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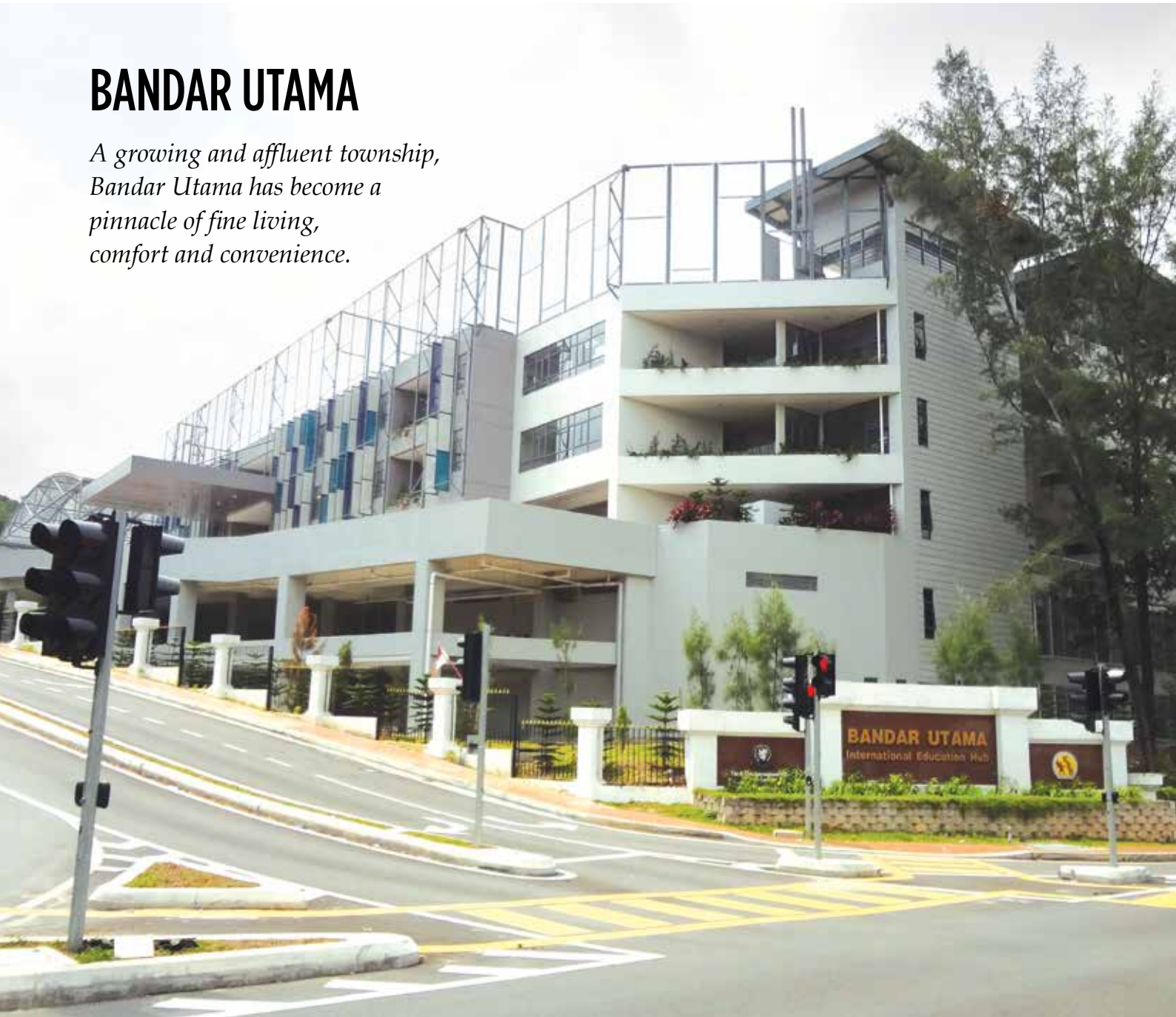
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# BANDAR UTAMA

*A growing and affluent township, Bandar Utama has become a pinnacle of fine living, comfort and convenience.*



Surrounded by the sought after addresses of Kota Damansara, Tropicana, Damansara Utama, Petaling Jaya, Taman Tun Dr Ismail and Mutiara Damansara - Bandar Utama is a predominantly residential and commercial township developed by See Hoy Chan Group in the 1990s. Bandar Utama was previously an oil palm estate.

The township of Bandar Utama is easily accessible via several major roads /

highways such as the Sprint Highway, New Klang Valley Expressway (NKVE), Lebuhraya Damansara-Puchong (LDP) and Persiaran Surian. The Bandar Utama bus hub located right next to the 1 Utama Shopping Centre in Central Park Avenue provides bus services that run within Peninsular Malaysia and also Singapore. An MRT station near 1 Utama, set to be up and running by 2017 adds to the comfort and convenience of residents and commuters wanting to move around.

## PRICING OF PROJECTS IN BANDAR UTAMA

As with the case of many other townships in the Klang Valley, Bandar Utama has likewise enjoyed growth in terms of increasing property prices over the last few years.

