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KPKT aims to clear half of PR1MA houses by June

Almost 25% of the PR1MA houses that are showcased at the HOC have already been taken up

by AFIQ AZIZ

THE Home Ownership Campaign (HOC), which will continue its run until June, is expected to clear off more than 50% of the houses offered by government-owned company 1Malaysia People's Housing Programme (PR1MA).

Housing and Local Government Minister Zuraida Kamaruddin said almost 25% of the houses under PR1MA's projects — both completed and under construction — that are showcased at the HOC have already been taken up.

The six-month campaign, which started in January, offers more than 42,000 residential units from various projects.

"We aim to achieve about 50% to 55% of bookings for PR1MA houses before the HOC campaign concludes in June. The remaining units may have a slower take-up rate as they are in the outskirts areas,"



Pic by Muhd Amin Naharul

The govt is expected to woo financial institutions from China to back the campaign's RTO scheme, says Zuraida

she told a press conference in Putrajaya yesterday.

The campaign is part of the Ministry of Housing and Local Government (KPKT) and private developers' efforts to alleviate the nation's property glut worth more than RM20 billion.

However, this time around, Zuraida said the challenge in clearing the stocks is greater due to strict lending guidelines by financial institutions, despite several waivers including stamp duty on memorandum of transfer and loan agreement that are offered by

participating banks.

"We hope that the loan rejection rate will drop by 10% before the campaign ends," she said.

The Malaysia Property Expo (Mapex)-HOC 2019 co-organiser Real Estate and Housing Developers' Association (Rehda) highlighted that the strict conditions imposed by the authorities remain the biggest barrier, even when developers have already committed to cut 10% of the published prices.

Zuraida said KPKT is also looking at various initiatives

that could induce more interest in the unsold houses.

She said the government is expected to woo financial institutions from China to back the campaign's rent-to-own (RTO) scheme.

To achieve the aim, Zuraida is expected to join Prime Minister Tun Dr Mahathir Mohamad's envoy to Beijing, China, next week to attend the Belt and Road Initiative forum.

"We have identified some investors who are willing to participate in this scheme. Although this scheme was originally meant for future projects, I will also try to apply that mechanism to include buyers during the HOC campaign," she said.

Zuraida said the RTO scheme is expected to offer buyers an opportunity to rent their home for five years before they can purchase the house via bank loans, subject to their rental payment records.

The next Mapex-HOC 2019 campaign is expected to return to Kuala Lumpur, to be held at the Mid Valley Exhibition Centre between April 26 and 28, featuring 72 developers with 17,000 homes on offer, valued over RM146 million.