



AN AFFORDABLE HOUSING REFORM: PRESSING NECESSITY FOR NEW MALAYSIA

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**Constructing & Financing Affordable Housing Across Asia
Conference**

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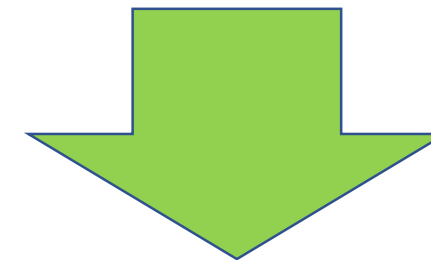


**HOUSING
AFFORDABILITY:
PRIORITY IN THE DEVELOPMENT AGENDAS**

OVER POPULATION

More than 1.6 billion of people all over the globe face the problem of inadequate housing and lack suitable homes (Habitat, 2016)

- lack of secure, adequate and affordable housing,
- forced to live in slums or even homeless,
- low-quality housing,
- overcrowded dwellings;
- lacking access to adequate water and sanitation, amenities and transportations



Government Roles

- Access to good quality affordable housing
- inclusive housing policies

WHAT IS AFFORDABLE HOUSE?

United Nations Human Settlement Programme (2011): defined as homes that meet the quality and location; and home buyers still have the financial capability to buy other basic needs. Based on the Multiple Median approach, a home is considered affordable if the median home price is less than **3 times the median household annual income**.

Malaysia:

Median Average household income: **RM5,228.00**

Annual Median Average Household Income: **RM188,208.00** (5,228*12*3)

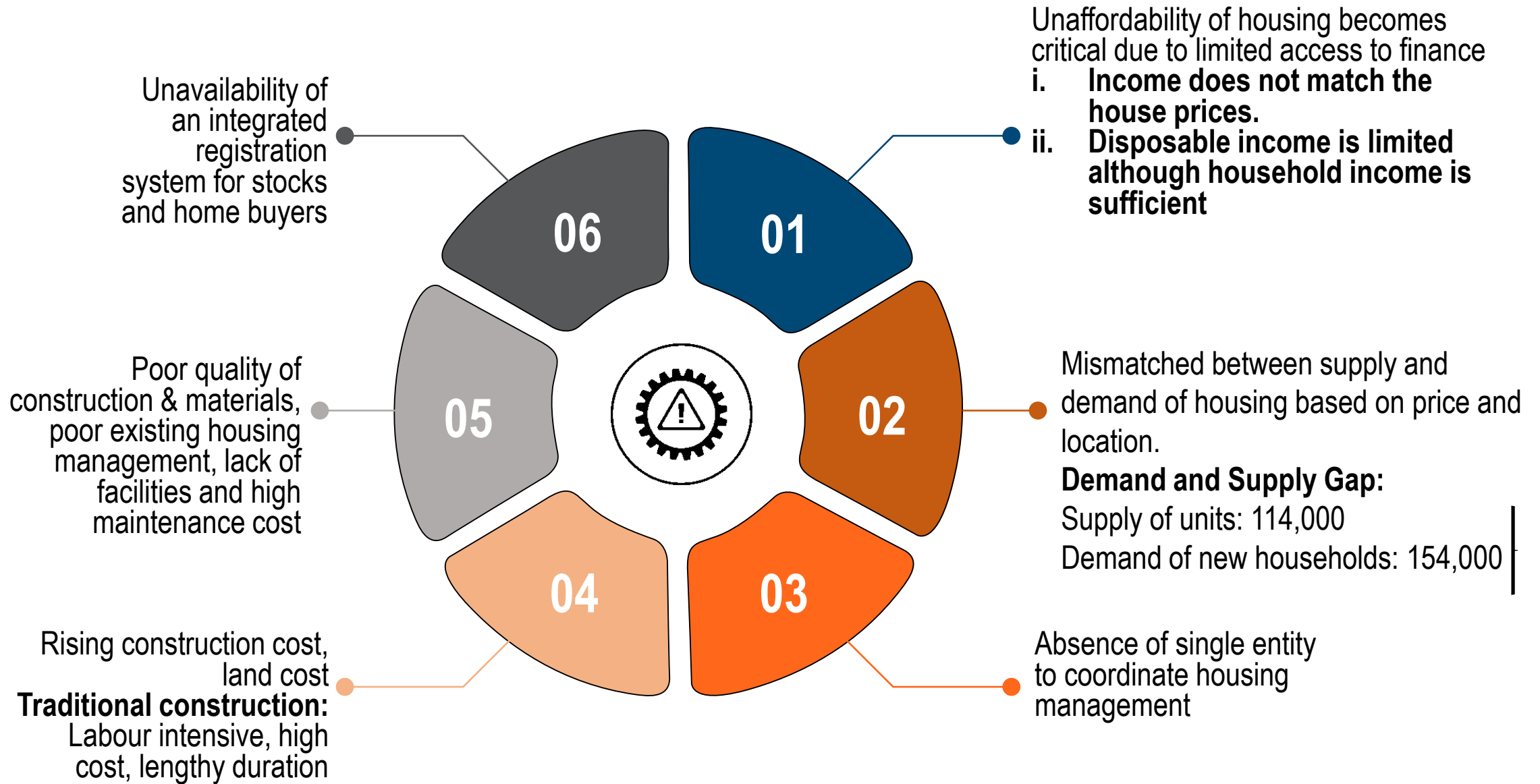
Average market price of all homes (1st quarter 2018) : **RM372, 801.00**

