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**THE EFFECTIVENESS OF AFFORDABLE HOUSING SCHEME IN
MALAYSIA**

CASE STUDY: JOHOR BAHRU

**Academic Project Submitted in Partial Fulfilment of the Requirements
for the award of the Degree
Bachelor of Estate Management (Hons)**

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ABSTRACT

This research aims to study the effectiveness of affordable housing scheme in Malaysia that was introduced by the government as there are issues arise regarding the topic such as the quality of the property, the prices, the maintenance and others. The objectives are 1. To investigate the issues that arise from the affordable housing scheme; 2. To identify the element for improvement of affordable housing scheme in future; 3. To propose initiatives and recommendation to reduce issues that regularly arise. The issues arise has raised questions about the effectiveness of the affordable housing scheme. The government has introduced Rancangan Malaysia ke-12 (RMK12) and is stated that; 1. The government will be focusing to improve the access of people to affordable house; 2. Increase the supply of affordable homes to Sasar Groups; 3. Improving the access in home financing; 4. Managing the cost of building a house; 5. Utilizing the land owned by the government and waqf land. 100 respondents were given a questionnaire as part of the primary data collection and the questionnaire were distributed in Johor Bahru because it is one of the busiest town and high cost of living. Half of the respondents were from the residents of strata building affordable house while the other half were from landed building affordable house. Findings of this study were concluded that the affordable housing scheme is not yet succeeded their main objective because most of the respondents were feeling unsatisfied with the price which means the affordable home are not affordable yet for them. Further research should be made for each state in Malaysia and a comparison of each state can be made.

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TABLE OF CONTENT

CHAPTER 1	RESEARCH BACKGROUND	PAGE
	1.1 Research Title	1
	1.2 Research Background	1-2
	1.3 Problem Statement	2-3
	1.4 Research Aim, Question and Objective	3
	1.5 Scope of Study	3
	1.6 Limitation of Study	4
	1.7 Significant of Study	4-5
	1.8 Research Methodology	5
	1.9 Summary of Chapter	5
CHAPTER 2	LITERATURE REVIEW	
	2.1 Introduction	6-7
	2.2 Definition	7-8
	2.2.1 Definition of Effectiveness	
	2.2.2 Definition Affordable Housing in Malaysia	
	2.3 Income Group in Malaysia	8-10
	2.3.1 B40	
	2.3.2 M40	
	2.3.3 T20	

CHAPTER 1

RESEARCH BACKGROUND

1.1 Research Title

The Effectiveness of Affordable Housing Scheme in Malaysia

1.2 Research Background

Malaysia is recognized as one of the fastest developing countries. However, The country's development was not going along with the minimum wage income. This issue has been a burden for many people in Malaysia especially for those lower incomes and who has lots of commitments. There are many people still do not own a property because they are still struggling to live as they need to arrange their money for daily needs, emergencies, bills and commitments. Until now, there are some people think that it might be impossible for them to own a property because the property prices are high. In addition, there are some people who are still renting a house for living even though they are at their elderly age which shows how difficult it is for someone to own a property in Malaysia.

Malaysian citizens are categorised into three groups according to their median income of household which are B40, M40 and T20. B40 groups means the household income is among Bottom 40%, and also known as the low-income group