

From left: Ng, Yap and Gan

Simas-D taking small steps

Boutique developer Simas-D believes in growing slowly but steadily. Its four founders hope its first high-rise project — the yet-to-be-launched RM96 million condominium, The Armanna, in Kota Kemuning, Shah Alam — will help establish its name in the property market. **Tan Ai Leng** has the story on Page 2.

An artist's impression
of The ArmannaSENIOR
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Focused on building affordable homes

BY **TAN AI LENG**

Simas-D Sdn Bhd managing director Ng Leong Hooi has built thousands of homes with his partners and team. Though he has over 25 years of experience in the construction industry, building homes was not his initial passion. It was to build planes.

"I wanted to be an aircraft engineer when I was young. I studied very hard to earn the opportunity to study aeronautical mechanical engineering in Taiwan. I learnt everything about planes, including how to fix and build one. It was my dream," reminisces the 58-year-old developer from Klang.

Ng returned to Malaysia upon his graduation in 1982 and applied for work at airline and aviation companies. However, as the country was in recession at the time, he did not hear from any of the companies.

After waiting for almost a year, a job opportunity presented itself. A company that handled the construction of Petronas' refineries needed someone with mechanical engineering expertise. Ng decided to give it a try and got the job.

After the structural works for Petronas' refinery in Kerteh, Terengganu, were completed, he participated in other construction projects that dealt with residential and commercial properties as well as infrastructure.

Besides gaining valuable experience, Ng also made many friends in the construction industry. "They were my mentors and taught me about the construction and property development industry."

He grew to love the industry and in 1986, he set up his own construction company — Simascon Sdn Bhd. "I never thought I would be involved in the

construction line or property development. Things just happened. I have been in this industry for more than 25 years now but I still get excited when I see an opportunity to gain new knowledge."

Though he could not fulfil his dream of being an aviation engineer, Ng stayed positive and applied his knowledge in mechanical engineering to build homes for others.

"Just concentrate on what you are doing and giving it all your best, and you will get returns eventually. The returns are not limited to money; there is also that sense of achievement and satisfaction," he philosophies.

New partners and path

When Ng felt being just a contractor for residential projects was not enough, he established a property development company — Simas-D Sdn Bhd — in 2008.

Three friends — Yap Toong Kooi (64), Simon Yap (50) and Denn Gan (36) — who were also experienced builders, became his partners. Together, they began a journey as boutique developers.

Yap is a director of Simas-D, has more than 36 years of experience in project management and had worked with Ng for more than 10 years at Simascon.

Gan, an architect, and Simon, an engineer, were former colleagues in a property development company. They came to know Ng when they were involved in a residential project for which he was the main contractor. Gan is executive director of Simas-D while Simon is a director.

For Gan, Simas-D is the starting point of his career while Simon has 19 years of civil engineering experience in the construction industry, having been involved in numerous million-ringgit developments.



MOHD IZWAN MOHD NAZAM

Ng: Most of our buyers are young couples and people living or working nearby who want an affordable condo in Kota Kemuning

The four friends' decision to start Simas-D in 2008 was a daring move, considering that it was the year the US subprime mortgage crisis erupted. Ng says things were not easy in the early stages. The company faced difficulties in securing bank loans to purchase development land. "It took us some time to persuade the banks [to support us] and finally, MBSB (Malaysia Building Society Bhd) gave us financial support," says Ng.

He believes the four founders of the company have their own strengths, which enables them to work seamlessly while complementing each other. He acts as the leader of the company and is in charge of the technical aspects of projects while Gan handles the authorities and land acquisition. Yap's area of expertise is development sites and project management while Simon, who has vast

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Top: Giardino Terrace ... this third phase of Aman Sara was launched in 2012 and offered more features, like greenery and rustic architecture

Left: Boutique Terrace is the second phase of Aman Sara that was launched in 2011 and comprises just 12 houses

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experience in high-rise residential projects, is an adviser to the company.

Building upwards

Simas-D's most recent and second project is The Arman — a twin-tower, 16-storey condominium with a gross development value of RM96 million. The 2.26-acre, low-density, freehold development is strategically located in the mature and vibrant township of Kota Kemuning, Shah Alam. The developer has yet to set a date for its launch.

