

WELCOME SPEECH REMARKS BY  
DATO' JEFFREY NG  
REHDA INSTITUTE CHAIRMAN  
24 SEPTEMBER 2018

Good morning,

YB Lim Guan Eng, Finance Minister of Malaysia  
REHDA Institute Board of Trustees  
Y Bhg Dato' Ir Soam Heng Choon, REHDA Malaysia President  
REHDA Patrons and National Council Members  
Fellow Speakers and Panelists  
Members of the Media  
Delegates, Distinguished guests  
Ladies and gentlemen,

It is my pleasure to welcome you to REHDA Institute's Annual Property Developers Conference – CEO Series 2018. We are also privileged to have present with us this morning the Honourable Finance Minister, YB for joining us.

REHDA Institute, being the education, training and research centre for the property industry strives to provide quality and value-added training and knowledge sharing sessions to empower stakeholders and equip industry players with the required and relevant know-hows in line with the changing landscape of the industry and the economy. In addition to REHDA Institute dialogues and workshops organised for stakeholders, we have also expanded into research and education – where we have recently released our inaugural report on “Affordable Housing – The Game Plan Transformation” and is currently working closely with a renowned local university to offer a post-graduate master's degree in real estate development next year. REHDA Institute will be embarking into our 2<sup>nd</sup> research paper titled “Cost of doing business in real estate development and its impact on profitability of property development companies.”

The housing and property industry are facing challenging times ahead. Weak market conditions, unsold units, increased costs of doing business, financing challenges faced by house buyers are but some of the key hindrances to growth. There is an urgent need to examine each of these elements and find high impact transformational solutions to ensure sustainability and enhance competitiveness. It is timely to relook at housing and property development as a key economic sector as it not only creates domestic demand but has a huge spill-over effect on other upstream and downstream subsectors. The housing sector alone, has huge potential for further expansion given the strong underlying demand in terms of population increase, urbanisation, shrinking household size and economic growth, but requires appropriate growth drivers to revive the lacklustre market and pragmatic holistic strategies to counter increased costs of doing business.

In a recent survey among property developers who are REHDA members, findings of which are still pending release next month, the respondents revealed the top 3 reasons for not being able to sell their housing units include (i) end financing rejection (ii) bumiputera quota and (iii) weak market conditions. Clearly, the market needs a boost and positive intervention that will act as impetus to enhance affordability and encourage home ownership for all. In addition, new demand should be created via promotion of property for investment purpose as well as opening a wider market, to the higher and investment grade properties for both local and foreign buyers. Perhaps it is also timely that

the cooling measures put in place in 2014 to counter speculations then be lifted as price increases and non-performing loans have stabilised over the last few years.

We believe that it is difficult to attain sectoral growth without the nation's sustainable economic expansion taking place at the same time. It is with this mind that today's conference has been tailored on three broad areas – the economic outlook and key sectors, attracting investments and new disruptive technology trends including digital marketing, untapped opportunities in co-living and student accommodation. As we are all looking forward to more insights and exciting propositions from our speakers and panellists in the succeeding sessions, let me and my remarks by thanking all of you here again for coming and supporting REHDA Institute's Annual Property Developers Conference – CEO Series 2018. Thank you very much YB Finance Minister Lim Guan Eng for accepting our invitation to deliver a keynote address at this event today. We are all very anxious to listen to your keynote address shortly and indeed honoured by your presence. With your permission YB Finance Minister, REHDA Institute would like to take the opportunity to submit a summary of all key takeaway ideas and recommendations presented and discussed by our speakers and panellists for your Ministry's consideration and action. It is our hope that the new Government will thereafter introduce appropriate or improved policies and measures to restructure, transform and strengthen the economy of our country in a sustainable manner. I would also like to thank the media, sponsors and event partners for your strong support towards the Institute and its programmes. We are looking forward to working with all of you in RI's future initiatives and incentives.

I wish you all a fruitful and productive session. Thank you.