

TSI Holdings leverages education

| BY RACHEAL LEE |

Innovative developers are always seeking new concepts, or as the sceptics would say, new gimmicks, for their development projects to differentiate themselves and gain an edge over their competitors. For TSI Holdings Sdn Bhd, a one-stop education centre concept will be the focus of its upcoming Casa Tropika @ Puchong project.

The seven-acre development in Puchong is surrounded by several primary and secondary schools that are within walking distance. TSI group managing director Lim Seng Kok says the mixed development, which is near SRJK (C) Han Ming in Batu 14, Puchong, is scheduled to be launched by the middle of next year. Other schools in the vicinity are SMK Puchong Batu 14, SRJK (T) Puchong Batu 14 and SK Puchong Batu 14.

The development will see 520 condominium units in three blocks and 12 units of 3-storey shops in a retail building separate from the residential component.

"Puchong continues to attract interested buyers. It is a very good location... it is nearby Putrajaya and well connected to areas like Bangi and Seri Kembangan. There are a lot of developments coming up in the area.

"The amenities in the development have been planned to cater for children as well as the young parents of school-going children. For the retail component, we are planning to make it a one-stop education centre... we will get an operator or purchaser for a tuition centre or ballet school. This property will attract many young families and they will find it easy for them to send their children to schools," Lim tells *City & Country*.

The project has a gross development value (GDV) of about RM130 million but this could be higher now that the developer is tweaking the project. For this development, the specialist contractor-turned-developer plans to offer amenities and designs similar to its under-construction First Residence project in Kepong. These would include a playground, toddler's cycling track, ice cream kiosk, gym, outdoor chess board and reflexology path.

Units at the freehold condominiums at Casa Tropika @ Puchong will be sized from 980 sq ft to 1,400 sq ft, with an average indicative price of RM250 psf. Two of the three blocks will have 11 storeys. Design of the third block is pending.

Meanwhile, the developer may not put



An artist's impression of GM Klang Wholesale City coming up in Bandar Botanic, Klang



Lim: Puchong is a very good location... there are a lot of developments in the area

on the market the 3-storey shops, which come in a standard size of 22ft by 70ft.

First Residence

First Residence in Kepong, coming up on a site the developer acquired in 2003, is being developed in two phases. The 4.44-acre Phase 1 consists of 474 condo units in two 13-storey blocks (Block A and B) and 58 shops. Block A was soft launched early this year.

The RM164 million Phase 1 was officially launched in June. Block B was opened up for sale after all the non-bumiputera units in Block A were sold. At press time, about 50% of the units in Block B have been taken up.

"When we launched the project early this year, many developers were holding back.



An artist's impression of Casa Tropika @ Puchong

However, we felt that given the right product for the right market, there's no right timing as the pent-up demand is there.

"We found buyers coming from the surrounding areas. The product has been designed to be mid-high because we actually put in 32 types of facilities in this development, on Levels 4 and 5.

"For this project, we extended out the lift lobby area every three floors... we call it a sky garden whereby residents can mingle with their neighbours. We try to promote a community living environment... residents can go down to Levels 4 and 5 to enjoy the facilities," Lim says.

With selling prices ranging from RM250,000 to RM384,000, the leasehold condo has built-ups of 930 to 1,450 sq ft with three or four bedrooms in each unit. There are about 900 parking bays in all.

Meanwhile, the shops, sized from 851 to 2,679 sq ft, are going for RM300,000 to RM1.2 million. Those on the ground floor have all been sold while several units on Level 1 are still available. The project, scheduled for completion by mid-2011, is targeted at young professionals.

"We want to create an environment that is conducive to the area and add value to society. One of our goals is to bring contemporary living to mature neighbourhoods such as Kepong Baru. Apart from these new designs, we are also catering for the needs of the residents. It is like a one-stop centre and we have facilities that cater for the needs of the young and the old," Lim says.

The project offers four-tier security features 24 hour security guard services, smartcard access, CCTVs and intercom system.

Lim adds that plans for Phase 2, which spans five acres, are pending approval but the concept is similar to that of Phase 1.

Wholesale developer

Unlike developers that focus on one type of development, TSI is also into projects for wholesalers. In fact, it is fast emerging as one of the few developers of such retail space in the country. It had developed a wholesale centre, Plaza GM in Chow Kit. It is now embarking on GM Klang Wholesale City, touted as the largest wholesale centre in Southeast Asia.

The project sits on a 14.5-acre tract in Bandar Botanic, Klang, and will be developed over 8 to 10 years in four phases. It will house 2,800 wholesalers, and aims to attract not only local wholesalers but also those from the Middle East, India and Pakistan to do business there.

"We intend to have much more variety of products such as hardware, garment and jewellery. The demand for such a wholesale city is huge."

TSI secured the land in July last year and started work in April this year. Four of the six pavilions in Phase 1 were completed by end-August.

"We are doing some modifications for the other two pavilions, which are expected to be completed by the first half of next year. Then we will proceed to build Phase 2 and Phase 3, before we tear down Phase 1 on which Phase 4 will be located. We are building Phase 1 now because we want to do it fast and kick start it. So Phase 1 is only for leasing," Lim says.

He adds that tenants in the four pavilions started their business on Oct 1. Phase 1 has some 300 parking bays and 259 wholesale units, while there are 785 parking bays in Phase 2.

Phase 2 and Phase 3 will have one block each while Phase 4 will have two blocks. Each building will be eight to nine storeys high, with 180,000 sq ft of commercial lettable and saleable areas. Phases 2, 3 and 4 are for sale.

Venturing overseas

TSI, which has developed over 1,800 units valued at more than RM500 million, has a total undeveloped landbank of about 70.5 acres in Kuantan and Puchong. The company is on the lookout for land acquisition and joint venture opportunities.

Nevertheless, construction remains the company's core business because it offers good margins with relatively lower capital outlay. The construction outfit has offices in Indonesia, the Philippines, Thailand, Singapore and Qatar while its joint-venture partners have offices in Dubai and Abu Dhabi.

The diversified business model has helped the group to ride out the economic downturn, adds Lim.

"We are constantly sending our staff out to investigate. We have been to the Philippines, Indonesia and China. If the opportunity is there and it makes sense to us, particularly the risk and return profile, we can always consider it," adds Lim.