

Sunway REIT manager to buy Sunway Clio Property for RM340m

PETALING, JAYA: Sunway REIT Management Sdn Bhd, the manager of Sunway Real Estate Investment Trust, plans to buy Sunway Clio Property from Sunway Bhd's unit Sunway Forum Hotel Sdn Bhd for RM340 million.

Sunway Clio Property comprises a 19-storey, four-star hotel with 401 rooms and facilities known as Sunway Clio Hotel, three storeys (including one storey at the lower ground floor) of retail lots known as Sunway Pyramid West and a six-storey podium and four-storey basement car park.

The purchase will be financed with its existing debt programme.

Sunway Clio Property is an income-generating asset that currently has occupancy rates of 71.6% for the hotel and 88.2% for the retail space.

Meanwhile, in a separate filing, Sunway Bhd said RM275 million of the disposal proceeds will be used to repay borrowings, which will reduce its finance expenses by RM10.9 million a year. Another RM64.6 million will be for working capital.