

Property developers throw in perks



Liew (left) and Ong (second from left) looking at the model of the project. SP Setia's scheme halves the downpayment on a house to 5 per cent.

By Sharen Kaur
sharen@nstp.com.my

N.S.T. 20/01/09 M/S 5

PROPERTY developers are finding new ways to boost sales as they grapple with a slowing economy and fragile consumer confidence.

OSK Research analyst Mervin Chow said more developers will offer incentives, especially for landed properties, to boost sales.

"There is more competition. So developers will have to do something new to survive. They may offer more giveaways or discounts," he said.

SP Setia Bhd yesterday unveiled a scheme that halves the downpayment on a house to five per cent. Rival Mah Sing Group Bhd is set to follow with its own plan this week.

Group managing director and chief executive officer Tan Sri Liew Kee Sin expects a good reaction to its Setia 5/95 Home Loan package, which is available until April 19.

"We had soft launches recently (at Setia Alam) and the responses have been good. People have money but are shaken a bit. So sales have been slow. There are some cases where buyers cannot get loans. This is why we came up with the 5/95 package to assist them to own a home," Liew said.

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Mervin Chow, analyst OSK Research

Liew was speaking to reporters after launching the 5/95 package with Housing and Local Government Minister Datuk Seri Ong Ka Chuan at the Setia Alam township in Shah Alam, Selangor.

The package requires buyers to make a 5 per cent downpayment on a property with no interest payable during construction. The buyer only starts to service the 95 per cent loan when the property is completed.

The campaign is supported by CIMB Direct Access, Maybank, Public Bank and EON Bank and is applicable to all of SP Setia's residential properties in the Klang Valley, Penang and Johor.

As for Mah Sing, it will launch its easy ownership campaign on Thursday.

Under the campaign, buyers can buy completed semi-detached homes or bungalows with a RM1,000 deposit, and thereafter pay a minimum of RM1,200 a month for the next five years.

They will enjoy an attractive loan interest package from the fifth year, Mah Sing senior manager, corporate communications, Lyanna Tew said.

Last year, Sime Darby Property Bhd (SDP) sold 241 properties worth RM141 million in one month, at its 10 ongoing townships.

Sales were boosted by its Guaranteed Buy Back scheme, which is valid until June 15. Under the scheme, buyers can sell back their properties to SDP with "no question asked".