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Jamaludin-Rehda

FINANCE MIN TO DISCUSS LOW COST HOUSES WITH REHDA

PETALING JAYA, Sept 14 (Bernama) -- The Finance Ministry will hold discussions with the Real Estate and Housing Developers Association (Rehda) on developers' newfound choice in constructing low-cost houses, Second Finance Minister Datuk Dr Jamaluddin Jarjis said.

The choice, announced by Prime Minister Datuk Seri Dr Mahathir Mohamed in his 2004 Budget speech, allowed developers to construct 30 per cent of low-cost houses themselves or to hand them over to Syarikat Perumahan Negara Berhad (SPNB) with some payment in return.

"The Finance Ministry will discuss with Rehda to find a mutual agreement," he told reporters during a briefing session on low-cost houses under the SPNB here today.

He was commenting on the fact that certain developers did not agree to the payment if projects were taken over by SPNB.

Jamaludin said the ministry understood the situation where most developers would only start their compulsory low-cost housing projects once they had completed higher-value projects and ensured their marketability and returns.

"This is as housing developers have to purchase land at a high value and pay high premiums because residential projects are carried out in areas which have a market value," he said.

Besides that, it was difficult to ensure developers built low-cost housing areas complete with necessary utilities and recreation facilities in areas with high value, Dr Jamaludin said.

"So when they are taken over by the government, we can implement low-cost housing projects with basic facilities to make them comfortable to live in," he said.

He said an example was a project on land owned by the Rubber Research Institute of Malaysia in the Klang Valley comprising 10,000 affordable housing units with facilities like public transport, religious centre, commercial units, shopping centre, field and playground which would be started at the end of the year.

"We plan to build two to three categories of the affordable houses, including models like townhouse, flat and single-storey houses," Dr Jamaludin said.

He said a discussion would also be held with Selangor Menteri Besar Datuk Seri Dr Mohamad Khir Toyo on the affordable housing as the land involved was under his jurisdiction.

-- BERNAMA

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