Ng says The Arman will be the first GreenRE building in Shah Alam and will have a total of 158 three-bedroom units. There will be only eight units per floor in each tower and they come with patios. With built-ups that range from 1,023 to 1,183 sq ft, the units are going for an average selling price of RM525 psf. The soft launch of the project was in March and it is about 60% sold.

GreenRE is a green building and carbon rating tool established by the Real Estate and Housing Developers' Association.

Ng says the price is comparatively low because this is their first high-rise project and they want it to be affordable. The units in a similar project with the same facilities that is just 2km away — KU Suites — are going for an average selling price of RM605 psf.

"Most of our buyers are young couples and people living or working nearby who want an affordable condo in Kota Kemuning. The population in Shah Alam will keep growing and support future demand," Ng says.

According to a 2010 survey by the Statistics Department, Shah Alam's population stood at 541,306 and was expected to reach 700,000 by 2020.

Anthony Chua, director at KGV-Lambert Smith Hampton Sdn

Bhd, says although there are not that many condominiums in Kota Kemuning, there is little land for new projects as the planning of the established township is nearing the end of its development cycle or it has already been designated for landed residences. "In the future, more condominiums may come on the market as high-rise living is now a norm for young families looking for affordable homes and a modern lifestyle," he explains.

Ng says Simas-D's first project was the four-acre Aman Sara in Puchong, that was completed in three phases. The units were fully taken up and have been handed over.

The one-acre first phase was called Courtyard Terrace and comprised twenty-one 1½-storey terraced houses. The pocket development, which had a GDV of RM6 million, offered 20ft by 70ft homes with a built-up of 1,557 sq ft. They were conservatively priced at RM250,000. This phase was sold out on the first day of launch in March 2010 and completed in September 2011.

"The overwhelming response encouraged us to keep up our development pace, so we planned the second phase of Aman Sara," Ng says.

In 2011, the second phase, called Boutique Terrace, with just 12 terraced houses, was launched and it took up an acre as well. Its GDV was RM6.5 million.

Ng says these 20ft by 80ft units with a built-up of 2,193 sq ft are the longest terraced houses in Taman Puchong Prima. "Their selling price was RM500,000 and they were all taken up within a week of launch."

According to him, the Courtyard Terrace homes are now going for RM650,000 on the secondary market while the Boutique Terrace units are going for RM800,000.

The third and final phase of Aman Sara, called Giardino Terrace, was launched in 2012 and offered more features, like greenery and rustic architecture. The 30 double-storey,

20ft by 70ft and 20ft by 80ft units offered a built-up of 2,129 to 2,180 sq ft. These homes, priced at RM650,000, were sold within three months of launch. With a GDV of RM22 million, this phase was completed and its units handed over on Dec 26, 2014. Recent listings on theedgeproperty.com show the selling price of Giardino Terrace units to be RM800,000.

Future plans

Simas-D is in no hurry to expand, says Ng, adding that the company is looking for land and will keep reviewing its project plans to improve the overall design.

Its next project, says Gan, is a joint venture with a landowner to develop 25 double-storey terraced houses in Sungai Besar, Sabak Bernam. The 20ft by 90ft homes will have a built-up of 1,800 sq ft. The project's GDV is RM10 million and construction is slated to start by the end of next year.

Moving forward, Simas-D has set a five-year target (2016-2020) to achieve a 10% compound annual growth rate in its GDV. For that, says Gan, the company needs to look for more development land.

The company has also set a target of early delivery of projects and maintaining the quality of its products. Ng says Aman Sara is a good example of the company's ability to hand over homes a few months before the due date. The company wants to do the same for its future projects, he adds, emphasising that the quality of its products will speak for the company, especially now when homebuyers are very particular about details. "They acquire knowledge from the internet and use it when buying properties; they know how to spot defects, even minor ones. If the developer doesn't do a good job, its reputation will be ruined."

For now, Simas-D will continue as a boutique developer with a focus on the Klang Valley.