

Hunza braces for transformation

By Marina Emmanuel
marinae@nstp.com.my

THE completion of a lifestyle shopping mall along with an office tower by 2012 is set to transform Hunza Properties Bhd (HPB) from a property developer to that of a real estate landlord.

The Penang-based company, which is due to announce two new anchor tenants for its Gurney Paragon retail development next week, has no plans to sell the mall.

"We will instead hold and

manage this mall. We believe that the consistent income stream from the mall will enable the group to have a strong base of recurring income," HPB executive chairman Datuk Khor Teng Tong told reporters after a shareholders' meeting yesterday.

Apart from the 8-storey mall and 10-storey office block, Khor said the project's 700,000 sq ft net lettable area will include a podium, along with the sea-fronting former St Joseph's Novitiate building in Pulau Tikus.

St Joseph's Novitiate and a chapel inside is a heritage building on the grounds of the project, which is bordered to the north by Gurney Drive and south by Kelawai Road.

The 94-year-old building, which is touted by many as a heritage masterpiece and is being conserved by HPB, is set to be transformed to a space which will house boutique retailers and restaurants.

HPB bought the 4ha freehold site in 2004 for an integrated project which will include two

condominium blocks with a development value of RM450 million.

The residential component of the project, which boasts an average RM700 per sq ft, is currently 85 per cent completed and the company expects to have vacant possession by April next year.

Khor yesterday announced that HPB had recorded its highest ever net profit of RM50.9 million for the 2010 fiscal year ended June 30. This compared with RM27.6 million in 2009.