MKN, Indian firm in IT park venture

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MKN Group Sdn Bhd, linked to Tan Sri Mustapha Kamal Abu Bakar, the executive chairman of property developer MK Land Holdings Bhd, has roped in a foreign partner to develop a planned 12ha freehold information technology business park in Cyberjaya, Selangor.

Both MKN and India's Embassy Group will spend some RM100 million for the initial construction of two office blocks with built-up areas of 250,000 sq ft each on a 4ha site.

A joint-venture company, MKN Embassy Development Sdn Bhd, was formed to undertake the commercial project.

MKN and Embassy own 60 per cent and 40 per cent of the joint venture respectively.

MKN Embassy had earlier bought the 4ha land from Setia Haruman Sdn Bhd, another developer in Cyberjaya.

According to property developer Laketown Sdn Bhd executive director, K. Mohanachandran, the 4ha site can accommodate some 1 million sq ft of office space.

Laketown is a subsidiary of MKN that is under the EMKAY Group of Companies.

The group belongs to Mustapha Kamal's family and he is also a major shareholder in both Laketown and Setia Haruman.

Talks are, meanwhile, ongoing for the acquisition of the remaining 8ha by MKN Embassy from Setia Haruman. The value of the entire 12ha was, however, not disclosed.

The two office blocks (construction began in December 2006) will be leased out entirely on completion by 2008.

"We are building two blocks, each with 250,000 sq ft of office space, with a development cost of about RM50 million.

The 4ha site can accommodate some 1 million sq ft of office space, says Mohanachandran

"MKN Embassy has just given the letter of expression of interest to purchase the remaining 8ha to Setia Haruman. The price is still under negotiations," Mohanachandran said.

He was speaking to reporters in Cyberjaya last Saturday at the signing ceremony of two memorandums of understanding — one between Laketown and property consultant Henry Butcher Malaysia Sdn Bhd, and the other between Laketown and Cyberjaya University College of Medical Science (CUCMS).

Henry Butcher will offer leasing, besides rental and premises management services to buyers of Laketown's properties under the developer's currently-constructed RM300 million NeoCyber township.

The MOU with CUCMS, meanwhile, involves the provision of student accommodation at NeoCyber which sits on a 8.4ha freehold site in Cyberjaya.

Mohanachandran said so far 67 shop offices have been fully snapped up while 30 per cent of its 272 Domain serviced apartments are sold out.

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