

03 DEC 1998

PM-HOUSE

PM TO LAUNCH HOUSE OWNERSHIP CAMPAIGN

PETALING JAYA, Dec 3 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad will launch a month-long house ownership campaign here on Dec 12, said the president of the Housing Developers' Association of Malaysia (HDAM), Datuk Eddy Chen.

During the launch, the prime minister is also expected to announce some new incentives for house purchases that will largely benefit the local public, he added.

In addition, foreign purchasers can also expect some kind of "easing" in terms of property ownership in Malaysia, Chen told reporters at a special press briefing here today.

He said the campaign, which will run till Jan 12, 1999, is initiated by the government and endorsed by the National Economic Action Council (NEAC) to increase house ownership as a way to boost the national economic recovery.

One of the objectives is to encourage home ownership as a long-term savings plan and investment as well as to serve as a hedge against inflation, he explained.

Another objective is to facilitate home ownership by reducing the cost of buying a house and providing speedier approval procedures in terms of loan application, EPF and insurance, besides offering wider loan margins for potential house buyers.

However, Chen stressed that these "goodies" would only be available during the campaign duration and they will be offered solely by participating developers and HDAM members.

Furthermore, this campaign is a "one-off thing" and there will be no other "sale" of its kind in the near future, he said.

He noted that among the incentives offered is that some banks are willing to provide up to 95 percent loan for houses priced below RM250,000. In addition, the interest rate for houses priced below RM100,000 will be fixed at nine percent "or maybe even lower" depending on the participating banks.

"There will also be a significant reduction in legal fees and the stamp duty (for properties purchased) will be waived during this period," he added.

"We (participating developers) are also giving a 10 percent discount on the property prices during the campaign and some members (developers) may offer more than that," Chen said.

When asked about the total value of houses to be offered during the promotion, Chen said HDAM has yet to make an estimate as the deadline for the developers' participation is Dec 7.

He said the campaign will cost about RM600,000 to RM2 million which would be equally funded by HDAM and the Association of Banks in Malaysia (ABM).

HDAM currently has nearly 700 members, Chen said, adding that he hoped all of its members will participate in the campaign. -- BERNAMA

NLY LPS