

Moonies stall Rogers' Seoul skyscrapers

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A £1.3 billion deal to build skyscrapers designed by Rogers Stirk Harbour in the centre of Seoul has hit the rocks because of a £110 million lawsuit filed by the Moonies.

The Unification Church, as the Moonies are officially known, owns the 45,000sq m plot of prime real estate on which Parc 1, a prestigious hotel, retail and office complex whose towers reach 270m, is being built.

The development, which started on site in 2007, was due to be completed this year but its financing has been stalled by the lawsuit. The bank trying to attract investors believes no one will be interested until the case is resolved.

The Moonies' Tongil Foundation filed the lawsuit late last year in a bid to nullify the contract it signed with Y22, the project financing vehicle of developer Skylan.

Skylan is a Singapore-based developer whose senior executives include Richard Rogers' brother, Peter, and his cousin, Paul. Paul invited Rogers' practice to design the project, which is intended to give Seoul a Hong Kong-style skyline. Skylan approached the Tongil Foundation in the late 1990s, persuading it that the derelict car park it owned on Yeouido Island, Seoul's financial district, could be turned into one of Asia's most valuable developments.

After years of delicate negotiations, Skylan signed a deal with Tongil in 2002 for a 99-year lease that started in 2005.

The idea was that the Unification Church would receive a rent for a century and then get the whole development back so it could create its world headquarters on the site, something it could not otherwise afford to do.

But Tongil is now accusing Y22 of fraudulently contravening the lease agreement, something Skylan strongly denies.

Tongil says it was unaware when it signed the agreement that Y22 will only exist for 17 years and so will be unable to transfer ownership of the development after 99. Instead it will have to buy the buildings back from their eventual owner.

Tongil said in a statement: “With the exception of Y22 we have no intention to cause harm to any party with an interest in this project.

“It is our intent to correct a situation in which certain fraudulent actions by Y22 are causing Tongil Foundation to be deprived of the value of our most important asset and to protect our property rights.”

The statement also heaps blame on the former Tongil chairman who signed the deal for acting in an “arbitrary manner” and set the rent “too low”.

Skylan said it had adhered to Korean law. Rogers Stirk Harbour declined to comment.