



Al-`Aqar repeals plan to sell Hotel Selesa

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PETALING JAYA: Al-`Aqar Healthcare Reit has terminated its plan to sell a 27 storey hotel (Hotel Selesa) and a 31 storey office block (Metropolis Tower) in Johor to Smartwheels Intelligence Sdn Bhd for RM112 million, after the company failed to pay the remaining sum due.

Solicitors for Al-`Aqar had on Aug 8, 2014 issued a 21 days notice to Smartwheels' solicitors to terminate the sale purchase agreement (SPA) in the event the purchaser fails to settle the balance disposal consideration amounting to RM100.8 million on or before Aug 29, 2014.

"The notice of termination has lapsed and the purchaser has failed to settle the balance disposal consideration within the 21 days period," Al-'Aqar said in a filing to Bursa Malaysia yesterday.

The solicitor for Al-`Aqar yesterday served a notice dated Sept 2, 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 (6% of the disposal consideration) and shall forfeit RM2.24 million (2% of the disposal consideration)," it added.

The termination of the SPA will allow Damansara REIT Managers Sdn Bhd, the manager of Al-`Aqar, to commence negotiations with other interested potential buyer(s) of Selesa Tower.

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