



PDCMC

PROPERTY DEVELOPMENT
CONSTRUCTION & MANAGEMENT COMMITTEE

Submission of Memorandum

November 4, 2015

A memorandum was submitted to the State Government in support of calls made to the Penang State Government to ease the existing guideline and requirements for the housing industry. The Memorandum includes amongst others is summarized as follows :

i) 50% State Concession

Appeal was made for the Penang State Government to consider a 50% concession to the contributions imposed by the authorities onto housing developers. In the current sluggish economic condition, such concession will encourage housing developers to continue in spearheading the housing industry.

ii) 80% Contribution by Way of Corporate Guarantee

A proposal was made for the State Government to consider payment of the balance 80% contribution by way of Corporate Guarantee in lieu of a Bank Guarantee. Due to the current pessimistic economy condition, financial institutions are much conservative in approving BG Facility.

iii) Corporate Guarantee

Where Special Purpose Vehicles (SPV) were set up as a housing developer, the State should allow the provision of a Corporate Guarantee by the parent Company of the SPV, provided the net tangible asset of the parent Company should be at least equivalent to the balance 80%.

iv) Joint and Several Guarantee

Apart from Corporate Guarantee, it was also proposed that Joint and Several Guarantee by the directors of the housing developer be accepted to guarantee the payment of the balance 80% contribution.

v) Cancellation of Corporate Guarantee or Joint & Several Guarantee

Corporate Guarantee and Joint & Several Guarantee shall be deemed automatically discharged and cancelled upon payment of the 80% contribution prior to the issuance of the Certificate of Completion and Compliance (CCC).

vi) Registrar Caveat

In addition to (iii) & (iv), the State Government may further secure the balance 80% by lodgement of a Registrar Caveat on the development land.

vii) Affordable Homes

The Committee also appeal for the State Government to

accept Corporate Guarantees and Joint & Several Guarantees in lieu of the BG for Contributions payable in respect of the Affordable Housing.

viii) Uncompleted Low Cost Development

It was also proposed that the State Government to accept a Corporate Guarantee in lieu of the Bank Guarantee of to impose a Contribution sum of RM21,000.00 per unit, being half of the selling price of the low cost unit of RM42,000.00 each.

The full memorandum was submitted to the State on November 4, 2015.

Chinese New Year Get-Together Dinner

January 7, 2016



A Chinese New Year Get-Together Dinner was held for purpose of promoting networking, interaction and collaboration amongst PDCMC members. It was a merry time for all member having given the opportunity to meet old acquaintances as well as to make new friends.

Feedbacks

Feedbacks are welcome and may be emailed to pdcmc@pdcmc.org.my

You may also write to :

Property Development, Construction & Management Committee
c/o Penang Chinese Chamber of Commerce
No 3, Light Street, 10200 Penang
Tel +604 250 4050 | Fax +604 250 4055