

Naza TTDI hopes to clinch deal for KL Metropolis hotel development by 1Q17



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BY ANETTE APPADURAY

KUALA LUMPUR: Naza TTDI Sdn Bhd, which is in discussions with four potential investors for the development of the hotel component of its KL Metropolis mega project, is hopeful of a deal by the first quarter of 2017 (1Q17).

"We hope to secure [investors] for the hotel component by 1Q17 because it is becoming a critical component of the KL Metropolis master plan," said deputy executive chairman and managing director SM Faliq SM Nasimuddin.

Faliq said the parties that the property arm of the Naza Group is talking to comprise both locals and foreigners.

"Some of the foreign investors already have a presence in Malaysia through either investments or operations," he told reporters after opening the KL Metropolis show gallery at Naza Tower yesterday.

With the completion of the trade and exhibition centre at KL Metropolis, Faliq believes potential investors will feel more confident of committing themselves.

"It is now a matter of looking more towards structuring the [in-

vestment] deal and determining the type of investors and operators we want to work with," said Faliq.

The country's largest exhibition centre — Malaysia International Trade and Exhibition Centre (Mitec) — is scheduled to be fully operational in 1Q17.

"We are confident that Mitec with its capabilities to host international events will encourage further growth of the business tourism industry in Malaysia," said Faliq.

Mitec has a gross floor area of one million square feet of exhibition space with a total of 11 exhibition halls spanning three levels, and is one of the key components of the KL Metropolis development project, which has an estimated total gross development value (GDV) of RM20 billion and will cover 75.5 acres (30.55ha) of land.

Faliq said KL Metropolis will be divided into nine precincts (Met One to Met Nine) with the launch taking place from next month until the second quarter of 2019.

To kick-start, he said the group will do a soft launch of its 660 residential units in Met One next month with a gross selling price of RM1,000 to RM1,100 per sq ft,

and built-up areas ranging from 650 sq ft to 1,600 sq ft per unit.

Aside from the residential components, he said the project will also include two blocks of office towers and two retail malls.

Met One has an estimated GDV of RM1.3 billion.

Faliq said the entire KL Metropolis project should be fully completed by 2027.

With the slowdown in the property market, he said the group had been pushing many of its property launches towards year end, and subsequently into 2017.

"We think by the middle of next year, sentiment will pick up again," he added.

On a separate note, Naza TTDI said it will reconsider its plan to list the group in the next two to three years.

"We have explored [initial public offering efforts] twice, but unfortunately the market wasn't in our favour, so we decided to put it on the shelf for now," said group chairman SM Nasarudin SM Nasimuddin.

The group first announced its intention to float its shares in 2008. It spoke again about the listing plan in 2011 when it launched KL Metropolis.



(From left) Faliq, Naza Group of Companies joint group executive chairman Datuk Wira SM Faizal SM Nasimuddin and Nasarudin at the launch of the KL Metropolis show gallery at Naza Tower yesterday.
Photo by Suhaimi Yusuf