



Tags: [Dijaya Corp Bhd](#) | [Tropicana Avenue](#) | [Tropicana City Office Tower](#)

Monday, 29 June 2009 00:00



Location and the type of product offering are crucial to any property development, but perhaps more so during difficult times. This is a fact Dijaya Corp Bhd managing director Datuk Tong Kien Onn is well aware of, which perhaps explains why he's relatively unperturbed about the impact of the current slowdown on the developer's upcoming maiden office tower, Glomac Tower, was sold en bloc even before any construction was done commercial offering.

The 12-storey Grade A purpose-built Tropicana City Office Tower is located within the 9-acre freehold Tropicana City in Petaling Jaya. Situated at the crossroads of the Klang Valley's two busiest expressways — Lebuhraya Damansara-Puchong and the Sprint Highway — Tropicana City Office Tower is touted to be the next major landmark in PJ.

“At a time when the market is soft and many companies are downsizing and cutting down on costs, an opportunity is opening up for us with the possible relocation of companies from the city centre. The rent for new upcoming commercial property within Kuala Lumpur city is priced at RM7 psf and above while rents at older office buildings in KL are about RM5 psf. At the same price of RM5 psf or less, companies can now rent a modern office space in PJ,” Tong points out.

Tropicana City Office Tower, with a net lettable area of 105,000 sq ft, boasts rents in the range of RM4 to RM4.50 psf. The developer has been actively marketing the property for the past one-and-a-half months and to date has received strong interest from a fitness company and an entertainment outlet that are keen to take up a total of four floors or one-third of the space. He says Dijaya Corp will also be moving its offices to Tropicana City Office Tower, taking up some 35,000 sq ft of space thus leaving only about one-third of the space yet to be leased. The property, he says, will be ideal for foreign companies with manufacturing plants in Shah Alam or Subang, Jaya that are looking for office space in PJ as well as insurance companies and agencies.



Tong believes that in developing and marketing a commercial development, the property's visibility is crucial. Photo by Patrick Goh

Elaborating on the building's selling points, Tong says each floor boasts a net space of 8,338 sq ft and ceiling height of 9ft. The building will also be connected to the Tropicana City Mall via a covered walkway. “All the amenities are in the area... food and other conveniences will not be a problem for employees working in the building. This is important because when companies consider moving offices, they try to have minimum disruption for the employees and that's what we offer,” he says. Opened since December last year, Tropicana City Mall is currently enjoying an occupancy rate of 76%.
Dijaya Corp Bhd

Giving prominence

While he does not discount the importance of location and accessibility, Tong says in developing and

marketing a commercial development, the property's visibility is as crucial. He points to the experience at a previous development, Merchant Square at Tropicana Golf & Country Resort. He says while it was in a prominent location, a slope blocked the visibility of the property leading to disappointing sales. "It was suggested that the slope be cut and after we did that, sales shot up — within a month, sales rose from 10%-15% to 80%," he says.

From that experience, the developer tweaked the concept for the Tropicana City Office Tower. "Initially, it was planned as two 5 to 6-storey towers but we decided to change it to a single 12-storey tower to give it prominence and capitalise on the location's high traffic volume," he adds.

He adds that experience has also shown that the development of commercial properties must come with good design so as to enhance the corporate image of the building's tenants. "In this context Tropicana City Office Tower is designed with a glazed glass façade," he says. It isn't surprising therefore that the developer has also been receiving many enquiries for en bloc sale. "But we prefer to keep it for lease only," says Tong.

He reckons that while the commercial property market may be facing tough times, having the right product and concept is an advantage. Pointing to Dijaya Corp's TSB Commercial Centre in Sungai Buloh as an example, he says, sales of the third phase that was put in the market in March this year has been encouraging. The 3 and 4-storey shopoffices, respectively pegged from RM1.45 million and RM2.1 million, has to date notched a take-up of 50%, says Tong.

Apart from its location, he feels that the development's concept, with an emphasis on landscaping, is the reason for the brisk sales. "We want to make it interesting...to set it apart from other developments in the area." Indeed going forward, landscaping will be an important element for future developments, he adds.

Busy years ahead

Looking ahead, Tong says there are a few residential and commercial projects in the pipeline. These include Tropicana Avenue, comprising three blocks of 9 and 11-storey shopoffices on 7 acres of land located at Tropicana Golf and Country Resort. The developer hopes to put this development on the market in the second half of 2010.

The developer is also excited about its upmarket residential offering — Tropicana Grande, a high-end condominium project which sits on the last tract of residential land at Tropicana Golf and Country Resort. The 5-acre development comprises 301 units with built-ups ranging from 2,500 to 3,700 sq ft; indicative pricing is RM550-600 psf. All the units at this low-density development will overlook the fairway, says Tong adding that he hopes to launch the development by early next year. "I've already been getting a lot of enquiries...every Saturday when I play golf at Tropicana, residents and members will be asking me if they can reserve units," he discloses.

The developer also has plans for its residential tracts in Sungai Long and Balakong (both in Selangor). "We're watching the market and it looks like consumer confidence is slowly coming back," he says acknowledging that the next two to three years will be busy years for the company.

For details, call (03) 7728 2018.