

More power to Kwasa Damansara

PROPERTY

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Project	Year of award/ signing	Developer	Land size (acres)	GDV (estimated)	Type	Points of agreement
MX-1	Aug 2014	MRCB	64.30	More than RM8bil	Main town centre and catalyst	<ul style="list-style-type: none"> > Infrastructure works to kick-off by Q1 2015. > 12-year development period, starting 2018 > Via joint development partners agreement
R2-2	March 2015	Implans Land & Development Sdn Bhd	8.79	RM400mil	396 condo, 20 park homes, 20 duplex penthouses from RM650,000, 7% bumi discount	<ul style="list-style-type: none"> > Almost simultaneous launch with MX-1, 6-year development timeline. > KLand to reap total income of RM65mil, equivalent to RM170 psf inclusive of revenue guarantee.
R2-1	Dec 2015	Naza TTDI Sdn Bhd	12.7	RM400mil	278 units of villas leasehold	6-year timeline, targeted launch: Q3 2016
R3-4	Nov 2015	Ahmad Zaki Resources Bhd	3.91	RM257mil	162 highrise, 26 villas, freehold	<ul style="list-style-type: none"> > KLand return based on Net Present Value: RM88mil, or RM160psf inclusive revenue guarantee > Land cost RM28.92mil, or RM170 psf, 10% gross sales revenue sharing with KLand, projected present value total returns: RM44.9mil
R3-1	Nov 2015	Gadang Holdings	21.08	RM700mil	780 units, high rise & villas freehold	6-year development timeline, expected launch Jan 2019 KLand to receive RM165.5mil and revenue sharing
R3-3	April 2018	TSR Capital Bhd	6.59	RM295mil	260 units of villas/condo	KLand to get RM58.94mil in development rights, revenue sharing

Source: Kwasa Land (KLand) past press releases The graphics

PETALING JAYA: The Kwasa Damansara project may see some momentum as plans are being put forward to inject more development on that site.

The next stage may revolve around opening up larger portions of land to private sector developers including government-linked companies. This is in spite of the weak property market, according to a source.

Prior to this, bumiputra developers were invited to bid for land which was already carved out with pre-determined plans for a certain type of residential and/or commercial buildings. This was in 2014, with most of the contracts given out in 2015.

Work was supposed to start soon after winning their bids but they balked when the stringent lending conditions were imposed by banks.



Kwasa Damansara public park in April 2020. There are plans to open the park to the public some time next year.

So far, the smallest parcel awarded to bumiputra developers is 3.91 acres in 2015, the largest being 64.30 acres back in 2014.

Kwasa Damansara, comprising more than 2,000 acres of rubber estate land, belongs to the Employees Provident Fund (EPF).

The master developer – Kwasa Land Sdn Bhd – is EPF's wholly-owned subsidiary set up in 2010.

A source said about 10 companies have been identified in a list of preferred developers. The preferred developers are known for certain expertise. The list is expected to be submitted for board approval by the end of this year, according to the source.

Negotiations on points of interest, and financing structure will be another stage.

The board, according to the source, had earlier given its approval to open the land for development to other developers, both bumiputra and non-bumiputra.

“Now that there are about five to six bumiputra developers, it does not matter whether they are bumiputra or non-bumiputra developers. The focus will be more about branding and expertise,” the source said.

Like the 64.30-acre parcel known as MX-1, awarded to MRCB group in 2014, which was catalytic in nature, future developments may serve as a catalyst to jump start progress and interest.

The source also said plans are being floated around for EPF to build the 10,000 affordable housing being planned there instead of parceling that out to developers, as is normally the case.

The plan is for EPF “to contract the affordable units to developers who have the expertise” for it. It may be “more efficient this way”, the source said.

On Nov 6, finance minister Tengku Zafrul Tengku Abdul Aziz in his [Budget 2021](#) speech said EPF would be proceeding with the development of Kwasa Damansara.

With an estimated RM50bil gross development value, it will create more than 100,000 jobs and have about 10,000 affordable houses. That same day after Zafrul’s budget speech, Kwasa Land Sdn Bhd managing director Mohamad Hafiz Kassim thanked the government and Finance Ministry (MoF) for their support, which has enabled the company “to continue striving forward and be part of Malaysia’s economic recovery.”

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“We foresee the catalytic projects will create jobs and ensure far-reaching benefits for the socio-economic growth in the surrounding communities.

“We look forward to engage with the government and stakeholders to ensure that we meet the regulatory requirements and desired outcomes,” he said.

Next year will see the opening of the 42.55-acre Taman Bandar park to the public.

Kwasa Damansara currently houses the MRT Sungai Buloh Depot for the Sungai Buloh-Kajang MRT line.

The EPF headquarters is also sited there.

The township is being developed with a 25-year development period in mind.

The EPF bought the 2,330 acres via Kwasa Land for RM2.28bil in 2012.

The vendor was a 100%-MoF-owned special purpose vehicle Aset Tanah Nasional Bhd, who bought the Malaysian Rubber Board land for RM1.5bil in October 2010.