



12 SEP, 2019

PRIMA sales surge by 80percent in past 2 months

The Malaysian Reserve, Malaysia



REHDA

PR1MA sales surge by 80% in past 2 months

The rapid increase in sales is mainly attributed to the HOC in Sabah, says minister

by AFIQ AZIZ

THE Malaysia People's Housing Programme (PR1MA), which has not been performing since its establishment, is likely to report a turnaround with a surge of over 80% in sales since July, following the extension of the Home Ownership Campaign (HOC).

Housing and Local Government Minister Zuraida Kamaruddin said the rapid increase in sales was mainly attributed to the HOC in Sabah, giving PR1MA about RM5 billion of transaction value from a total of RM7 billion worth of houses booked to date.

"It is very surprising to see the PR1MA houses sold under HOC, especially in Sabah, have grown by leaps and bounds. It is very much unexpected," she told reporters after officiating Smart Cities Asia 2019 in Kuala Lumpur (KL) yesterday.

It was reported that a total of 4,795 units of PR1MA homes with a sales value of RM1.24 billion were booked between March 1 and March 21.

Prior to that, *The Malaysian Reserve (TMR)* reported that PR1MA has sold over 250 units worth RM70 million during the three-day Malaysia Property Expo in KL, which was held earlier in the same month.

The figure also represents PR1MA units sold in Sabah and Sarawak. During the six-month campaign period



Zuraida (right) is expected to propose to the Cabinet on the idea of bringing HOC programme to China and Hong Kong to alleviate a huge number of overhang residential units in Malaysia

By Razak GANI

from January to June, PR1MA offered discounts and rebates of up to 30%.

HOC is extended for another six months until Dec 31 this year to focus on houses below RM300,000, including PR1MA units.

TMR also reported that the project owner, Perbadanan PR1MA Malaysia, had witnessed about 100 staff leaving

the ailing firm—either through voluntary separation scheme, resignation or non-renewal of contracts of top management personnel.

This came after the state-owned property developer has largely failed to deliver thousands of homes since it was launched in July 2011.

Around 1.42 million people have reg-

istered for the housing scheme, promising one million homes by 2020, but only 16,682 units or 1.6% of the target was completed between 2013 and 2018.

"With this positive development, we are trying to boost PR1MA sales and clear the stocks, while streamlining PR1MA with affordable home scheme," Zuraida said.

Meanwhile, the minister said she is expected to propose to the Cabinet the idea of bringing HOC programme to China and Hong Kong to alleviate a huge number of overhang residential units in Malaysia.

The plan would also incorporate the existing Malaysia My Second Home (MM2H) programme which sits under the Ministry of Tourism, Art and Culture, allowing non-residents to purchase a property not less than RM1 million, she added.

The objectives of MM2H are to increase economic activity and boost the high-end property segment in Malaysia.

Based on the first half of 2019 Property Market report by the Valuation and Property Services Department, overhang houses priced above RM1 million stood at 4,331 units and valued at RM8.74 billion.

Meanwhile, about 3,323 unsold residential units worth RM2.75 billion were reportedly between RM700,001 and RM1 million in price tag.

Zuraida said the offer could be attractive to wealthy foreigners from Hong Kong as it is a known fact that residential units in the special administration region of China are extremely expensive compared to Malaysia.

"It's cheaper to buy homes here instead...In fact, I have visited one of the flat units with a built up of 250 sq ft and it costs RM3 million. Even a minister can't afford a home there.

"So, I thought that we should organise a HOC in China or Hong Kong, where we can attract these people to come here and buy homes," she added.



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