

'Menara Pandan office lots part of deal signed by BN'

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The five Menara Pandan leasehold office lots for which the Selangor government had allegedly overpaid were in fact part of a deal signed during the previous state administration, said state senior exco member Teresa Kok.

She was referring to allegations by MCA Young Professional's Bureau chief Chua Tee Yong, who reportedly said yesterday that the government had overpaid for empty office lots on the 17th floor of Menara Pandan in Selangor by RM1.89 million.

"This latest accusation shows that he did not do background checks on the deal as the sales and purchase agreement was signed on Jan 12, 2006, when Selangor was ruled under BN," said Kok during a press conference at the state secretariat building today.

Purported copies of the sales and purchase agreement were also distributed to the press, bearing the 2006 date.

English daily The Star quoted Chua today saying that the state government acquired the 8,077 square feet of office space at RM2.72 million, or RM337.25 per square foot (psf).

By comparison, five offices on the floor above were auctioned with an average reserve price between RM101 psf to RM103 psf in 2010. These were later auctioned between RM81 psf to RM83 psf in January last year.

Chua reportedly said based on a price of RM103 psf, the office lots should have cost RM832,000 instead of RM2.72 million.

'Wrong price comparison'

Kok slammed Chua for comparing the price of the offices at different times.

"How can Chua compare the transacted price in 2006 with the auction price in 2010?" she asked.

She said the deal was to settle a debt owed by a Talam Corp subsidiary, Maxisegar Construction Sdn Bhd, to the government-owned university Unisel.

The state government had no choice but to accept the settlement, she said, because Maxisegar was at risk of being liquidated, while Unisel was at risk of becoming an unsecured creditor if it did not sign the agreement.

In addition, Maxisegar had obtained a restraining order under Section 176 of the Companies Act on March 2006, and the court had also accepted the settlement.

“When Pakatan Rakyat took over Selangor, we have to commence a global settlement with Talam, so we have to abide to the agreement signed by the previous government, which was approved by the court,” said Kok.

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