

# Move to ensure housing for all

Property developers welcome initiatives to help rakyat own homes

## GE~~X~~14

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**KUALA LUMPUR:** A slew of initiatives to house the nation is on the cards, benefiting low- and upper-income groups, as well as developers.

This is one of the major outlines in Barisan Nasional's manifesto to promote both rental and home ownerships, particularly affordable ones.

Property developers and consultants described most of these initiatives as "a step in the right direction".

Several of them pointed out that one of the most important aspects to ensure its successful execution was "political will".

One of the initiatives was heeding the call of developers to end bumi-putra housing discounts for property worth RM1mil and above.

"If anyone can afford to buy properties worth over RM1mil, then they do not need that discount," said a developer on the condition of anonymity.

In order to promote affordable housing, a single entity will be set up to oversee this.

Real Estate and Housing Developers Association (Rehda), Khazanah Research Institute and Bank Negara have asked for such an entity for years.

Earlier last week, Rehda raised this matter again.



**Young supporter:** A beaming Ng Yee Thong, seven, posing in a T-shirt in support of MCA Youth chief Datuk Chong Sin Woon or Ah Chong, who will contest the Seremban parliamentary seat, at the launch of the Barisan manifesto at the Axiata Arena in Bukit Jalil.

Its president Datuk Seri Fateh Iskandar Mohamed Mansor said such an entity would enable developers to build the "right product in the right place".

"We need to do more to help the people to own houses," he said, adding that this would help both pri-

vate developers and agencies mandated to provide housing.

Industry players interviewed said such an entity was badly needed.

Currently, there are about 20 federal and state agencies "doing their own thing" providing affordable housing as the land was under

the jurisdiction of the state.

Each state has its own definition of what constitutes "affordable housing".

"As a developer, RM600,000 is affordable but to state agencies, the affordable level is capped at around RM300,000. So there is a need for

some clarity and where these houses should be located," said a private developer.

He said some state agencies built "hundreds or thousands of units" in certain constituencies without any demand for them.

"Although these are affordable units, they may as well be unaffordable because of the wrong location," he said.

On providing tax incentives or development funds to encourage banks and housing developers to offer rent-to-own schemes, industry sources said this should be undertaken by pension and retirement funds such as Employees Provident Fund, Retirement Fund Inc and Armed Forces Fund Board.

"Developers already take a lot of risks with projects. They just want to build, sell their units and move on to the next project," said a source.

On the provision of public housing assistance to help the poor and the disabled to rent and upgrade longhouses in Sabah and Sarawak, industry players said these were "noble intentions" and was the Government's social responsibility.

The same players also described the establishment of a special bank to give loans to low-income groups to buy houses RM300,000 and below as "risky" and not a good idea.

"The likelihood of these borrowers being unable to repay their loans is high. So the possibility of this special bank getting into trouble and needing a bailout by taxpayers is there.

"It is better to raise household income instead," said an insider.