

## 2,000 homes available in Penang under rent-to-own scheme

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July 2, 2019

GEORGE TOWN: The Penang government today said its pilot rent-to-own housing schemes are doing well.

Housing Committee chairman Jagdeep Singh Deo said the two schemes at Taman Seruling Emas and Sungai Duri Permai in Jawi were snapped up fast.

At a press conference, he said the state plans to offer more rent-to-own schemes and has 2,000 units on hand now.

He said at least 1,000 families who are unable to obtain loans will finally be able own property.

Under the scheme, eligible buyers will need to pay RM100 to RM150 monthly for a period of 15 to 25 years to make the property theirs.

The 2,000 available units were contributed by developers to the state government from affordable units sold on the open market.

The state government recently allowed developers to put 40% of their affordable housing units on the open market.

This enables developers to sell these units, which are usually reserved for first-time home buyers with a certain income, on the open market with fewer restrictions.

The units must be priced 10% higher and this percentage is to be collected and handed over in kind, not cash, to the state.

The state would, therefore have more units to be offered in rent-to-own schemes.

Jagdeep said even when sold on the open market, these houses must be sold to Malaysians. Only 20% is allocated for those from other states but working in Penang.

He also said that Penang has built a total of 30,000 units of affordable housing since 2008. About 25,000 more are being built and another 55,000 have been approved.

Currently, the prices under the “affordable homes” category on the island are capped at RM150,000 (750 sq ft), RM 250,000 (800 sq ft) and RM300,000 (900 sq ft).

On the mainland, prices are capped at RM150,000 (750 sq ft), RM 200,000 (800 sq ft) and RM250,000 (900 sq ft).

Jagdeep said the state would extend its 3% waiver on approval fees for foreign property buyers from June to December, following a request from FIABCI Penang.

Foreigners are restricted to buying properties above RM2 million in Seberang Perai and RM3 million on the island. The approval fee applies to each purchase.