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Page No	1,4	Readership	13,647
Language	English	ArticleSize	626 cm <sup>2</sup>
Journalist	Anisah Shukry	AdValue	RM 6,862
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# Malaysia to put RM22.5b of homes on sale rack in March

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BY ANISAH SHUKRY

KUALA LUMPUR: Malaysia is planning a sale for RM22.5 billion of real estate to bridge the gap between property oversupply and lack of affordable homes, with developers asked to offer at least a 10% discount.

The numbers are staggering: about 180 developers will offer 22,000 units worth a total of RM22.5 billion at an expo planned

for March 1 to 3. About a quarter of the properties on offer will be priced at RM300,000 or less, said Housing and Local Government Minister Zuraida Kamaruddin, adding that the transactions will be exempted from stamp duty fees.

"We hope that better discounts will be given to the people, as high as possible," Zuraida said here yesterday. "We are trying to reduce the gap starting from the expo. From then on we will try to clean up."

The average cost of a Malaysian home was five times the annual median household income in 2016, above the global standard of three times, Bank Negara Malaysia said in a quarterly bulletin posted in August.

Meanwhile, the number of residential units remaining unsold nine months after being completed rose 18% from a year ago to 29,227 units in the first half of 2018, according to the National Property

Information Centre. That is before accounting for almost 100,000 uncompleted units that were coming to the market.

The problem may lie in a mismatch between the type of homes Malaysians are looking to buy and the luxury units that developers keep building. The central bank estimated that RM282,000 was the maximum price achievable for the median Malaysian household, while actual median house

prices was 11% higher, it said in the report.

The ministry will consider affordability in approving future residential projects by accounting for the income level in the area, Zuraida said. The government will start drafting the Residential Rental Act this year to protect the rights of tenants and landlords, while addressing issues of racial discrimination and quotas for Malays, she said. — *Bloomberg*