

Developer confirms bought Bayan Mutiara land in open tender
The Malaysian Insider
February 18 , 2012
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KUALA LUMPUR, Feb 18 — Ivory Properties Group Bhd (IPGB) came out today to dispel claims that it had purchased prime state-owned land in Penang's Bayan Mutiara for below market rate and without an open tender.

The public-listed property development firm declared in a statement here that it had bought the land upon emerging the highest bidder in an open and competitive tender called by the Penang government, which closed on December 31, 2010.

Upon winning its bid, the 41.5ha piece of property was purchased for RM240 per square foot (psf) or a total of RM1.072 billion, IPGB said.

The group added that in its original bid, it had sought to purchase the land at the same RM240 rate but to be paid for over eight years.

Lim said he was ready to quit politics for good if his accusers could prove their claims. "In awarding the tender to IPGB as the highest bidder in 2011, the state government imposed an additional requirement of reducing the term of payment from the original eight years to five years.

"This was agreed to by IPGB and all necessary announcements were lodged with Bursa Malaysia," it said in the statement.

According to IPGB chairman and group chief executive officer Datuk Low Eng Hock, the group has to date paid the deposit of RM22.1 million for the land.

"The remainder will be paid according to the scheduled progress payment after IPGB's shareholders' approval at the extraordinary general meeting, which is scheduled on March 5, 2012," he added.

IPGB's statement today comes amid accusations by several Umno leaders, including Sabah MP Datuk Abdul Rahman Dahalan and Penang Umno chairman Datuk Zainal Abidin Osman, that the Penang government sold the prime real estate at a 50 per cent discount to private developers.

According to their allegations, the 41.5ha plot in question was actually worth RM420 psf, well above the RM240 psf it was sold at.

Penang Chief Minister Lim Guan Eng has, however, repeatedly refuted this, and instead challenged to two Umno leaders to furnish proof of their claims.

He added yesterday that he was even willing to "retire from politics" if the duo could prove that the land sale was not done through open competitive tender.

"If Datuk Zainal Abidin Osman and Datuk Abdul Rahman fail to prove that there was no open competitive tender, would they then dare to accept my challenge to retire from

politics?

“The two Umno leaders should accept this challenge to prove that they are not engaging in a systematic campaign of lies to undermine and sabotage the state government’s open tender policy and affordable housing programme,” he said in a statement.

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