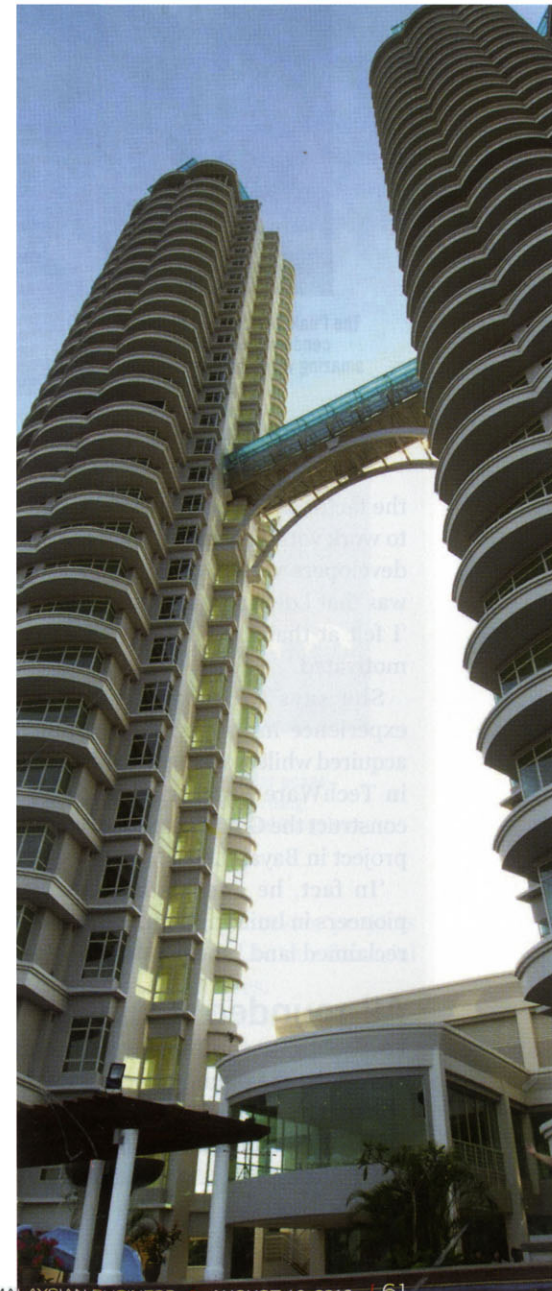


# On Solid Ground

It all started with a joint venture to kickstart a moribund property development project. The rest is history for Ivory Properties Group.



The View Twin Towers: Offers luxurious spacious condominiums that are literally 'bungalows in the sky'

## IVORY PROPERTIES GROUP

Bhd, which its chairman and group CEO Datuk Low Eng Hock has transformed into a premier developer in Penang, started from humble beginnings in 1999.

Low, who hails from a family of contractors, had heard from a friend that the Tanjung Park project in northern Penang was not progressing well. A host of complexities stood in its way, the most tedious being the issue of compensation for squatters unwilling to move out or demanding big amounts to do so.

Probably at its wits' end, landowner Tanjong Tokong Garden Development Sdn Bhd (TTG), controlled by the late Datuk Teh Ah Ba, had wanted to part with the land, but could find no buyer at the stipulated price.

Low saw the potential of developing

Tanjung Park but he did not have the means to make the purchase. So he opted for the joint-venture route, which Teh agreed to after only one meeting. Apparently, Teh, who could also read palms, had asked to look at Low's hands and was pleased with what he saw. Low's palm obviously showed Teh 'the future'.

Teh's daughter Datuk Gillian reckons

— an area he was, and still is, very adept at, for not only is he fond of architecture but is well-versed with the various stages of project approval, a skill he picked up while helping his late father manage the family construction business which was centred on government projects.

Ivory Associates Sdn Bhd was thus set up, with only a handful of pioneering staff.



The Peak Residences: High-end condominium that offers an amazing view and extraordinary high-rise living

the factor that made her father choose to work with Low rather than the other developers who had approached him, was that Low had a construction team. 'I felt at that time he (Low) was very motivated.'

