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## Mid Valley Southkey caters for Johor Bahru's commercial needs

By Priya Devan / The Edge Malaysia

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Once completed, Mid Valley Southkey will comprise seven components, namely a mall, four office towers and two hotels (Photo by IGB)

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During an exclusive media tour of IGB Bhd's Mid Valley Southkey in Johor Bahru last month, *City & Country* saw how much the vicinity has transformed since The Mall — the first phase of the master plan — was opened to the public in 2019.

An integrated mixed-use development, Mid Valley Southkey occupies a 22.2-acre parcel in the Southkey neighborhood, which is over 330 acres. Built to cater for the demand for commercial properties in the state capital, the master plan comprises seven components: The Mall, St Giles Southkey, North Tower, South Tower and three upcoming towers.

One of the upcoming towers will be a five-star hotel and the other two towers will be offices. IGB Property Management Sdn Bhd director Wong Khim Chon says in an email interview. More information on these towers will be disclosed at a later date.

The gross floor area of the entire development is 7.69 million sq ft, with a total of 5,585 basement and rooftop parking lots as well as 930 outdoor parking bays.

Getting to the development is easy, as it is located 7km from the Johor-Singapore Causeway, 26km from Senai International Airport and 38km from Changi International Airport. The development is accessible via the Eastern Dispersal Link and Tebrau Expressway, which connects to the Johor Bahru East Coast Highway.

## Johor Bahru's largest integrated mall

A smaller version of its Kuala Lumpur counterpart, The Mall in Mid Valley Southkey took inspiration from Mid Valley City's Mid Valley Megamall and The Gardens Mall by incorporating crossing bridges between each level as well as the food street concept on the lower ground level.

With a total net lettable area of 1.5 million sq ft, The Mall comprises four storeys with an additional mezzanine floor on level three and a basement level. As at July, The Mall had an occupancy rate of 95%. Anchor tenants include Sogo, Village Grocer, Mid Valley Exhibition Centre and Golden Screen Cinemas.

Like The Gardens Mall in KL, The Mall in Mid Valley Southkey boasts a wide variety of luxury stores such as Yves Saint Laurent, Chanel, Coach and Dior.

Next year, Regency Hospital will occupy about 30,000 sq ft of ground floor space in The Mall's South Court.



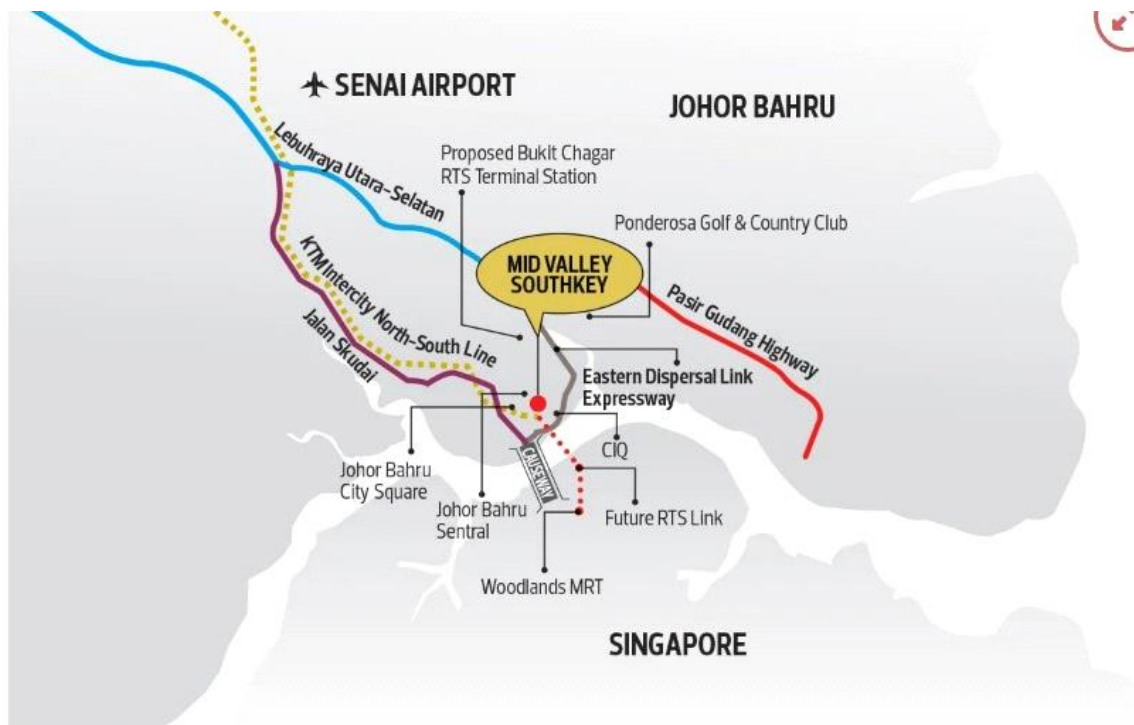
**IGB's Wong:** As Johor continues to evolve into a prominent investment hub, the two towers are poised to attract a diverse range of tenants, from both Johor and Singapore



