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Message from Deputy Minister of Housing and Local Government

Senator Datuk M Kayveas

IT gives me great pleasure to write this message for the special supplement on the Home Ownership Campaign (HOC) organised by S K Brothers Realty. This is the seventh in the series and I have personally been involved in officiating the last three HOCs. In that time, I have seen a number of new developments, new projects and many locations.

It is our Prime Minister, Datuk Seri Dr Mahathir Mohamad who first initiated the HOC in 1998. Since then, HOCs have become a regular feature for the Malaysian public. The Malaysian public have become well informed about housing developers and their projects. In the process many errant developers have also come to light. Because of this the Housing Ministry had to draw up a number of regulations to protect the house buyers.

To stimulate the housing industry, the Government encouraged the waiver of stamp duty, encouraged discounts from the developers, and encouraged banks to release maximum loans which has led to 100 per cent loans in some cases. All these activities have created greater benefits for the consumer. The developers have pampered the consumer. They are even giving their own waiver of stamp duty on Sale and Purchase Agreement.

Developers should continue to do proper market feasibility studies to minimise the mismatch between supply and demand. In this way the developer will be more market/consumer driven, moreover this will help prevent further overhang of properties which remain a problem for many until today.

Our economy is vibrant while the US is still struggling with their economy. The Malaysian economy is constant and we have made progress due to the stringent measures taken by the government. This has indirectly protected our housing industry development and continued to support the home ownership concept. The Malaysian Government has taken note of the private sector initiative, in particular, S. K. Brothers Realty in organising Home Ownership Campaigns, and this pro-activeness is therefore commendable.

While our economy is in constant progress and our developers vibrant, what we need to tap is the cash that is widely and readily available in the Middle East. There are wealthy people who are looking for "safe havens" and Malaysia is one such place. Our Immigration Policy has been structured such that the Malaysian government encourages the setting up of a second home in Malaysia for foreigners. This should enable foreigners to purchase their second home in Malaysia. This represents a huge potential market for the developers that needs to be tapped immediately.

The Government has done a lot to stimulate the real estate market and it