

PM: Higher land prices lead to higher property prices

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new projects.

KUALA LUMPUR: A higher price can be offered to Kampung Baru landowners but the properties developed there will eventually escalate to seemingly unaffordable levels, says Tun Dr Mahathir Mohamad.

The Prime Minister said higher land prices would lead to higher property prices that might be out of reach for many Malays.

“The current market price outside of Kampung Baru can reach up to RM7,000 psf (per square foot).

“If we followed that, many Malays would not be able afford to buy a property there. That is why a special price is offered,” he said at a press conference after officiating at the International Medical Device Conference and Malaysia Medical Device Expo.

Recently, the government offered to buy Kg Baru land at RM850 psf in an effort to redevelop the area but many landowners there considered it to be too low.

Separately, Dr Mahathir said reducing the minimum property price for foreign buyers to RM600,000 as tabled in Budget 2020 was to help reduce the property overhang in the country.



“A property overhang can result in a crisis which has happened in Hong Kong and Tokyo before and therefore we need to get rid of the overhang so that the property market will be healthy again,” he said.

Dr Mahathir admitted that he was critical of foreigners owning a

luxury property in the past but he said the situation was different now.

“Forest City is different. It is a very luxurious development that Malaysians cannot afford to buy.

“Here, Malaysians can buy and help reduce the overhang but since

Taking a tough stance:

Dr Mahathir addressing the press after officiating at the Malaysia Medical Device Expo 2019 and International Medical Device Conference in Kuala Lumpur. With him are Health Minister Datuk Seri Dr Dzulkefly Ahmad (left) and Health director-general Datuk Dr Noor Hisham Abdullah.

there are not enough buyers, we need to sell them otherwise developers will get into trouble,” he said.

Finance Minister Lim Guan Eng was recently reported clarifying that the reduced price for foreigners only applied to existing unsold condominium units and not for

On another issue, Dr Mahathir said it was fine for Penang Deputy Chief Minister II P. Ramasamy to feel unsatisfied with the Security Offences (Special Measures) Act (Sosma) 2012 to be used on 12 people with alleged links to the Liberation Tigers of Tamil Eelam (LTTE).

“The situation is different now. Police don’t simply arrest people. There must be a reason for it and I have heard their explanation and I am satisfied. If he isn’t satisfied, that’s alright,” he said.

Ramasamy earlier said the arrest of 12 people, including two DAP assemblymen – Seremban Jaya’s P. Gunasekaran and Gadek’s G. Saminathan – under Sosma was a hard pill to swallow as Pakatan had been critical of draconian laws and vowed to repeal them.

Ramasamy also said that Dr Mahathir’s stand went against Pakatan’s promises.

Watch the video
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