

Still no strata titles for housebuyers

Court rules bank need not hand over master title of Chi Liung Flats to developer

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SHAH ALAM: The owners of 951 units of low-cost flats in Pandamaran, Port Klang, went home disappointed when their developer Chi Liung Holdings could not obtain strata titles for them.

The High Court here decided that defendant Alliance Investment Bank Berhad need not hand over the master title of the Chi Liung Flats to the developer so that the latter could obtain the titles from the land office.

The residents, mostly elderly people, have already paid up their loans and are demanding for the strata titles from the developer.

According to the statement of claim and submission by the coun-

sel, the developer had paid the bank RM837,425 to release the master title. This was apparently conveyed in a June 10, 2011 letter to the developer. The claims stated that the bank, despite cashing in the cheque, withdrew the offer.

In delivering her judgment, Justice Hadhariah Syed Ismail held that correspondences before and after the June 10, 2011 letter should be looked at in its totality to determine the bank's stand. She also ruled that the bank's cashing of the cheque was presumptuous and not conclusive.

Chi Liung Holdings counsel Datuk V. Sivaparanjothi said he would be filing an appeal at the Court of Appeal soon.

He and T.C. Nayagam represented Chi Liung Holdings while Chan Kok Keong appeared for the bank.

The case papers stated that Chi Liung Holdings had, in 1985, executed an end-financing facility agreement with a consortium of 12 lenders, led by Alliance Investment Bank Berhad, to provide loan facilities of RM79mil to buyers of the 951 units of flats.

The developer had also entered into a loan agreement with the consortium to obtain RM46mil to pay for the project's development. The developer defaulted in the loan repayments, but managed to complete the construction of the flats in 1990.

The home owners have not been able to get the strata titles because the consortium of banks was unwilling to release the master title due to the default in loan repayments by Chi Liung Holdings, which stands at RM38mil to date.



Disappointed: Sivaparanjothi (left) talking to some of the flat owners outside the Shah Alam court.