

[STRICTLY FOR INTERNAL REFERENCE ONLY]

Armani Hallson

Property Investment – Frequently Asked Questions (FAQ)

1. Is there a housing oversupply risk in KLCC?

While certain segments in KL may face oversupply (e.g. low-end properties <RM300,000), our project is in **prime KLCC**, which remains resilient due to strong **tourism demand**, limited land availability, and curated unit positioning. The high-end segment we're targeting is not currently oversupplied, strongly driven by the local and foreigner investments.

2. Will Airbnb or hotel rental income be volatile?

Short-term rental income may fluctuate, but we mitigate this through:

- Conservative assumptions (Lower bound 70% occupancy)
 - Strong tourism/business district location
 - A **single professional operator** managing pricing centrally to avoid price wars
 - Proven case studies showing strong historical performance.
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3. What about exchange rate risks between SGD and MYR?

Currency exposure is limited:

- Minimal cash outlay in MYR.
 - Both your **rental income and loan repayments are in MYR**, forming a natural hedge over time.
 - Investors are entering at a historically high SGD/MYR rate (~3.3), offering upside if MYR strengthens.
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4. Is there a risk of project delay or abandonment?

The project is developed by a **financially strong, publicly listed developer** with a proven track record (e.g. Lofthill, Armani Residence near to KLCC).

Funds are protected under Malaysia's **Housing Development Act (HDA)**:

- Payments go into **project-specific escrow accounts**
 - **Progressive payments** are released only upon verified construction stages
 - **Obligated to complete the project within specified duration, with penalty if there is delay.**
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5. What if I want to exit in future — is it easy to resale?

Resale risk is mitigated by:

- Prime **KLCC location**
 - **Attractive entry pricing** through our curated pod-based deal
 - Ability to continue holding with Airbnb income supporting the monthly mortgage.
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6. Does the nearby cemetery affect unit value or appeal?

The rear of the site borders a **historic Muslim cemetery**, but:

- All units are sensitively designed by the project architect to face KLCC or internal facilities
 - Our units are located **furthest from the cemetery**
 - The cemetery is **well-maintained**, holds **national heritage value** (e.g. P. Ramlee), and is viewed more as a tourist place and **peaceful urban park** next to the popular tourist spot - Saloma Bridge.
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7. Will there be an Airbnb ban in Kuala Lumpur?

Very unlikely — and not in this project's context. Malaysia does **not plan to implement a nationwide Airbnb ban** at this point. In fact, in areas like **KLCC**,

short-term rentals are not only permitted, but also seen as **a vital part of the tourism ecosystem**, helping to meet demand for accommodation near top attractions and business districts.

To date, Airbnb restrictions in Malaysia have been:

- **Localised** to certain states (e.g. Penang),
- Or decided at the **building/project level**, where resident associations or joint management bodies (JMB) vote to disallow it.

This project is **commercial-titled**, professionally operated, and designed specifically with short-term stay in mind — placing it in a **future-compliant, tourism-friendly category**.

Financing & Legal Questions

[all financing / loan-related matters are subject to bank approval]

8. Can Singaporeans buy this property?

Yes. Singaporeans can purchase freehold KL properties \geq RM1 million (SPA Price).

9. **Is there a foreigner levy when Singaporeans buy property in Kuala Lumpur?**

No, there is currently no foreigner levy imposed in Kuala Lumpur.

Unlike states such as Johor or Penang — where a **2% levy or RM20,000 minimum charge** may apply — **Kuala Lumpur does not charge a foreigner levy.**

However, foreigners must still obtain **state consent**.

The total cost for this consent process, including legal fees and disbursements, is approximately **RM1500-RM2,000**. This includes:

- A discounted **legal fee (e.g. RM800)** for handling the application
- **Disbursement charges** for printing, transport, and land office submissions

These are standard **administrative fees**, not a government tax or levy.

10. Can Singaporeans get a mortgage in Malaysia?

Yes. Many banks in Malaysia provide loans to Singaporeans.

11. How much loan can I get?

Up to 80%, depending on profile.

Loan approval is based on income, debt servicing ratio, and property value.

12. What's the current mortgage interest rate for foreigners?

Approx. 4.3%.

Rates are usually tied to the Standardised Base Rate (SBR) + margin.

Example:

- SBR (currently): 3.00%
 - Margin: 0.90% – 1.90%
 - Effective rate: ~3.9% – 4.9%
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13. Do I need to buy MRTA (Mortgage Reducing Term Assurance)?

MRTA is optional, but it is often **included by default** in bank loan packages. You may request to opt out, but **doing so could affect your loan terms or interest rate**.

14. Can I apply for the loan remotely?

Yes — **most steps can be completed digitally.**

Our team and bank officers will guide you through the documentation and approval process. However, you may need to **travel to Malaysia (e.g. Johor Bahru branch)** to sign the final loan agreement and **open a local bank account.**
