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ROYAL CITY COUNCIL



# UNECE HOUSING AFFORDABILITY

“AFFORDABLE HOUSING IN KLANG”



NORAINI ROSLAN  
MAYOR OF KLANG, MALAYSIA

# MALAYSIA'S NATIONAL HOUSING POLICY

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➤ THE NATIONAL HOUSING POLICY 2018-2025 AIMS TO DRIVE THE COUNTRY'S HOUSING SECTOR BY EMPHASISING THE PLANNING, DEVELOPMENT, AND MANAGEMENT OF HOUSING THAT IS SYSTEMATIC, QUALITY, INCLUSIVE, AND AFFORDABLE FOR THE PEOPLE.

➤ THE MAIN GOAL OF THIS POLICY IS TO:

Ensuring Quality Housing for All

Improving Accessibility and Homeownership

Ensuring Quality and Cohesive Neighborhoods

Improving Coordination between Housing and Transportation

Strengthening Institutional Capabilities

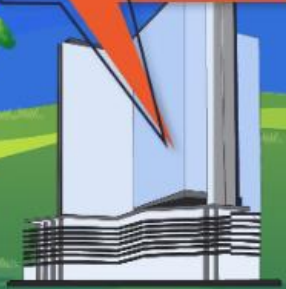


MALAYSIA'S NATIONAL  
HOUSING POLICY

➤ THESE STATISTICS ILLUSTRATE THE MAJOR CHALLENGES IN THE COUNTRY'S HOUSING MARKET, ESPECIALLY IN TERMS OF AFFORDABILITY AND COST BURDEN FOR THE LOW- AND MIDDLE-INCOME GROUPS.

## M40, B40 AFFORDABLE HOUSING IN FEDERAL TERRITORIES

RESIDENSI WILAYAH KELUARGA MALAYSIA



HOME OWNERSHIP PROGRAMME (HOPE)



COUNCIL HOME



- To help the M40 own homes
- 67,944 units involving 104 projects approved to be built as of May 2022:

Kuala Lumpur

97 projects

Putrajaya

3 projects

Labuan

4 projects

- Introduced by the Housing & Local Government Ministry
- Will provide:

Housing



Financing



- Will help B40 city dwellers to rent as transit before purchasing own house
- Introduced by the Federal Territories Ministry

- Aims to build 5,000 units between 2022 - 2027

As of April 2022:

10 sites

have been recognised

1,251 units

already built in Sungai Udang, Segambut in Kuala Lumpur

M40 - Lower middle-income group

B40 - Low-income group

### Stage of Owning a House

- Home ownership decreased from 4.1 (2002) to 5.1 (2014), but increased slightly to 5.0 in 2016. It is still categorized as "highly unaffordable," where MM3.0 and below is considered affordable.

### Increase in House Prices

- In 2016, house prices were 2.4 times higher than in 2000. Home prices increased at a rate of 26.5% CAGR between 2002 and 2014, whereas income only increased by 11.7% during the same period.

### People's Housing Program (PPR)

- From 1998 to 2016, a total of 102,630 units of PPR houses have been completed by the government. The number of squatter households decreased from 571,261 (1999) to just 52,503 in June 2018.

- MALAYSIAN PEOPLE'S HOUSING REFERS TO VARIOUS INITIATIVES AND PROGRAMMES INTRODUCED BY THE MALAYSIAN GOVERNMENT TO HELP THE LOW- AND MIDDLE-INCOME GROUP TO OWN OR RENT A HOUSE.
- AMONG THE MAIN SCHEMES ARE:

**MALAYSIA HOUSING SCHEMES**

**PROGRAM PERUMAHAN RAKYAT (PPR)  
PEOPLE'S HOUSING PROGRAM**

**SKIM RUMAH PERTAMAKU (SRP)  
MY FIRST HOME SCHEME**

**RUMAH MAMPU MILIK (RMM)  
AFFORDABLE HOMES**

**SKIM MYHOME**

**PERUMAHAN PENJAWAT AWAM 1MALAYSIA (PPA1M)  
1MALAYSIA CIVIL SERVANT HOUSING**

**SKIM JAMINAN KREDIT PERUMAHAN (SJKP)  
HOUSING CREDIT GUARANTEE SCHEME**





**RUMAH**  
**selangorku**

# SELANGOR'S HOUSING POLICY

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➤ THE SELANGOR STATE AFFORDABLE HOUSING POLICY OR RUMAH SELANGORKU 3.0 WAS INTRODUCED THROUGH THE *PEKELILING LEMBAGA PERUMAHAN DAN HARTANAH SELANGOR BILANGAN. 1/2023*. THIS POLICY AIMS TO ENSURE THAT EVERY CITIZEN OR FAMILY IN SELANGOR HAS A COMFORTABLE, SAFE, AND EASY-TO-MAINTAIN HOME.

