

Annuar: Mara properties bought on willing buyer-willing seller basis

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Majlis Amanah Rakyat (Mara) chairperson Annuar Musa has rubbished claims by PKR vice-president Rafizi Ramli that Mara had overpaid for properties it bought in Australia through its subsidiary Mara Incorporated.

Annuar said Mara could not argue with the Pandan MP on the claims about this that he had made in the past because Rafizi “does things with a particular agenda”.

“We overpaid, how so? The properties were bought on a willing buyer-willing seller basis and according to existing procedures,” Annuar told a press conference at the Mara headquarters in Kuala Lumpur today.

Certain quarters, he said, had made such claims as they had calculated the value of the properties then and the price paid for them.

“They make up their own hypothetical figures. As a government agency, we cannot base things on hypothetical figures,” Annuar added.

Mara then had four properties in Australia - the Dudley International House, 746 Swanston Street, 51 Queen Street, and 333 Exhibition Street.

Among others, in 2015 Rafizi had claimed that Mara was “scammed” of A\$18.3 million (RM62.9 million) on the purchase of **746 Swanson Street**.

Although documents purportedly leaked from Mara Inc showed that it had acquired the property for A\$41.8 million (RM138.6 million), Rafizi said reports from Australian property consultants, based on state records, recorded a transaction of only A\$23.5 million (RM67.7 million) for the unit at that time.

He said this meant that the total sum “swindled” out of Mara through its four purchases of Melbourne properties amounted to RM129 million, based on exchange rates at the time of the transactions.

Earlier during the press conference, Annuar announced that Mara had profited from the sale of one of its four properties in Melbourne, Australia.

He said the property belonging to Mara Inc was sold at higher than the purchase price.

“The property was sold for a profit - higher than the purchase price of A\$21 million.”

Debts to two banks paid off

The 51 Queen Street, Melbourne, property was sold for A\$23.4 million.

With the sale, Mara Inc has successfully paid off its debts to two Australian banks, Annuar said, insisting that Mara did not incur any loss from the sale, but instead had made money.

“Because we sold at higher than the price we paid then, and with the currency exchange rate also, we made some money there,” he said.

Based on the average currency exchange rates in 2014 and 2016, the property was bought and sold at RM58.8 million and RM76 million respectively.

The sale was made through an open tender process managed by real estate services organisation Colliers International.

The 12-storey office building was acquired by Mara in 2014.

Annuar also said the properties were not bought solely using Mara’s funds but with short-term bank loans from Australian banks as well.

“That has given pressure to Mara Inc to settle the debts,” he said.

With the sale of 51 Queen Street, Mara Inc now only has loans amounting to A\$20 million with local banks for the existing three properties, which are together valued at A\$81 million.

The sale was part of Mara Inc’s rationalisation plan, which was approved by both the Finance Ministry and Rural and Regional Development Ministry, Annuar confirmed.

Asked about the Dudley House property, Annuar insisted that problems surrounding it do not involve Mara Inc.

“It doesn’t involve us, it doesn’t create us any problem. We are not a party answerable in court. It’s purely a civil suit,” he said.

Mara Inc's Melbourne properties made headlines in mid-2015 following a report by an Australian newspaper, The Age, that Mara Inc purchased Dudley House at an inflated price.

The newspaper at that time claimed that "a group of very rich Malaysian officers" had overpaid A\$4.75 million (RM13.8 million) for the apartment block in 2013 - the excess amount of which was channelled back to Malaysia as kickbacks for Malaysian officials.

All four Mara Inc properties in Melbourne were reportedly acquired between 2012 and 2013.

Source: <http://www.malaysiakini.com/news/368742>