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GEORGE TOWN: IJM Land Bhd will be building The Light City, a RM4bil integrated mixed-development scheme, in the third quarter of this year.

The project comprises a 1.1 million sq ft retail mall, two international class hotels, a convention centre, office tower, and two condominiums.

IJM Land senior general manager (north) Datuk Toh Chin Leong (*pic*) told *StarBiz* that construction work for the project was supposed to start last July.

"We have to redesign the project into two phases because of the soft market.

"Construction work for the first phase, scheduled for completion in 2023, should start work in the third quarter this year," Toh said.

The first phase of the scheme, now that is broken into two, comprises a retail mall with a 700,000 sq ft gross floor area, an international class hotel, and convention centre, and a condominium project.

"The construction cost for the first phase is estimated to be RM1.5bil.

"As for the second phase, we will study the market conditions first before making a deci-

IJM to build RM4bil The Light City this year

Mixed-development project 'redesigned' due to soft market

sion, Toh added.

"The second phase comprises a 400,000 sq ft retail mall, an international class hotel, and another condominium project."

He pointed out that the overall retail mall business in the country was soft.

"In The Light City, the retail mall and hotel business would be back by the convention centre, which is expected to bring in the crowd. The demand for convention centre space is driven by the meeting, incentive, convention, and exhibition market, which is booming in Penang.

"Our location, which is centralised around the airport, free industrial zone, George Town

and mainland, will be an added advantage," he added.

Toh said that IJM Land sales from Penang should contribute about 18% to the group's sales target for the current financial year ending March 31, 2019.

According to Malaysia Retail Chain Association president Datuk Seri Garry Chua, Malaysia is expected to have close to 700 shopping malls by the end of 2019 with total net lettable area of 170 million sq ft.

There are 560 shopping malls in operation nationwide, while the occupancy for majority of the malls in Klang Valley is between 85% and 87%, Chua added.

