					Property value	
Ranking	Country	RM/psf	House of 1,000 Sq.Ft.	GDP Per capita (PPP) USD	GDP Per capita (PPP) RM	Property value to income ratio
1	Hong Kong	3,124.59	3,124,590.30	44,770	143,264	21.81
2	Singapore	2,684.31	2,684,310.67	53,266	170,451	15.75
3	Australia	1,345.25	1,345,254.55	35,668	114,138	11.79
4	Japan	1,266.79	1,266,794.87	31,425	100,560	12.60
5	South Korea	950.93	950,925.31	27,990	89,568	10.62
6	Taiwan	911.38	911,379.60	33,608	107,546	8.47
7	Brunei	847.36	847,359.72	45,978	147,130	5.76
8	China	794.82	794,817.91	7,957	25,462	31.22
9	Thailand	451.83	451,829.25	8,458	27,066	16.69
10	Myanmar	414.39	414,385.92	1,324	4,237	97.81
11	Malaysia	367.42	367,418.25	17,046	54,546	6.74
12	Philippines	285.84	285,838.91	3,802	12,166	23.49
13	Vietnam	241.09	241,086.96	3,133	10,026	24.05
14	Cambodia	212.31	212,310.48	2,149	6,877	30.87
15	Indonesia	207.62	207,621.70	4,271	13,667	15.19
16	Laos	79.72	79,721.29	2,521	8,067	9.88

Source: IMF - World Bank - CIA

MALAYSIA AND THE REGION: WHERE ARE WE?

Average price of property per country 2012 - SEA REGION
Property value to income per capita (PPP) ratio

Ranking	Country	RM/psf	House of 1,000 Sq.Ft.	GDP Per capita (PPP) RM	Property value to income ratio
10	Myanmar	414.39	414,385.92	4,237	97.81
8	China	794.82	794,817.91	25,462	31.22
14	Cambodia	212.31	212,310.48	6,877	30.87
13	Vietnam	241.09	241,086.96	10,026	24.05
12	Philippines	285.84	285,838.91	12,166	23.49
1	Hong Kong	3,124.59	3,124,590.30	143,264	21.81
9	Thailand	451.83	451,829.25	27,066	16.69
2	Singapore	2,684.31	2,684,310.67	170,451	15.75
15	Indonesia	207.62	207,621.70	13,667	15.19
4	Japan	1,266.79	1,266,794.87	100,560	12.60
3	Australia	1,345.25	1,345,254.55	114,138	11.79
5	South Korea	950.93	950,925.31	89,568	10.62
16	Laos	79.72	79,721.29	8,067	9.88
6	Taiwan	911.38	911,379.60	107,546	8.47
11	Malaysia	367.42	367,418.25	54,546	6.74
7	Brunei	847.36	847,359.72	147,130	5.76

Source: IMF - World Bank - CIA





I love Malaysia

Facebook
Daniele Gambero

Thank you



Best Project Marketing Company

REI Group of Companies

For questions please email to:
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