

Ireka, Aseana form partnership

PETALING JAYA: Ireka Corp Bhd is proposing to jointly develop with Aseana Properties Ltd (APL) a high-end residences tower at Jalan Kia Peng, Kuala Lumpur.

The project is expected to generate a gross development value of RM272mil and a gross profit margin of RM58mil.

Ireka told Bursa Malaysia its wholly-owned unit World Trade Frontier Bhd had signed an agreement to buy a piece of freehold land there, measuring 4,047 sq m, for RM87.12mil cash.

Ireka yesterday also entered into a memorandum of understanding with APL on the joint venture for the ownership and development of the property, with APL to have a 70% stake.

Upon receipt of all relevant regulatory approvals, the project is expected to start within 18 months from the completion of the proposed acquisition.

The development cost will be funded by internal funds, bank borrowings and proceeds from sales of residential units.