Median Multiple Index : 5.0 (Seriously Unaffordable)

(372,801/12/5,228 = 5 years and 9 months)



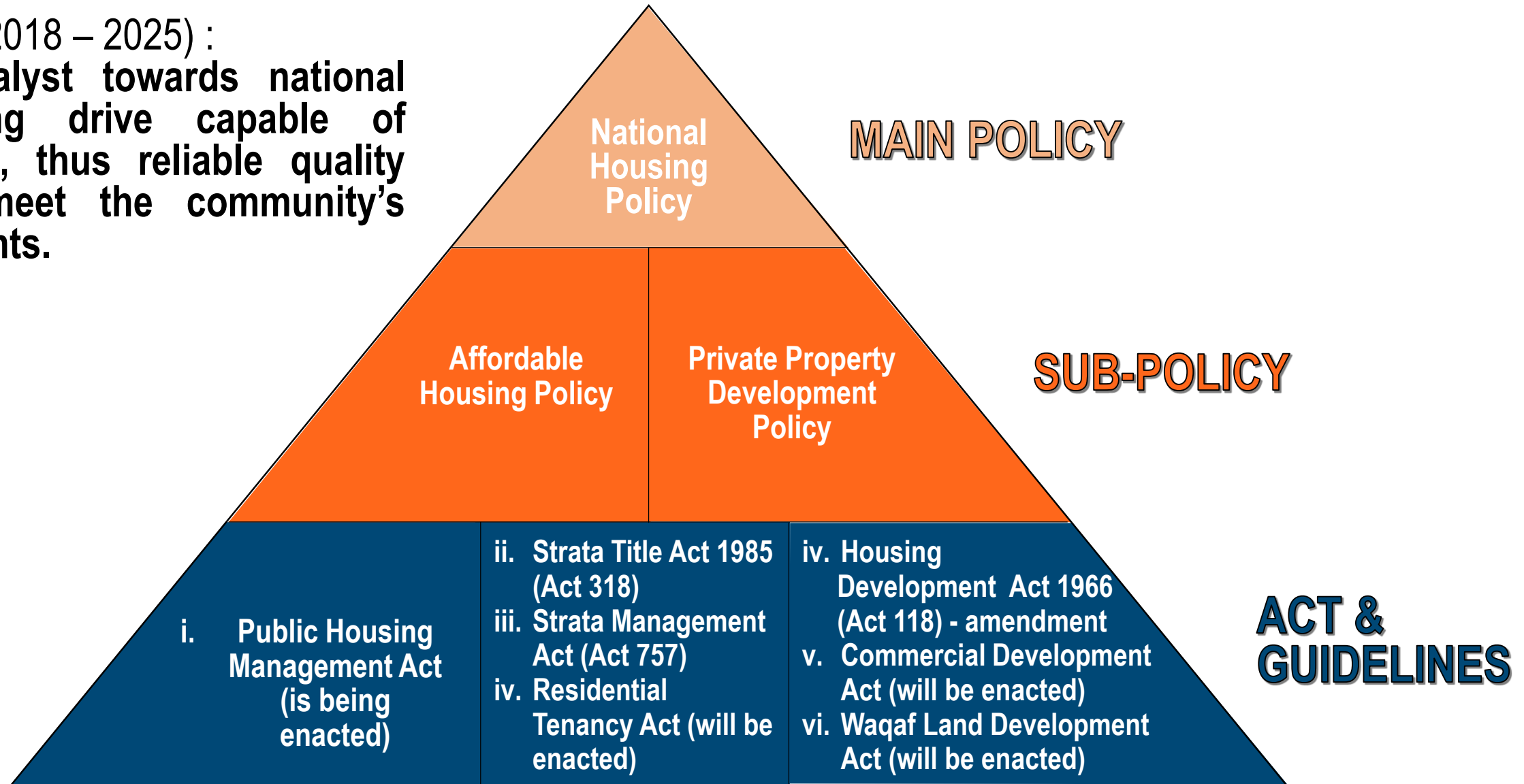
AFFORDABLE HOUSING: ISSUES AND CHALLENGES





