

# Ireka buys KL land, plans upmarket project

**By Azlan Abu Bakar**

**BUILDER** Ireka Corp Bhd plans to build a block of high-end serviced residences worth RM272 million near the Kuala Lumpur Convention Centre in 2011.

This follows the signing of a sale and purchase agreement by its wholly-owned unit, World Trade Frontier Sdn Bhd, for 43,559 sq ft of prime land in Jalan Kia Peng, Kuala Lumpur, for RM87.12 million yesterday.

In a filing to Bursa Malay-

sia, Ireka said the project was expected to generate gross profit of RM58 million. It will have a net sellable area of 212,650 sq ft.

"The timing of this acquisition is opportune as we have begun to see confidence returning, albeit with a slower momentum, to the real estate sector," chairman Abdullah Yusof said in a separate statement yesterday.

Simultaneously, a non-

binding memorandum of understanding was signed between Ireka and the London-listed Aseana Properties Ltd to co-develop the land on a 30:70 basis.

Abdullah said that having built its success in the upmarket Mont'Kiara area, Ireka believes that it fully understands the aspirations of today's discerning buyers.

"We believe that small- to medium-sized upmarket serviced residences will ap-

peal to the growing cosmopolitan lifestyle of urban Malaysians and foreigners

who desire to live in the heart of the city and near one of the most famous landmarks in the world, the Petronas Twin Towers."

The proposed project is expected to start within 18 months after the land acquisition is completed. Financing will come from internal funds, borrowings and proceeds from sales of residential units.