

HOUSING & PROPERTY

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Once devastated by allied bombing during World War II, Sandakan is re-energising itself to become Sabah's second most sought after property hub outside the State Capital, Kota Kinabalu

BY CHEAH CHOR SOOI

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t the height of the timber boom that lasted well into the 1980s, Sandakan – Sabah's second largest town after capital Kota Kinabalu – was said to have the world's greatest concentration of millionaires on a per sq mile basis.

Sandakan Harbour Square is Sandakan's first waterfront landmark



MAKING SANDAKAN THRIVE AGAIN

Although palm oil and tourism have taken over the timber trade as Sandakan's major economic contributors, a handful among the town's 450,000-500,000 current populace are likely to possess high buying power having amassed large fortunes during the timber heyday.

However, this wealthy lot may have limited choice if they choose to invest in the property market. While there are many pockets of developments in terms of residential projects within Sabah's largest administrative division, quality commercial properties are short in supply.

This explains why the whole of Sandakan was abuzz when news broke out that the four-phase Sandakan Harbour Square (SHS) project – deemed Sandakan's first large-scale commercial development in 30 years – is nearing completion after eight years of development.

Frenzy

Encompassing a 4.8-hectare site, the project sits on a bay of reclaimed land at the town's seafront (looking out to the Sulu Sea) and right in the middle of Sandakan's Central Business District.

At a glance, the project site is strategic given its good accessibility to a series of roads as well as coastal highways. More importantly, it is located near famous eco-tourism destinations such as the Sepilok Orang Utan Sanctuary, the Sandakan Rainforest Park, Turtle Island Park, Kinabatangan River and the Gomantong Caves.

In its two earlier phases (completed within the first half of 2009), the integrated urban re-development project entails sea reclamation, re-development of the Sandakan Central Market, a new waterfront square and 129 units of three- and four-storey shop offices (some of which are transacting in the price range of RM600 to RM700 per sq ft in today's secondary market).

Boasting a Gross Development Value of RM510 million, the third and final



Ireka's Voon Hon (left) exchanging documents with Lai Kock Poh, Managing Director of Evergreen (1979) Trading Sdn Bhd, owner of Parkwell Department Store and Supermarket, which will become the anchor tenant of the Harbour Mall

phases of the SHS project that consist of a shopping mall and an international hotel are on track to be completed by year-end and the first quarter of next year, respectively.

Jointly developed by ICSD Ventures Sdn Bhd, a wholly owned subsidiary of London-listed Aseana Properties Ltd, and the Sandakan Municipal Council, SHS was conferred the CNBC-Asia Pacific Property Award 2009 in the Best Commercial Re-development category.

'Being a new focal point, SHS is poised to further boost Sandakan's position as a major commercial and tourist hub in Sabah,' Lai Voon Hon, President/Chief Executive Officer of Ireka Development Management Sdn Bhd (IDM), said at the recent topping up ceremony of the Harbour Mall Sandakan and Four Points by Sheraton Hotel. IDM is a wholly owned subsidiary of Ireka Corp Bhd, the development manager of the project.

Current development

Offering 200,000 sq ft of prime space for retailers, the five-storey Harbour Mall Sandakan will be the first harbour shopping mall situated in the

A plus point for seafood connoisseurs

Fronting both the Sulu Sea and the Celebes Sea fishing ground, Sandakan is reputed for its rich marine biodiversity. The town is a well-known seafood paradise that tempts visitors from all over the world to savour its exotic variety of marine life.

Sandakan possesses a number of seafood processing factories that export products in the likes of prawns (Tiger species), frozen crabmeat and lobsters. Even if one wishes to have a crab feast in Kota Kinabalu, ask for those coming from Sandakan!



The Harbour Mall's distinctive architectural style takes full advantage of its waterfront location.

heart of Sandakan town. As the only mall located outside of Kota Kinabalu, Harbour Mall Sandakan offers retailers a prime opportunity to satisfy pent-up demand from shoppers made up of local residents and tourists.

Parkwell Departmental Store and Supermarket, a rapidly expanding home-grown hypermarket chain in East Malaysia, has emerged the anchor tenant of the Harbour Mall Sandakan by taking up a retail space in excess of 48,000 sq ft.

Aside from Parkwell, other tenants of the Harbour Mall Sandakan include Levi's, Gintel, Bata, GNC, The Body Shop, Tomei Gold & Jewellery, SOX World, SN Mutiara, SOG and Jeff Eyewear Space. Aside from retail space, the mall has allocated an area of 18,000 sq ft for a food court and a 6,000 sq ft for an entertainment and games centre.

Above the Harbour Mall Sandakan is the 26-storey Four Points by Sheraton hotel tower – Sandakan's first internationally branded business hotel. Key to the fourth and final phase of the Sandakan Harbour Square project, the 300-room establishment

is scheduled for opening in the first quarter of next year.

The hotel comes equipped with three food and beverage outlets, a lounge bar and over 17,000 sq ft of flexible meeting and function space (including a ballroom that can cater up to 700 people).

'The presence of an internationally recognised brand such as Four Points by Sheraton is a clear sign of confidence by the Starwood Group in the whole development,' Ireka's Lai points out.

Sitting in between the Harbour Mall Sandakan and Four Points by Sheraton hotel is a convention centre – the first in Sandakan – that can host a function of 1,500 guests. This is a booster for the tourism industry given Sandakan is being deprived of an opportunity to organise mega events. This dedicated centre is very suitable for MICE (meetings, incentives, conferences, and exhibitions) programmes in the likes of conferences, conventions, exhibitions, performances and banquets.

Significant change

Datuk James Wong, President of the

Sandakan Municipal Council, lauds the SHS project as it would bring about major development or significant changes to the town. 'In addition to our continuous effort to revive the town's former glory, it is our aspiration to further strengthen Sandakan's position as Sabah's second biggest urban metropolis,' notes Wong.

With the completion of the Harbour Mall Sandakan and Four Points by Sheraton hotel, some 3,000 to 4,000 job opportunities can be created in Sandakan. Moreover, it will complement the Sandakan Education Hub project with the student community and their visiting parents flocking the town to shop for their needs or to seek accommodation.

The 480-ha Sandakan Education Hub in Jalan Sungai Batang, Mile 10, is progressing smoothly with few campuses of higher learning institutions currently under construction. Among them include the Mara Junior Science College (MRSM), Universiti Malaysia Sabah's School of Sustainable Agriculture, Open University Malaysia and Sandakan Polytechnic. 