

## **PRESS STATEMENT**

**Petaling Jaya, 15 January 2010**

### **Government to Review the Threshold for Foreign Property Acquisition**

Following the announcement made by the Economic Planning Unit (EPU) on the new FIC guideline which came into effect on 1 January 2010, President of REHDA Malaysia, Datuk Ng Seing Liong, JP expressed his concern that the new FIC Guideline which have increased the minimum price for residential property acquisition by foreigners to RM500,000 and above will only deter foreign investment into the country.

“We are concern that the restriction might impact residential property acquisition amongst foreigners in the country as the number of properties priced above RM500,000 in the market especially outside the Klang Valley areas are limited. The ruling maybe applicable for properties in Kuala Lumpur areas, but we should also consider looking at other states with lesser price range.” said Datuk Ng. “This is definitely not the right time to restrict the price of property value to be purchased by foreigners. The previous minimum threshold at RM250,000 is already a fair and affordable price especially during this softening global economy period .” state Datuk Ng.

He added that foreign property investors are attracted to invest in Malaysia due to the fact that Malaysian house prices are one of the lowest in the region. If the value of foreign property acquisition were to be increased, the impact to the local property market could be detrimental. He pleads the Government to maintain the residential property acquisition for foreigners at RM250,000 as practised previously. It will not only help to spur Malaysia as an international property investment destination especially the Malaysia My Second Home Programme, but it will also stimulate the property sector on a wider scale.

Issued by:

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