

Al-Aqar scraps RM112m Selesa Tower sale to Smartwheels

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KUALA LUMPUR (Sept 3): Al-Aqar Healthcare REIT's planned disposal of the Selesa Tower in Johor Bahru to Smartwheels Intelligence Sdn Bhd for RM112 million has been terminated.

In a statement to the bourse today, Al-Aqar said Smartwheels had failed to pay the remaining sum of the property price by last Friday (August 29). Today, Al-Aqar said it would refund Smartwheels earlier partial payments made by the buyer.

"The notice of termination has lapsed and the purchaser has failed to settle the balance disposal consideration within the twenty one (21) days period. Thus, the solicitor for Al-Aqar has on 3 September 2014 served a notice dated 2 September 2014, on the purchaser's solicitor confirming that the SPA is deemed to have been terminated and cease to be of any further effect.

"Al-Aqar will refund to the purchaser, the sum of RM6.72 million (equivalent to six percent (6%) of the disposal consideration) and shall forfeit RM2.24 million (equivalent to two percent (2%) of the disposal consideration)," Al-Aqar said.

Al-Aqar said the SPA termination would allow the group to start negotiations with other potential buyers of Selesa Tower.

Al-Aqar had in February this year signed the sale and purchase agreement with Smartwheels for the sale of Selesa Tower. The property comprises a freehold land with a 27-storey hotel (Hotel Selesa) and a 31-storey office block (Metropolis Tower).