



اٰنۡزِلۡنَا سُوۡرَةَ التَّوۡحِيۡدِ اٰنۡزِلۡنَا سُوۡرَةَ التَّوۡحِيۡدِ
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**FACTORS INFLUENCING INTENTION TO USE DIMINISHING
PARTNERSHIP HOME FINANCING**

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ABSTRACT

Diminishing partnership or *Musharakah Mutanaqisah* is the combination of the concepts of joint ownership and leasing. For example, in the context of home financing; first of all, the customer will enter into a partnership under the concept of joint ownership (*Shirkah al-Milk*) agreement with the bank. Then, the bank will lease the house to the customer under the concept of leasing (*al-Ijarah*). Diminishing partnership or *Musharakah Mutanaqisah* is the new concept introduced by Islamic banking industry for home financing contract as an alternative of the deferred payment sale (*Bai' Bithaman Ajil*) contract since *Bai' Bithaman Ajil* arises many arguments by *shariah* scholars on how its contract looks so much like conventional loan and seen as back door *riba*. This study attempts to examine the acceptance level of a new Islamic home financing concept, diminishing partnership (DP), by consumers in Malaysia using the theory of reasoned action as the guiding principle. Data for this study were collected by means of a self-administered survey conducted on 100 post graduate students from Universiti Sains Malaysia (USM). Methodology used for this study is by using cross-sectional data that were collected through a survey and analyzed by means of factor analysis, correlation and regression analysis.

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