**St Giles Southkey's Goh:** Being located less than a 10-minute drive away from the Johor-Singapore Causeway is a huge advantage







## positioned four-star hotel

St Giles Southkey general manager Teekay Goh said the four-star hotel started with only 150 rooms when it opened in August last year. Since becoming fully operational this year, the 28-storey luxury hotel now comprises 575 rooms with five different layouts: urban, family, premier, and one- and two-bedroom suites. These rooms have built-ups ranging from 28 sq m to 89 sq m. The premier rooms and suites offer additional features such as a kitchenette, washing machine and dryer.

Facilities in the hotel include swimming pools, a rooftop bar and lounge area, gymnasium, function rooms as well as eateries such as Causeway Café, The View Bar & Lounge and the latest addition, Gigi Coffee.

To reduce the use of plastic, the hotel has dispensed with plastic packaging entirely.

"We have two water dispensers on each level, stationed at either end of the corridor. The rooms are equipped with refillable glass jugs. We use paper wrappers for our toiletries and built-in refillable bottles for liquid items," Goh says.

On weekends, the hotel's occupancy rate can rise to 94%. "Being located less than a 10-minute drive away from the Causeway is a huge advantage. Many Singaporeans stay here for this reason and also because it is connected to a mall.

"As most of our Singaporean guests come here to shop, having a hotel right at their doorstep is convenient. We also have locals who bring their children during weekends and holidays. Business associates from Johor and Singapore utilise the function rooms and business lounge for their meetings."

## Grade A office buildings

Completed last October and opened to tenants early this year, the 29-storey North Tower has a total net lettable area of 326,735 sq ft and a typical floor plate of 13,907 sq ft. The rental rate for office space ranges from RM4 to RM4.30 psf.

The tower has 24 levels of office space (levels six to 29) that are served by eight passenger lifts. All of level 28 is occupied by co-working space under INFINITY8 Design, taking up 11,000 sq ft with a maximum



A family room in St Giles Southkey (Photo by IGB)

The tower has 24 levels of office space (levels six to 29) that are served by eight passenger lifts. All of level 28 is occupied by co-working space operator INFINITY8 Reserve, taking up 14,000 sq ft, with a maximum capacity of 250 pax and an occupancy rate of 60%. Other tenants include real-estate consultancy companies, logistics companies and accounting firms.



A family room in St Giles Southkey (Photo by IGB)

North Tower has an occupancy rate of about 10%, with confirmed tenants of about 30%.

Meanwhile, the 29-storey South Tower is still under construction and slated for completion by year's end. The expected rental rate for office space, at RM4.50 to RM5 psf, is slightly higher than at North Tower.

Wong says: "We already have prospective tenants for South Tower, including international and local companies from industries such as financial institutions and foreign government agencies."

Asked about demand for space in these towers, Wong says Grade A office space was not prevalent in Johor previously. With the region's expanding economy, however, there has been a notable uptick in enquiries for these premium office facilities.



As at July, The Mall had an occupancy rate of 95% (Photo by IGB)

He says: "The Johor office market is currently marked by heightened competitiveness driven by a significant influx of new office space provisions. As a result, the pace in the market has slowed down, with supply of office space outpacing existing demand. In this dynamic landscape, business operators are becoming increasingly discerning when selecting office space.

"Notably, foreign enterprises — particularly multinational corporations headquartered in Singapore and prominent blue-chip companies — are the ones propelling this heightened interest. They actively seek Grade A office space to facilitate the relocation of their operational back-end functions. This trend is expected to gain momentum here, especially with the anticipated completion of the Rapid Transit System rail link between Johor and Singapore in 2026."



The lift lobby of the North Tower is equipped with an access card system (Photo by IGB)

Wong adds that the introduction of both towers into the market addresses a crucial gap. "As Johor continues to evolve into a prominent investment hub, the two towers are poised to attract a diverse range of tenants, from both Johor and Singapore.

"This strategic placement opens doors for entrepreneurs, professional firms and multinational enterprises, offering them seamless access to global markets while capitalising on a thriving local customer base."

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