The recorded transaction prices of selected developments as at June 2013 in Bandar Utama are listed as per below:-

LAND AREAS	NO. OF STOREYS	SCHEMES	2010		2011		2012		UNTIL JUNE 2013	
			MIN (RM)	MAX (RM)	MIN (RM)	MAX (RM)	MIN (RM)	MAX (RM)	MIN (RM)	MAX (RM)
1,650 sq ft	2	BU 1	550,000	930,000	735,000	1,290,000	928,000	1,160,000	888,000	1,200,000
		BU 2	580,000	880,000	798,000	930,000	945,000	1,185,000	940,000	1,100,000
		BU 3	630,000	876,000	910,000	999,000	970,000	1,205,000	N/A	N/A
		BU 4	685,000	895,000	600,000	1,220,000	1,010,000	1,130,000	1,100,000	1,220,000
		BU 7	715,000	888,000	N/A	N/A	968,000	968,000	1,130,000	1,180,000
		BU 10	720,000	850,000	800,000	1,120,000	1,200,000	1,380,000	1,250,000	1,550,000
		BU 11	500,000	930,000	817,000	1,100,000	930,000	1,300,000	980,000	1,010,000
	BU 12	630,000	850,000	740,000	1,000,000	700,000	1,000,000	925,000	940,000	
	2.5	BU 6	870,000	1,520,000	1,160,000	1,700,000	1,480,000	1,830,000	1,500,000	1,750,000
		BU 7	700,000	920,000	930,000	1,480,000	1,320,000	1,500,000	1,338,000	1,520,000
		BU 10	780,000	1,220,000	1,050,000	1,330,000	N/A	N/A	1,390,000	1,390,000
BU 11		695,000	1,080,000	810,000	1,180,000	1,000,000	1,360,000	1,200,000	1,265,000	
1,873 sq ft	2	BU 2	680,000	795,000	711,000	950,000	950,000	1,230,000	1,050,000	1,050,000
		BU 3	715,000	880,000	928,000	1,000,000	750,000	1,000,000	N/A	N/A
	2.5	BU 6	940,000	1,500,000	1,200,000	1,200,000	1,600,000	1,810,000	1,720,000	1,780,000

Source: Oregeon Property Consultancy Research Team



The township of Bandar Utama has been experiencing an average growth of 13.64% per annum from 2010 to June 2013 in terms of transacted prices. However, there was also a decline or a slowing down of the average growth rate from 20.85% (2010 to 2011) to 15.57% (2011 to 2012) and then to 4.52% (2012 to 2013). The same is evident for the number of transactions of existing houses where there was a record of 37.67% drop from 2010 to 2011 followed by a 14.93% drop from 2011 to 2012.



Source: Oregon Property Consultancy Research Team



Source: Oregon Property Consultancy Research Team

There are many possible reasons for the low increase in property prices and decrease in the volume of transactions among the projects analyzed. One of the reasons is that the transaction prices have increased, thereby becoming less affordable to many investors and homebuyers alike. A vast supply of old and new residential units within the same price range in adjacent neighborhoods and townships could also offset demand and slow growth. New launches from developers that feature modern designs and comprehensive facilities are garnering a lot of attention from buyers and this also explains the reduction in the number of transactions in the secondary market.

#### NEW DEVELOPMENTS

As a maturing township, there are not as many new developments in Bandar Utama as there are in other townships. Among the ongoing notable developments include but are not limited to the ones listed below:-

PROJECTS	DEVELOPER	TYPES	UNIT SIZES
9 Bukit Utama	Bandar Utama Development Sdn Bhd (See Hoy Chan Group)	3-blocks of condominiums (911 units)	Standard unit - 2,282 sq ft to 2,669 sq ft Premium twin/penthouse - 4,715 sq ft to 8,245 sq ft
The Effingham	Bandar Utama Development Sdn Bhd (See Hoy Chan Group)	90 units of zero lot bungalows	Built-up area 5,654 sq ft - 12,713 sq ft

The spacious homes of 9 Bukit Utama were designed with big families in mind and are selling from approximately RM555 per sq ft onwards, while The Effingham was priced at RM800 per sq ft onwards. Other than the mentioned projects, Bandar Utama City Assets Sdn Bhd is waiting on approval for its latest development, a 30- storey project of offices, a hotel and retail units. This project is primed to be connected to the MRT station currently being built along Persiaran Bandar Utama. A smaller scale development that is also in the pipeline and awaiting approval is a residential project comprising double storey terraced homes. Details of this upcoming project have yet to be revealed.

Bandar Utama has managed to attract a huge population as well as visitors with the establishment of the One Utama Shopping Complex and the surrounding entertainment hubs and commercial centres like The Curve, Tropicana City Mall, Paradigm Mall, IKEA, IKANO Power Centre and Giza Mall. On the other hand, a popular town comes with its own set of challenges such as traffic congestion and safety concerns; a direct impact of the demand of properties within the township.

The upcoming MRT rail system is likely to ease the traffic situation. Additionally, residents have set-up guard stations at the entrances of the neighborhoods within the township with security guards appointed to increase security measures within the area.

This raises 2 questions: a) Is it legal to set up these guard stations? and; b) Is it a wise decision in the long run as these roads do in fact belong to the government and not the residents themselves? 📍



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#### **DISCLAIMER**

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