NATIONAL HOUSING POLICY (2018 – 2025)

NHP (2018 – 2025) :
A catalyst towards national housing drive capable of owned, thus reliable quality and meet the community's elements.



5 FOCUS, **16** STRATEGIES, **57** ACTION PLANS

IMPROVING
ACCESSIBILITY AND
AFFORDABILITY OF
HOUSING



IMPROVING
HOUSING AND
TRANSPORTATION
COORDINATION
FOR BETTER
QUALITY OF LIFE



FOCUS 1

FOCUS 2

FOCUS 3

FOCUS 4

FOCUS 5

STRATEGY



ENSURING GOOD
QUALITY HOUSING
FOR ALL

STRATEGY



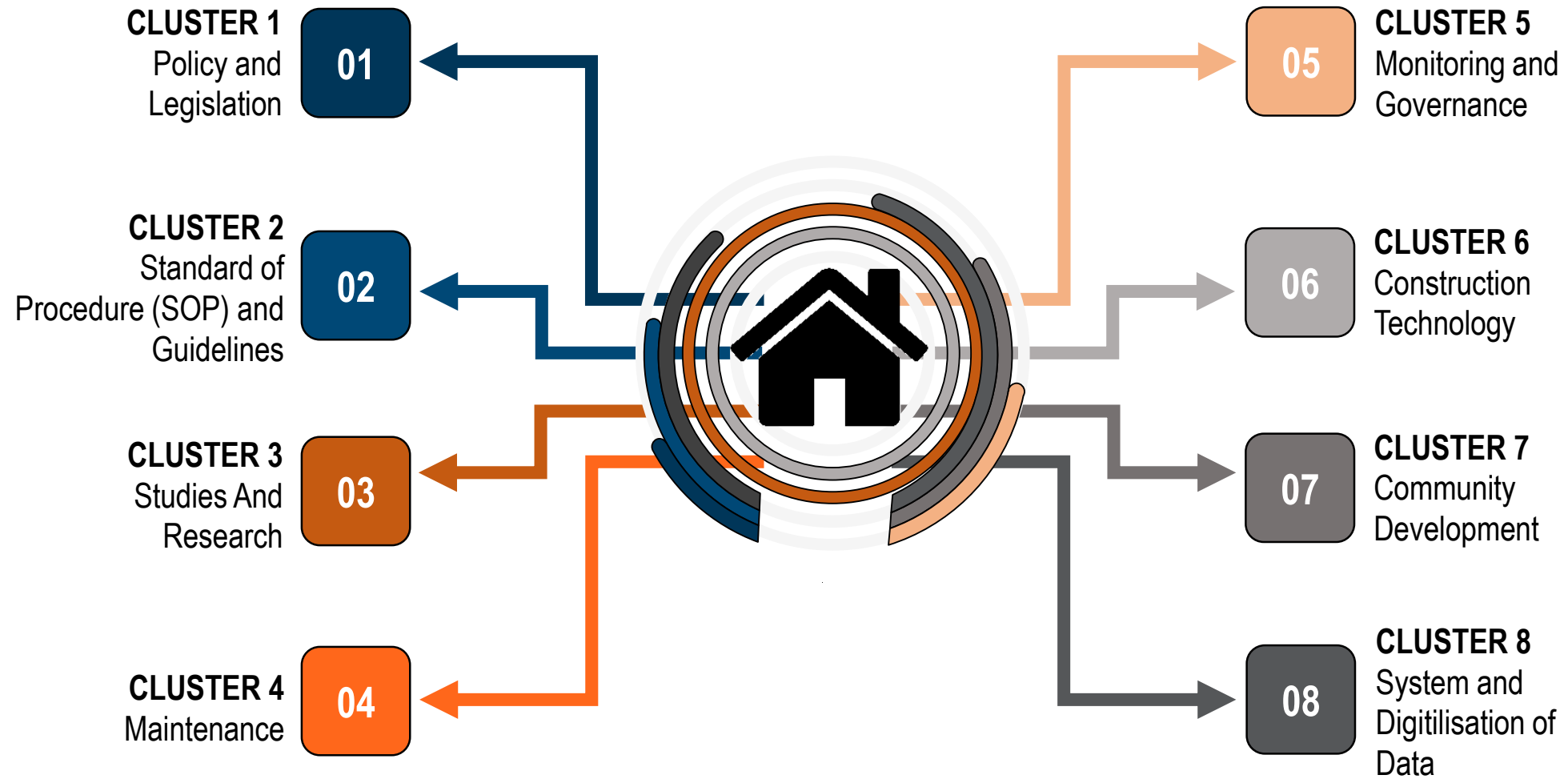
ENSURING QUALITY
AND COHESIVE
NEIGHBOURHOODS

STRATEGY



STRENGTHENING
INSTITUTIONAL
CAPABILITIES TO
DELIVER NHP
(2018 – 2025)

CLUSTER OF DRN (2018–2025)





GOVERNMENT INITIATIVES

WAY FORWARD ON HOUSING

WAY FORWARD

1 PLANNING

- 01 New Single Entity
- 02 Land Management
 - FLC
 - State Government
 - Individual
- 03 Integrated Database System
- 04 AH and PH Mapping
- 05 Quality Housing Standard (National Housing Standard)
- 06 Commercial Development (Commercial Act) research
- 07 Wakaf Land Development Act research
- 08 118 Act
 - Conventional
 - Syariah'
 - RTO

2 DEVELOPMENT

- 01 Development Coordination of 1 Mill. AH
 - Federal
 - State
 - Private
- 02 Housing Development
 - AH
 - Public
- 03 Cost Effective, 'JIT' and Quality:
 - Construction Cost-Standard Design Technology
 - Compliance Cost / Utility Charge

3 OWNERSHIP/ RENTAL

- 01 Financing Scheme (Ownership)
 - Depositku
 - Flexi Financing Scheme
 - Subsidy Scheme
 - Cagamas Berhad Guarantee
 - Top-up Fund
 - Fundmyhome (Crowdfunding)
- 02 Rent-To-Own (Ijarah)
- 03 Rental (Residential Tenancy Act)
- 04 Built-To-Rent

