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Datuk Nur Jazlan Mohamed
UDA Holdings chairman

RM374m price tag on BB Plaza?

PRIZED PROPERTY: UDA Holdings will also seek RM100m from MRT Corp as compensation for retailers

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UDA Holdings Bhd said yesterday it may ask for RM474 million from MRT Corp Bhd for its Bukit Bintang Plaza (BB Plaza) were it to let go of the property for the construction of an underground MY Rapid Transit (MRT) station.

Chairman Datuk Nur Jazlan Mohamed said the prime property could cost around RM374 million, with a further RM100 million required to compensate BB Plaza retailers who had to leave before their lease expired.

Speaking to Business Times after launching UDA Holdings' RM13 million IT transformation programme yesterday, Nur Jazlan said construction of the underground station would also affect Bumiputera businesses as at least 60 per cent of the 150-odd retailers at BB plaza,

which is owned by UDA and built in the 1970s, are Bumiputeras.

MRT Corp plans to take over the land fronting BB Plaza and the adjacent Yayasan Selangor building next month to start work on the underground station, which is one of 13 stations for the 51km Sungai Buloh-Kajang MRT line.

It will then take over the basements of both buildings to build the station, which means the retailers may have to move out next year.

There are also talks on whether to redevelop BB Plaza or leave the building as it is.

Nur Jazlan said while he supported the building of the station, the redevelopment of BB Plaza would harm the agenda to provide space for Bumiputera retailers in the capital city's main shopping district.

"If we were to redevelop BB Plaza, the replacement cost will be high and we have to increase rental rates. This will complicate our Bumiputera agenda. It is better to leave the building as it is." → Turn to B16, Col 5

"We will let go if asked to by Govt"

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He said if MRT Corp were to acquire the plaza, the benchmark would be RM374 million for the building.

"BB Plaza is the only prime asset we have left but if we can get RM374 million for the property, based on current market value, then we are willing to let it go.

"This is a national project and if asked by the government to sacrifice the building, we will comply. However, we will also seek compensation for the retailers," he said.

If the asset sale does go through, it won't be the first deal between UDA and MRT Corp. About six months ago, MRT Corp paid UDA RM80 million to acquire UO Superstore and Plaza Warisan in Kuala Lumpur, RM40 million below market price, to build an MRT station at the sites.