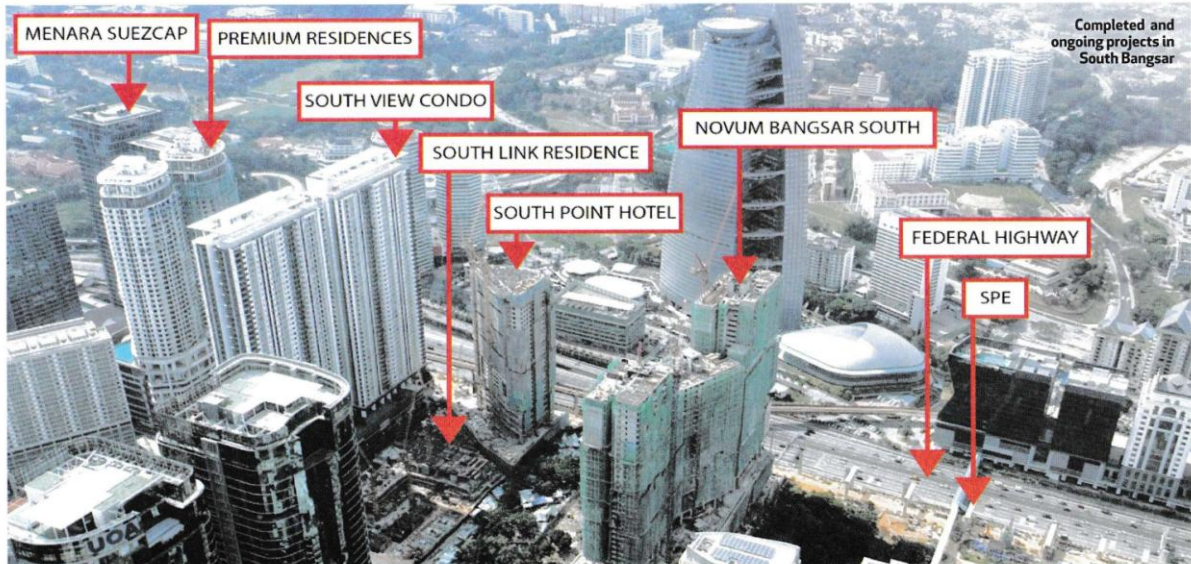


Company Name : UOA Development Berhad
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The lesson that cost RM2 mil



We get invited a lot to do corporate speaking engagements, and the goal is to educate how one continues to have a job but at the same time build a 7-figure property portfolio.

In the last quarter alone, we had the privilege to speak at Petronas, Exxon, Tenaga Nasional Bhd and Public Sector Housing Financing Board (under the Finance Ministry) and many others.

Usually, during our talks, there's one area that receives plenty of attention - Kerinchi. It is now better known by its glamorous name, South Bangsar. Previously, we all knew this place to be Kampung Kerinchi.

In 2007, UOA Holdings undertook a project to transform this place into one of the most sought after addresses in Kuala Lumpur and Petaling Jaya.

As of now, there are many Grade A offices, called home by several multinational companies (MNCs). It is an enclave for grand hotels and good restaurants.

The skyline is littered with an array of high end condos.

Yet people still cannot get enough of it. During our corporate talks, there would usually be a question about this particular place: "Why did a kampung turn into one of the most sought after address?"

I always have the same answer. "Boosters." Or even more specifically, property boosters.

For those who have joined FRPG (Faizul Ridzuan Private Group) or VIP (Value Investing in Property), you will realise that one of the 26 criteria that we use to grade properties are boosters.

It is probably the most underrated yet this criterion brings immense value to your property.

It is also the most misunderstood, especially when used mistakenly by people who are not well versed in the fundamentals of property or just do not have the data and insight to use it properly.

Here's the reason why South Bangsar became what it is now. The area was a backwater alley that was home to the low income earners.

