

# Each state will be allowed to decide the right price to sell properties to foreigners: Zuraida

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**GEORGE TOWN:** Every state in Malaysia will have to decide what the appropriate threshold is for the sale of property to foreigners, although the general guideline is RM600,000 and above.

Housing and Local Government Minister Zuraida Kamaruddin pointed out that property market differed from state to state so it was difficult to have a fixed threshold.

“For instance, property prices in Penang are not the same as in Perlis. Each state will have to decide what’s the best,” she said after opening an empowerment of local authorities conference here.

Zuraida said the ministry was serious about helping to reduce the property market overhang, especially of luxurious residential and commercial units, which are collectively valued at nearly RM100 billion.

She said the new guidelines applied only to units that have already been built but still unsold, and not for future projects. Foreigners may purchase only those units that cost a minimum of RM600,000 each.

Earlier, Penang housing, local government and town planning committee chairman Jagdeep Singh Deo said Penang planned to raise the threshold to RM3 million for landed property and RM1 million for stratified property on the island, and to RM1 million and RM500,000 respectively on the mainland.

He said this was necessary because property prices in Penang had appreciated at more than 8% in the past decade and was expected to continue its upward trend.

“We see the measures to stimulate the property market as just a stop-gap measure. We urge developers to build only to meet market needs,” he said.

Jagdeep urged the ministry to ensure that the housing fund of RM10 billion under Budget 2020 be channelled only to first time buyers who want to purchase affordable units.

The conference is a precursor to the Asia-Pacific Urban Forum that begins today. The forum will look into ways on how to improve the quality of governance among local governments.