4 HOUSING CYCLE

- 01 Community Management
- 02 Maintenance & Management
- 03 Redevelopment

5 MONITORING

- 01 National Affordable Housing Council (MPMMN)
- 02 Monitoring & Coordination of 1 Million AH Steering Committee
- 03 National Housing Policy (DRN) Monitoring Committee
- 04 Cost of Living Council
 - Housing Committee Meeting

6 POST DEVELOPMENT

- 01 National Housing Research
- 02 Housing Outcome Research
- 03 Non-Citizen House Ownership

CONTROL AND ENFORCEMENT

01 NATIONAL LAND CODE (ACT 56)

03 ACT 133

05 ACT 318

07 ACT 739 (PR1MA ACT)

10 RESIDENTIAL TENANCY ACT

02 ACT 118

04 ACT 172

06 ACT 757

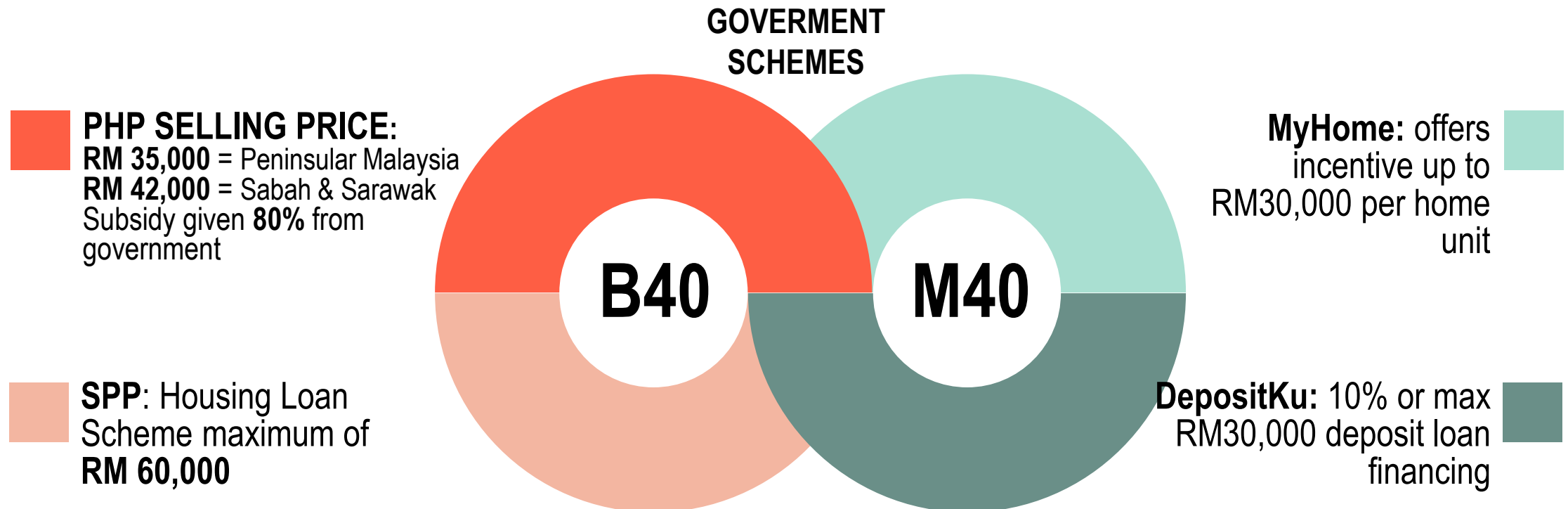
08 ACT 3P

11 COMMERCIAL DEVELOPMENT ACT

09 WAKAF LAND DEVELOPMENT ACT

RM1 Billion Dana Scheme by Bank Negara (2019 Budget):

- Targeting B40 with household income under RM2,300
- Financing house price RM150,000 and below
- Interest capped at 3.5%
- AmBank, CIMB, Maybank, RHB and BSN



Thank you