

POLICIES AND GUIDELINES ON EXTENSION OF LEASES OVER LANDS WITHIN MEDINI, ISKANDAR MALAYSIA

I. INTRODUCTION

The purpose of this Guideline is to provide clarity in respect of the extension of leases granted by Iskandar Investment Berhad (“Lessor”)ⁱ over the lands within Medini, Iskandar Malaysia.

II. CONDITIONS

- (a) Applications are to be made to the Lessor. Each title will be granted only one (1) extension of thirty (30) years. Submission may be at the point of purchase to which premium payable is as specified in item III (a) below, at a later date, where the premium payable is as specified in item III (b) below.
- (b) Applications for an extension of lease for a period less than 30 years will be rejected.
- (c) For strata schemes, extension will only be granted if all the parcel proprietors of a building, by unanimous resolution, agree to the lease extension.
- (d) The extension of leases is registrable at the land office at the applicant’s own costs and expenses as the authorities may impose.

III. PREMIUM PAYABLE

The extension of a lease is subject to a premium being charged as follows:

- (a) for any extension of lease applied and approved within six (6) months from the date of execution of the lease purchase agreement in respect of the Principal Leaseⁱⁱ the premium payable will be calculated based on 10% of the lease purchase consideration; and
- (b) for any extension of lease applied six (6) months after from the date of execution of the lease purchase agreement in respect of the Principal Lease,

the premium payable then will be calculated based on 10% of the market value of the property at the time of the application;

the premium is payable to the Lessor on the date of execution of the extension of the lease agreement; and

as administrative cost, the applicant will also have to pay a sum of 0.5% of the premium for the extension of the lease on the date of execution of the extension of the lease agreement.

IV. CERTIFICATE FOR LEASE EXTENSION

For every successful application of the extension of lease and upon receipt of the premium and administrative cost under Section III of this guideline, a certificate for lease extension will be issued by the Lessor:

- (a) for any extension of lease applies and approved prior to or at the time the Principal Lease was granted, the certificate for lease extension will be attached to the lease annexure; or

ⁱ Lessor means the registered proprietor of the land as named in the Memorandum of Lease

ⁱⁱ Principal Lease means a lease of ninety-nine (99) years granted by the Lessor to the first registered lessee.

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- (b) for any extension of lease applied after the Principal Lease was granted, the certificate for lease extension will not be attached to the lease annexure. However, a physical copy will be given to the successful applicant.

V. NON-REGISTRATION

In the event that the lease extension is rejected by the State Authority, only the premium paid to the Lessor shall be refunded, free of interest to the Lessee. The Lessee has no claim or recourse against the Lessor for any other monies other than the premium paid.

VI. DECISION ON APPLICATION

Decisions on all complete applications shall be given within ninety (90) working days.

VII. CORRESPONDENCES ADDRESS AND ENQUIRIES

All applications of extension of lease must be submitted to :-

Lessor

A18 & A19, Medini 9

Persiaran Medini Sentral 1,

Bandar Medini Iskandar,

79250 Iskandar Puteri,

Johor Darul Ta'zim

t: 607 5353 000

f: 607 5353 001

VIII. RIGHT TO AMEND

The Lessor, may, as its discretion, and without assigning any reason therefor, amend this Guideline which, in the opinion of the Lessor is more appropriate for the development of Iskandar Malaysia.

IX. EFFECTIVE DATE

The Guideline takes effect from 1st January 2012.