



Federal Territories Minister Khalid Abdul Samad (left) and Kuala Lumpur Mayor Datuk Nor Hisham Ahmad Dahlan looking at a Kampung Baru redevelopment model in Kuala Lumpur yesterday. BERNAMA PIC

'BEST OFFER'

## GOVT'S FINAL OFFER FOR KG BARU LAND

RM850 psf and RM150 in shares, says federal territories minister

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**T**HE government yesterday offered Kampung Baru landowners RM1,000 per square foot (psf) in yet another bid to secure a land deal.

The offer is limited to a maximum of RM850 in cash, with the remaining amount to be delivered by way of shares in a special purpose vehicle (SPV) that will be set up to facilitate redevelopment.

Federal Territories Minister Khalid Abdul Samad said that the price was the government's final and best offer.

"This is the last and there will be no more offers (after this)."  
He said the offer was endorsed

by Prime Minister Tun Dr Mahathir Mohamad in a meeting on Wednesday.

"I met him yesterday (on Wednesday) and a new price was agreed to compared with the price that we set earlier following the town hall with Kampung Baru landowners on Sept 21."

He said landowners could take the offer wholesale or buy new house units by redeeming it against the cash offer of RM850 psf each.

He said the ministry offered landowners the opportunity to own new houses at 15 per cent discount, and if they accepted the offer, they must inform the authorities as soon as possible.

He said this was to encourage landowners to reinvest in the enclave.

"We hope that half of the homes will be bought back by Kampung Baru folk," he said, refuting claims that he was on a mission to drive out the Malays from the enclave.

He said there would be no room for U-turns after the agreement had been finalised.

He said the RM150 share scheme allowed landowners a 15 per cent stake in the redevelopment project.

This, he said, would ensure that they had a say in matters, such as the creation of Taman Warisan.

He said landowners with up to 8,000 sq ft of land could receive up to RM6 million in cash.

However, he said, this was not the final price as the nature of the structures to be built on each lot could add further value to the land.

The town hall last month saw Khalid presenting landowners with four options for compensation: cash, a completed house, a combination of cash and a house or being appointed as shareholders in the new project.

He said at a cash purchase of RM1,000 psf, the buyout of the land would cost the government RM6.7 billion.

He said the funding would not be raised from federal funds, but instead through SPV, banks or sukuk.

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