

IGB reviewing offers for Renaissance Hotel

PRIME ASSET:

Company continues to receive bids from buyers, says MD

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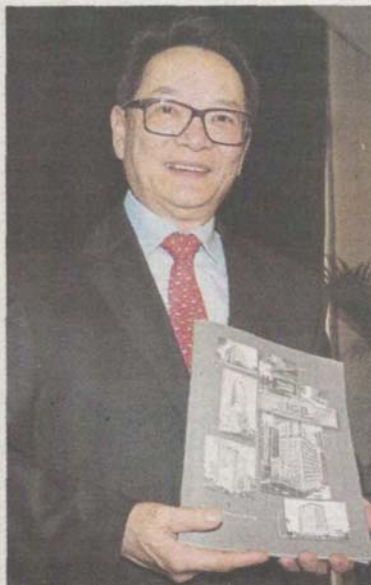
PROPERTY company and hotelier IGB Corp Bhd continues to receive offers from potential buyers for its 20-year-old Renaissance Kuala Lumpur Hotel and it is currently in the process of reviewing the offers.

Group managing director Datuk Seri Robert Tan Chung Meng said IGB had not made any firm decisions on the asset disposal.

"The sale has not been consummated. We've just got an offer from various parties and we are still reviewing the offers.

"Until such time that the sales and purchase agreement is signed, we cannot announce publicly whether we will sell it (Renaissance) or not," said Tan after IGB's annual general meeting, here, yesterday.

A local media had reported that IGB was in discussions with Singapore-based Canali Logistics Pte Ltd to sell Renaissance Hotel for between RM750 million



IGB Corp group managing director Datuk Seri Robert Tan Chung Meng says construction work on Southpoint Mid Valley is on track.
Pic by Surianie Mohd Hanif

and RM770 million.

The 910-room hotel, which has the largest room inventory in the city, is located in a prime location at the corner of Jalan Sultan Ismail and Jalan Ampang.

When asked if there is possibility that IGB would sell Renaissance Hotel to Canali Logistics, Tan said he could not reveal who the interested buyers were.

However, he said, should the sale materialise, the money could be injected in the Mid Valley Southkey Megamall project in Johor Baru.

The Southkey project is a replica of Mid Valley Megamall in KL and it is targeted to start operations by 2019.

The piling works of the Mid Valley Southkey mall is completed while earthworks are near completion and substructure works have commenced.

Tan said IGB Corp was looking at injecting the Mid Valley Southkey Megamall into its retail unit, IGB Real Estate Investment Trust, possibly two years after the mall started operations.

He also added that the construction work on Southpoint Mid Valley was on track.

IGB has decided to change the development structure to 26 floors of office space and 19 floors of residential units, which will consist of 152 high-end apartments, due to oversupply of office space in the Klang Valley.

The structural works for the office floors of the Southpoint project, which has a development cost of RM650 million, have been completed while work on the residential levels has started.

The targeted completion date for the offices is April next year, with the apartments expected to be completed by the end of next year.