

PM says people got wrong impression on Tabung Haji-TRX land purchase
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By Sandra Sokial

KOTA BELUD, Prime Minister Datuk Seri Najib Razak believes people have got the wrong impression over Lembaga Tabung Haji's purchase of a 0.64ha piece of land in the Tun Razak Exchange (TRX) from 1Malaysia Development Berhad (1MDB) recently.

"It is not a bailout. Unfortunately the project, which is a very good commercial deal for Tabung Haji has been twisted around.

"People have got the wrong impression on the grounds that Tabung Haji depositors' money has been used to rescue 1MDB," said the Prime Minister here today.

Speaking to reporters after launching the ground-breaking ceremony for 900 units of People's Housing Programme at Kampung Pirasan, here, he said the issue had become so controversial for the wrong reasons.

"It has created a lot of confusion on the ground and people think that Tabung Haji is being used for the wrong reason.

"And I do not want to continue this controversy because it will only take away a lot of our energy in terms of concentrating on some of the big programmes that we have in mind."

Najib, however, noted that in fact, there were offers by the private sector to buy the land at a higher rate, but selling it to private parties would mean Tabung Haji would make a few millions overnight.

"It is, in fact, a very good commercial proposition because (the land) an apartment will be built as part of its development with access to the MRT station... all these infrastructure that's being built is definitely a good commercial proposition.

"This means it is not a bailout because no private company will buy over a project at a higher price if it feels it will lose money."

Lembaga Tabung Haji chairman Datuk Seri Abdul Azeez Abdul Rahim yesterday announced that on Najib's advice, it would be selling the parcel of land it had purchased from 1MDB, to end the controversy.

To date, he disclosed that it had received three offers, worth at least RM188.5 million, but added that it was interested to sell to any buyer who would give it at least a profit of RM5 million.

On Thursday, Tabung Haji said it was buying a parcel of land in the Tun Razak Exchange (TRX) from 1MDB at a discount of about 3% from the fair value of the real estate assessment by an independent valuation firm.

Tabung Haji defended the decision to purchase the land, saying the pilgrimage fund was forking out RM188.5 million for the 1.6-acre parcel while its fair value was RM194 million.

Najib is on a day's official visit to Sabah, where apart from the ground-breaking ceremony, he would be meeting Tawau folks and attend a closed-door meeting with Sabah Barisan Nasional leaders.

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