

Tycoon pays deposit for proposed S\$560m acquisition of Straits Trading Building

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A PROPOSED price of S\$560 million has been set for Straits Trading Building in the Raffles Place financial district.

In a filing to the Singapore Exchange (SGX), MYP Ltd said that "1 per cent of the purchase consideration of S\$560 million has been paid as deposit for the proposed acquisition".

Indonesian tycoon and philanthropist Tahir, for and on behalf of the company, has signed a letter of offer for the building, the company added.

The company stated that the acquisition is still subject to a definitive agreement. It is currently conducting due diligence with a view to sign a definitive agreement in respect of the proposed acquisition. The seller is Sun Venture Group.

"The proposed acquisition is intended to be funded by a combination of internal resources, bank borrowings and/or fund raising in the capital markets," said MYP.

In relation to the acquisition, MYP has acquired a shelf company, Salveur Pte Ltd.

This latest update confirms a report by The Business Times on Tuesday that detailed the acquisition price of the 28-storey, 999-year leasehold building.

At slightly more than S\$3,520 per square foot based on the net lettable area (NLA) of 158,897 sq ft, the deal is expected to hit a new record for psf price, the BT report noted.

Sun Venture had acquired the property in September 2014 for S\$450 million or slightly over S\$2,800 psf from The Straits Trading Company.