There were no malls, no highways, no offices, no hotels nor any high paying jobs,



by Faizul Ridzuan

- **Property boosters can transform a good property into a better one**
- **High-end properties attract more affluent buyers which in turn pushes up property value**

But when UOA started to develop it, it began with high rise projects which are different from the apartments nearby.

Secondly, it added a medical centre. **Booster #1:** In The Huffington Post's "Save thousands as a medical tourist in these five countries" article dated Aug 26, 2016, it listed five top destinations around the world for medical tourism.

Malaysia is among these countries,

making the list for its high quality health-care and affordable medical treatment.

At that time, it was projected to bring in RM1.3 bil revenue in 2017.

In 1998, South Bangsar saw the construction of an LRT (Light Rail Transit) station.

Since 2013, the major property purchases for me and for my clients have always been those that are near the LRT or MRT (Mass Rapid Transit) lines.

We predicted that the public transportation infrastructure would outperform the market and as of 2018, we are vindicated.

This is **Booster #2** that South Bangsar needed. Especially the high value Putra LRT line.

Then came Grade A office blocks. This move gave a perfect shot in the arm to South Bangsar - **Booster #3**.

The office towers attracted Grade A MNCs into the area, which offered competitively high salaries to their employees. This in turn raised the income level of that select work force.

With high salaries, they are able to spend more in that area. When that happens, what do you think follows?

If you answered shopping mall, you would be correct. A mall opened, which is **Booster #4**. The retail component was added to an already vibrant community.

Then more high end residences were built to capture the affluent workers looking to stay in South Bangsar.

This is a never ending cycle, pushing up the prices of properties. Here is where I would normally get a predictable question.

"Faizul, there are malls that are not doing so well in PJ. I bought a condo nearby one of the malls. I don't think it is a booster after all."

"How many malls are there in the PJ area? Will the Kentucky Fried Chicken outlet be different in Mall A as compared to Mall B? When South Bangsar started, there was only one mall. What do you think will be the mall's performance?"

"But I have had memories about South Bangsar. I was offered to purchase few units of apartments in South Bangsar in 2006 for RM300,000. At that time, I was tempted."

"But then I read so many negative comments on online forums that I doubted my own analysis. In the end, I didn't purchase one and it's one of the biggest mistakes I've made."

"This was a huge lesson for me. If I had believed my own research more than what I had read online, I could have made an additional RM2 mil today. I was the fool that simply believed what was written online, and it was a RM2 mil lesson."

"Needless to say, I don't make investment decisions based on what's written online anymore, since any Tom, Dick and Harry can write anything there."

Today, my duty for FAR Capital clients is to do our best to identify the next South Bangsar. We may never see another South Bangsar for the next 10 years.

From RM300,000 to RM900,000-RM1.2 mil. That's close to RM1 mil profit on a single condo unit, and made high-rises in South Bangsar one of the best performing areas in the last 10 years in Malaysia.

And we know that understanding the concept of property boosters is the key to unlocking the next South Bangsar.

Faizul Ridzuan is CEO of FAR Capital Sdn Bhd and known as a property futurist

Properties more than 5 years old

Median Price From 2002 - 2006

DEVELOPMENT	2002	2003	2004	2005	2006
Pantai Hillpark Phase 5	-	-	-	-	-
Pantai Panorama	218,000	-	-	-	-
Vista Angkasa	-	155,000	140,000	65,000	157,500
Andalucia	306,660	-	-	383,000	340,000

Median Price From 2008 - 2012

DEVELOPMENT	2008	2009	2010	2011	2012
Pantai Hillpark Phase 5	188,500	-	-	-	-
Pantai Panorama	-	350,000	400,000	485,000	530,000
Vista Angkasa	168,000	169,000	170,000	222,500	215,000
Andalucia	435,000	380,000	532,500	620,000	812,500
Acasia@The Park Residence	-	-	930,000	930,000	1,085,000
Begonia@The Park Residences	-	-	670,000	752,500	1,030,000