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Saigon Exhibition & Convention Centre (SECC) • Ho Chi Minh City, Vietnam

INDUSTRY NEWS UPDATE

Berjaya, Ritz-Carlton to launch luxury apartments

KUALA LUMPUR: Berjaya Corporation Bhd (BCorp) has teamed up with The Ritz-Carlton Hotel Company to develop luxury serviced apartments with an estimated gross development value (GDV) of RM2 billion.

BCorp group chairman and chief executive officer Tan Sri Vincent Tan said the group expected to sell at least half the 300 units on offer and was prepared to offer the remaining portion for rental or for sale at a better time.

"Over the years we have restructured and recapitalised, we are in great shape; so I am sure it would not be difficult to get 150 to 300 buyers for this project," Tan said, adding that the group was expecting half the number of units to be taken up by overseas buyers.

Tan said the 48-storey twin towers would be owned and developed by BCorp's wholly-owned subsidiary Wangsa Tegap Sdn Bhd but declined to elaborate on the structure of the agreement with Ritz-Carlton which will be managing the property.

He said the group had originally launched the project under Berjaya Central Park, which would have comprised serviced apartments and commercial offices, but decided to link up with The Ritz-Carlton Hotel Company instead.

Tan added that BCorp, which also owns Intercontinental Hanoi Westlake Hotel and Sheraton Hanoi Hotel and Towers in Hanoi, Vietnam, was currently in talks with several other global brands for future projects.

BCorp has other property developments, infrastructure and hotel and resort projects with a GDV of over RM30 billion.

Tan said the group had already pumped RM200 million of its own funds into the construction of the project's substructure and was seeking financing for the rest of the estimated RM800 million construction costs.

He said the 48-storey twin tower project, known as The Ritz-Carlton Residences Kuala Lumpur, Jalan Sultan Ismail, would house 300 apartment units priced at RM2,000 to RM2,500 per square foot or up to RM7 million for a standard unit.

He added the three-acre development located at the corner of Jalan Ampang and Jalan Sultan Ismail would be launched by September with completion scheduled for 2011.

On the group's other developments, Tan said while there was an overall slowdown in the property market, each project the group had committed to was still under construction, adding he was confident about the high-end property market.

(Source: The Edge Daily – Malaysia, Dated 13th January 2009)