She says Low already had vast experience in property development, acquired while working with his brother in TechWare Enterprise Sdn Bhd to construct the Gold Coast condominium project in Bayan Lepas.

'In fact, he and his brother were pioneers in building condominiums on reclaimed land,' she points out.

## All-rounded

Low's obligation in Tanjung Park was to undertake the planning processes and obtain the green light from the relevant authorities to proceed with the project

'We stepped in, analysed the original design concept, and submitted a counter-proposal that could double the project's returns and also solve the squatters' compensation issue with a win-win solution,' Low says.

The Tanjung Park project was launched on Jan 1, 2000 with TTG given an assurance of a minimum return of RM17 million from its development value. Shareholders of TTG were happy with the joint-venture relationship with

Ivory. Gillian subsequently became one of Ivory's shareholders and Ivory again collaborated with TTG to develop the Seri Taman Tanjung apartments.

Upon its completion in 2003, Tanjung Park, deemed an unfeasible project in its early days, saw its development value appreciate by as much as 40% to RM103.3 million, comprising 285 units of condominiums and 14 townhouses.

'There was a windfall for every stakeholder. More importantly for Ivory Properties, we have found a niche area to grow our business — value enhancement,' Low recounts. Value



Moonlight Bay: An architectural design inspired by the charm of south European towns where houses are built on terraces to allow residents a breathtaking view of the sea



Island Resort: A resort-themed development with a spectacular ocean-fronting hillside setting, comprising condominiums, resort villas and bungalows

squatters' compensation.

Low quickly got down to work. To keep to the project's name, Low and his team of architects pit their wits to ensure that all 164 units spread across the two 29-storey blocks obtained a panoramic view of the sea. On top of that, the urge to create a 'mini-Petronas Twin Towers' was irresistible, compelling Ivory to fork out RM500,000 to build a 'sky-bridge' across both blocks of The View Twin Towers.

Completed in 2006, the project boasts a gross development value (GDV) of RM109.3 million.

Apart from its ability to enhance

project values, Ivory has also shown its capability to rescue abandoned projects. The most notable was Fettes Villa, a low- and medium-cost apartment project in the Mount Erskine/Fettes Park vicinity.

Its developer Gewaris Sdn Bhd was under liquidation whereas 75% of the proposed units had been sold, with each buyer having forked out deposits of between 10% and 20%.

As project financier and chargee of

the land, MBSB once again turned to Ivory. Ivory managed to convince both MBSB and Gewaris to transform Fettes Villa into an exclusive condominium project, hence elevating its original GDV (between RM80 million and RM100 million) to its present value of RM416.5 million.

## Lucrative coincidence

Ivory's flagship project, the RM1.26 billion Penang Times Square in the heart of historical George Town, was interestingly conceived by chance.

Ivory had initially no intention of acquiring the 5.3-hectare site as

offer that was hard to resist — a highly flexible deal that gave Ivory ample time to fine-tune its development plan to meet the parameters drawn by the authorities and more importantly, to look for a project financier.

Phase 1 of the project, dubbed Birch the Plaza, boasts of a GDV of RM325.8 million and was completed in 2008. Phase 2, dubbed the Birch Regency, is expected to go on stream next year. Phases 3 and 4 are scheduled for completion in 2014 and 2015, respectively.

Thus, under Low's stewardship, Ivory gradually evolved into an established developer with a solid foothold in Penang and with a strong niche and reputation for reviving abandoned as well as hard-to-execute projects.

'In the past 11 years, we had achieved so much, albeit with limited financial resources. But we reckoned many

it sits on a buffer heritage zone. But out of curiosity, its in-house planning unit initiated a detailed study of the development aspects and came out with some interesting findings.

The development cost seemed exorbitant for the then small property developer until the landowner tabled an

more opportunities to revive projects had gone to waste due to our financial constraints,' Low muses.

It was this aspiration to propel Ivory beyond its 'rescue mission' and to realise its full potential in the longer term that drove the company to offer its shares to the public on July 28. [mb](#)