➤ THE MAIN GOAL OF THIS POLICY IS TO:



**FORMER SELANGOR STATE EXCO FOR HOUSING, URBAN WELLBEING AND ENTREPRENEUR DEVELOPMENT RODZIAH ISMAIL SHOW THE SELANGOR STATE AFFORDABLE HOUSING POLICY BOOK RUMAH SELANGORKU 3.0**

**Development Zone:** Four development zones, namely High-Density Areas (Zone 1), Urban Areas (Zone 2), Suburban Areas (Zone 3), and Rural Areas (Zone 4). Each zone has different requirements for the provision of affordable housing.

**Percentage of House Preparation:** For developments under Rumah Selangorku, the percentage of houses that need to be provided depends on the size of the development land and the zones involved.

**Maximum Development Density:** The maximum density of development is 120 units per acre, however additional density can be considered for mixed projects that have components of Rumah Selangorku and free-cost houses.

**House Types and Prices:** Rumah Selangorku 3.0 provides several types of houses such as SOLO, DUO, TRIO, and QUAD, with areas ranging from 450 sq ft (SOLO) to 900 sq ft (QUAD). The selling price starts from RM114,750 to RM250,000, depending on the type of house.

**Price and Sales Control:** Developers must obtain LPHS confirmation regarding the sale price before advertising and sale, and the selection of buyers must be through the Selangor State Property Registration System (SPHNS).

# COUNCIL HOMES

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## SELANGOR DARUL EHSAN



➤ COUNCIL HOMES IS A HOUSING INITIATIVE BY THE SELANGOR GOVERNMENT THAT OFFERS LOW-COST RENTAL HOUSES TO THE LOW-INCOME GROUP, ESPECIALLY THE B40. THE MAIN GOAL IS TO PROVIDE AFFORDABLE HOUSING FOR THOSE WHO CANNOT AFFORD TO OWN THEIR OWN HOME. THE PROJECT IS MANAGED BY THE LOCAL AUTHORITY (PBT) AND AIMS TO REDUCE HOUSING PROBLEMS FOR THE VULNERABLE.

### ➤ COUNCIL HOMES' GOALS IN SELANGOR ARE TO:

**Providing affordable housing:** This initiative aims to help the low-income group (B40) who cannot afford to buy a house, by providing affordable housing options through the rental system.

**Reducing housing problems:** By increasing access to low-cost housing, Council Homes is helping to address the issue of housing shortages among residents in need, especially in urban areas.

**Improving social well-being:** Council Homes ensures that every individual and family, especially those with low incomes, can live in comfortable and safe homes, and supports better community development.

**Stabilising the cost of living:** By offering low-rate rents, this initiative aims to reduce the burden of housing costs which is often a major challenge for the B40 group



# HOUSING DEMAND AND SUPPLY IN SELANGOR 2023 - 2024

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- THE HOUSING MARKET IN SELANGOR IS EXPERIENCING DYNAMIC SHIFTS IN DEMAND AND SUPPLY. AS OF EARLY 2024, DEMAND SIGNIFICANTLY EXCEEDS SUPPLY, HIGHLIGHTING THE CHALLENGES IN THE MARKET.

## DEMAND STATISTICS

- 83,603 applications for Rumah Selangorku housing scheme.
- Demand outstrips supply with only 50,036 residential units available.

## SUPPLY STATISTICS

- 14,392 new housing units launched in the first half of 2023.
- 11,273 units sold, indicating a recovery in the market.
- 25,311 completed unsold units reflecting affordability issues.

## RENTAL MARKET TRENDS

- Rental demand decreased by 6.3% due to rising prices.
- Many are opting to stay with family rather than renting due to high costs.

- THE SELANGOR HOUSING MARKET SHOWS SIGNS OF RECOVERY BUT FACES CHALLENGES SUCH AS HIGH DEMAND, ELEVATED INTEREST RATES, AND THE NEED FOR AFFORDABLE HOUSING SOLUTIONS.



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# THANK YOU

BY  
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