

Builder makes its mark in Sabah property sector

Bina Puri, known for its construction of highways and bridges, is transforming into a key property player



by Joseph Wong

INTEGRATED civil and building construction services provider Bina Puri Holdings Bhd is focusing on building a reputation as a serious property player as it seeks to make property development its main revenue earner.

The Bursa Malaysia-listed company, which has a market capitalisation of RM116.38 mil, is known for the construction of roads, highways, bridges and interchanges as well as waterworks and land reclamation.

While the company has completed projects like commercial buildings, educational institutions, hotels, hospitals and government complexes, it has started making its mark in residential development.

Subsidiary Bina Puri Properties Sdn Bhd developed the 15-storey, high-end Jesselton Condominium in Kota Kinabalu

as well as two-storey terraced houses and walk-up apartments in Taman Malawa, both in Sabah.

Bina Puri group executive director Matthew Tee says the group will take advantage of its reputation as a "trusted builder" as it transforms itself from contractor to key property player.

"It's the way forward for the group, which has seen its revenue from property rising in recent years, contributing 17% to the overall profit margin [last year]," he says.

Bina Puri's property division also contributed 7% to the overall profit margin in 2013 and 4.5% in 2012.

The property division is on a growth trajectory, boasting big projects like the RM1.28 bil Riviera Sentral, RM290 mil Opus @ Kuala Lumpur as well as RM148 mil 8 Avenue mall and SoVo project in Kota Kinabalu, Sabah; in addition are the ongoing RM304 mil Kuantan Waterfront Resort City and RM242 mil Sentosa Puri Tower in Kota Bharu, Kelantan. It also signed a joint-development agreement



An artist's impression of the link houses to be built in Masai, Johor

Puchong's new landmark

BINA Puri Holdings Bhd expects a certificate of completion and compliance for its RM66 mil Puri Tower in Puchong, Selangor at the latest by October this year, according to group executive director Matthew Tee.

The 20-storey Puri Tower in Bandar Bukit Puchong stands on 0.8ha and comprises 138 apartments, including eight penthouses.

Tee says the early delivery to buyers of the low-density project will mark a significant milestone in Bina Puri's journey as a serious property developer. "The project will increase the visibility

of Bina Puri with this new landmark in Puchong," he says.

He says each unit comes with two carparks, built-in kitchen cabinets and double-lock windows with all the facilities one would expect of a condominium – gym, swimming pool and large, multi-purpose hall.

The tower is highly visible as there are few high-rises in the vicinity. Situated between 19 Residency and Vista Prima Condominium, there are many schools nearby including the Puchong Batu 14 National School, Puchong National Secondary School, Puchong Utama 1 Primary and Secondary Schools as well as several kindergartens.

The condominium is accessible via highways including the Damansara-Puchong Expressway (LDP), Kajang Dispersal Link Expressway (Kajang SILK), South Klang Valley Expressway (SKVE) and Maju Expressway.



The RM66 mil Puri Tower in Puchong, Selangor

with LakeHill Resort Development Sdn Bhd to develop a RM204 mil residential property project in Masai, Johor. The joint-venture project signals the scaling up of the group's property division in the Iskandar Malaysia economic corridor.

The company is using newly-completed property projects like the RM343.4 mil Main Place, a resuscitated retail-cum-apartment project in USJ 21, Subang Jaya, Selangor and RM66 mil Puri Tower in Puchong, Selangor as showcases.

The completion of its Puri Tower this year has special meaning as the group will mark its 40th anniversary in August. "We want to look at Puri Tower as a milestone that is the core of three concentric circles emanating from this project," says Tee.

"Puri Tower is raising the bar in condo living for Puchong residents. Our buyers are mainly Puchong residents who have decided to upgrade their lifestyle," he says.

"It has built-in high-speed fibreoptics and is constructed using the tunnel-form method that is faster and aesthetically pleasing – without protruding beams, though it costs more to build," he says.

The rooftop is fitted with solar panels that generate electricity and connected to the national grid. Receipts from this energy-saving installation will be ploughed back into general condo maintenance, Tee says.

This is not the first time Bina Puri is using solar panels to generate electricity which will result in revenue to minimise the cost of project maintenance. Its Laman Villa in Mont'Kiara North, Kuala Lumpur uses the same concept.

'White knight' status

Bina Puri has also made a name for itself rescuing abandoned projects, says a property observer.

"Part of its property developer reputation will be built on its ability to resuscitate projects that have long been abandoned. Main Place was one such project. It was abandoned for 13 years.

There's another the developer is taking on in Brickfields," he says.

Currently called Riviera Sentral at Brickfields, Kuala Lumpur, the development has an estimated gross development value of RM1.28 bil; it is significantly different from Main Place.

The Riviera Sentral project is a public-private partnership between Syarikat Prasarana Negara Sdn Bhd and Bina Puri Construction Sdn Bhd.

"The abandoned project was called Monorail City and was planned as a mixed commercial development encompassing retail and office space, a cultural village and landscaped areas with an amphitheatre," he says.

The project, like most abandoned ones, was partially built and later absorbed by Prasarana. Bina Puri's role in this resuscitation project is to develop, market and sell the development. The property comprises 1.87ha near the Tun Sambanthan monorail station.

The mixed development will house four high-rise towers, comprising 1,660 small-office, versatile-office (SoVo) spaces in three towers, a 22-storey serviced suite project and a three-storey commercial podium with skybridge to the monorail station.

Seeking more resuscitation work

While Bina Puri is looking to take on more abandoned projects, it is also considering Puchong as a potential homeground, notes the observer.

Puchong is fast developing into a vibrant township though it is relatively young, having been established just 15 years ago, says Tee.

Major residential projects are taking place there because it is strategically located between Kuala Lumpur and Putrajaya as well as Subang and Kajang, he says.

"Puchong is ripe for high-quality modern homes that reflect residents' rising incomes," he says, hinting the company is open to acquiring more land in this area. **FocusM**