

# Sunway REIT plans minimum RM100m investment for Penang mall extension

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PETALING JAYA (Jan 9): Sunway Real Estate Investment Trust (Sunway REIT) is planning a minimum investment of RM100 million, with the bulk of this sum going towards building the second phase of its Sunway Carnival Shopping Mall in Seberang Jaya, on the mainland of Penang.

The new extension will increase the mall's net lettable area by 70% to 800,000 sq ft in 2020, the trust's CEO Datuk Jeffrey Ng told *Nikkei Markets* in an interview.

Sunway REIT aims to start construction within this quarter after receiving approvals from its board of directors.

"At the moment, the mall is close to full occupancy and we do not have sufficient space to bring in international retailers to the mall.

"With the expansion, we will be able to introduce a slew of international retailers and transform the retail scene over there," he said.

The second phase of the mall — which will be a 9-storey shopping mall with seven levels of car park — will come up on an adjacent parcel acquired by Sunway REIT in 2016 for RM17.2 million.

Meanwhile, Sunway Putra Mall may experience negative rental reversion amid a continuously challenging environment, Ng said.

According to him, about 323,383 sq ft of space in the mall will be up for renewal in FYE June 30, 2018.

During the quarter from July to September, 3,626 sq ft of space was renewed at negative reversion.