



Persatuan Pemaju Hartanah Dan Perumahan Malaysia
马来西亚房地产发展商会
Real Estate And Housing Developers' Association Malaysia
“Towards Sustainable Development”
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WISMA REHDA

Kelana Jaya, Petaling Jaya

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Preliminary Media Release and Comments on Budget 2019 by REHDA Malaysia

The Real Estate and Housing Developers' Association (REHDA) Malaysia congratulates the new Government on the holistic and transformative measures announced in Budget 2019 today by the Minister of Finance, Yang Berhormat Mr Lim Guan Eng. With the theme “*Malaysia Wibawa, Ekonomi Dinamik, Rakyat Sejahtera*”, these measures seek to improve the nation’s economic growth, while at the same time protecting the wellbeing of its number one asset – the *rakyat*.

We applaud the Government on the various steps announced such as numerous subsidies and incentives, for instance on petrol, electricity, and Bantuan Sara Hidup for the B40 group. Also notable are measures to promote the usage of public transportation, which will be beneficial in reducing one of the main expenditures for the people.

REHDA also wishes to express its support towards the Government’s endeavours announced by YB Minister for the housing sector which we believe will assist the rakyat to own their dream homes, in line with the national housing agenda.

National Home Ownership Campaign

REHDA welcomes the Government’s move in managing unsold residential properties by initiating a National Home Ownership Campaign. The stamp duty exemption on transfer instruments for the purchase of first house priced between RM300,001 to RM1 million announced by YB Minister is indeed a step in the right direction towards encouraging the rakyat to own properties, which is an effective wealth creating instrument. REHDA is committed to work together with the Government in making the campaign a success and we encourage all developers to launch their new products at a lower price in view of the above.



More Benefits for First-time Purchasers under B40 and M40 Groups: RM1 Billion Fund and Stamp Duty Waiver

We applaud the announcement on the RM1 billion fund to be established under Bank Negara Malaysia (BNM), to assist first-time homebuyers with household income less than RM2, 300 to buy a property priced up to RM150, 000. Along with the lowest financing rate at 3.5% offered, we believe that such a move will open up more opportunities for this group to own a home.

For first-time house purchased priced up to RM500, 000, a stamp duty waiver for the first RM300, 000 will be applicable. This 2 years stamp duty waiver (till December 2020) will go a long way in reducing the cost of home ownership.

The RM 25 million allocation to Cagamas for mortgage guarantee for first time buyers earning up to RM5, 000 monthly are expected to further accelerate the growth of the property market.

Extension of Loan Tenure under LPPSA

REHDA also commends the Government's intention to extend the loan tenure under the Public Sector Home Financing Board (LPPSA). The duration, which will be extended from 30 years to 35 years for first financing, and 25 years to 30 years for second financing is hoped to alleviate the financial pressure for those who are encumbered by high monthly loan instalment payments.

RM1.5 Billion Allocation for the Provision of Affordable Housing

The announced RM1.5 billion allocation for affordable housing projects under Program Perumahan Rakyat, Perumahan Penjawat Awam Malaysia, PR1MA and Syarikat Perumahan Nasional Berhad is a move that will surely ensure that this type of houses will continue to be made available for those eligible. We hope the Government will continue to undertake the provision of these category of houses.

Property Crowdfunding

REHDA lauds the Government's initiative in introducing a new technology-based mechanism, named Property Crowdfunding. This peer-to-peer lending initiative, regulated by the Securities Commission to be made available to first time house buyers will provide an alternative funding source for promote purchase of homes.

However, REHDA notes with concern on the new impositions namely the 5% to 10% of Real Property Gains Tax (RPGT), as well as the increase on stamp duty for houses priced above RM1 million from 3% to 4%. These measures will definitely impact the industry especially in this trying time.

Despite working hard in managing the nation's budget deficit, we thank the Government for the due consideration given to some of our proposals, and for the allocations and incentives that will surely benefit all rakyat, the industry and the country as a whole.

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