

PM: Foreigners with RM600,000 homes will not get citizenship

LANGKAWI: Prime Minister Tun Dr Mahathir Mohamad said the decision to lower the threshold on high rise property prices in urban areas for foreign ownership from RM1mil to RM600,000 was meant to reduce supply overhang of condominiums and apartments.

The decision does not mean that foreigners who bought the property would be given Malaysian citizenship, he said.

"If the locals want to buy the property, they can buy it at the same (reduced) price, but we still have supply overhang.

"We have built so many houses, but they were not sold. When a housing project is not sold, it causes the country to suffer losses.

"We want to get rid of this property overhang ... so that we can raise the price back to RM800,000,

RM1mil or RM2mil.

"This is another way to encourage the sale.

"But if foreigners buy the property, we will not give them Malaysian citizenship. They can only use it as their holiday home," said Dr Mahathir, who is also Langkawi MP, after attending a briefing on Langkawi's development here.

In Kuala Lumpur, Lim Guan Eng said the lower threshold for foreigners to buy condominiums and apartments in urban areas was only applicable to existing unsold units.

The Finance Minister said the measure announced in Budget 2020, effective from Jan 1 to Dec 31 next year, will not cover new projects that are yet to be launched.

"Existing units that have not been sold are the residential units that do



Future forward: Dr Mahathir being briefed by Lembaga Pembangunan Langkawi's Geopark Division manager Azmil Munif Mohd Bokhari (right) during the Langkawi Development Talk at the Kompleks LADA. — Bernama

not interest local buyers. Hence, the relaxation in the form of lower foreign buying threshold for condominiums and apartments will not deny the rights of local buyers," he said in a statement yesterday.

Lim said the move was expected to benefit the property sector without being detrimental to Malaysians' interest.

"Local buyers who wish to buy are not being denied their rights,

they can buy now and the units will not remain as unsold properties," he said.

He explained that the proposal was made to reduce the supply overhang in condominiums and apartments amounting to RM8.3bil as at the second quarter of 2019.

"If the units are able to be sold, it will produce a direct spillover effect on the country's economy," he said.

— Bernama