

Gov't extends Home Ownership Campaign to year-end

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The government has announced that it will be extending the duration of the National Home Ownership Campaign to Dec 31, 2019.

Housing and Local Government Minister Zuraida Kamaruddin said the extension was due to overwhelming response from both buyers and developers.

"The campaign, launched by the prime minister, has received a good response from homebuyers and developers.

"I was informed that there have been requests and strong proposals from buyers and developers for the campaign period to be extended to December 2019 from the original target (of conclusion) on June 2019," she said in a statement today.

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According to Zuraida, the campaign has benefitted new homebuyers with offers such as exemptions or reductions on stamp duties.

"Additionally, a 10 percent discount on the price of advertising permits and original sales or selling price can also be enjoyed by buyers," her statement read.

Announced under Budget 2019, the National Home Ownership Campaign is a collaboration between the Housing and Local Government Ministry, the Finance Ministry, as well as home developers' associations – including the Real Estate and Housing Developers Association (Rehda), Sabah Housing and Real Estate Developers Association (Shareda) and Sarawak Housing and Real Estate Developers Association (Sheda).

Initially set to run from Jan 1 to June 30, the campaign is aimed at helping Malaysians purchase their first homes at a lower cost and clearing the backlog of unsold residential properties in the country, especially those priced between RM300,000 and RM500,000.

Overhang units

In a separate statement, Finance Minister Lim Guan Eng confirmed that his ministry has accepted Zuraida's appeal for the campaign period to be extended by six months.

House Price	Stamp Duty Exemption	Exemption period
Priced between RM300,000 to RM2.5 million and must be purchased from a developer: <ul style="list-style-type: none"> • registered with REHDA, SHAREDADA and SHEDADA; and • discounted by at least 10% on the house's sale price 	<u>Memorandum of Transfer</u> Stamp duty exemption of 100% is limited to the first RM1 million of the house's value. Remaining value is subject to a 3% rate. <u>Loan agreement</u> Stamp duty exemption of 100% on the entirety of the loan agreement	For sale and purchase agreement (SPA) completed between 1 January 2019 until 30 June 2019

Ministry of Finance statement

Citing data from the National Property Information Centre (Napic), he stated that there were 32,313 overhang units as at the last quarter of 2018.

This represented a 30.6 percent increase in the number of unsold units in the country compared to the same period in 2017.

No.	House price	Stamp duty exemption	Exemption period
a)	Price is up until RM300,000	Memorandum of Transfer and Loan Agreement	For Sale and Purchase Agreement completed from 1 January 2019 until 31 December 2020
b)	Price is between RM300,001 and RM500,000	Memorandum of Transfer and Loan Agreement (Exemption is limited to the first RM300,000 of the house's price)	For Sale and Purchase Agreement completed from 1 July 2019 until 31 December 2020

Ministry of Finance statement

"This reflects the long-standing issues of home ownership, as well as the mismatch between the supply and demand of houses in the market.

"The Home Ownership Campaign has received a positive reception from the public as the stamp duty exemption incentives and discounts of at least 10 percent were able to reduce the cost of home ownership, especially for Malaysians who have never owned a house," he said.