Providing a Holistic Housing Solution and Ecosystem Beyond Just Brick and Mortar

Submitted By: Perbadanan PR1MA Malaysia



Organization Profile

Organization Name: Perbadanan PR1MA Malaysia (PR1MA)

Organization Type: National government

Website: https://www.pr1ma.my/

Practice Details

Country(ies): Malaysia

City(ies): Selangor

Start Year: 2012 **Ongoing:** Yes **End Year:** N/A

Main Adequate Housing Components:



Housing Thematic Areas:

- Housing Affordability & Financing
- Housing, Land & Spatial Planning
- Housing Policy, Legislation & Governance
- Housing Data & Monitoring

Relevant SDGs:



UN-HABITAT

Problem & Context

Across Asia, homeownership is both a basic need and a key tool for wealth and nation-building. In Malaysia, it carries strong cultural meaning, tied to profit speculation and family values. Yet, affordable housing remains out of reach due to rapid urban migration, limited infrastructure, and land speculation that distorts prices and supply.

These challenges reveal gaps in existing policy. Without coordinated intervention, housing affordability will remain constrained. Unlocking strategically located state land can reduce development costs, but fragmented governance weakens delivery.

A centralized agency with clear authority is required to coordinate affordable housing, bridge public interest and private sector efficiency, and operate across both policy and commercial settings to ensure long-term affordability.

Solution Developed

Established under the Perumahan Rakyat 1Malaysia Act 2012, PR1MA was mandated to close Malaysia's housing affordability gap, focusing on the middle-income (M40) group. The Act empowers PR1MA to plan, develop, construct, sell, and maintain quality homes, with a national target of 500,000 units. Eligible beneficiaries are Malaysians aged 18 and above, purchasing their first or second home, with household incomes between RM2,500–RM15,000. As a not for profit entity, PR1MA delivers homes below market price, calibrated to local affordability levels. Beyond housing provision, its projects adopt a community-centric approach with facilities such as multipurpose halls and kindergartens, fostering connected and resilient neighborhoods. This holistic model positions PR1MA as more than a housing provider, but as a platform for social well-being. Its efforts also align with Malaysia's national commitments to ESG principles and the Sustainable Development Goals (SDG).

Implementation

Aligned with principles of affordability and sustainable neighborhoods, PR1MA homes are designed with a minimum of 900 square feet, three bedrooms, and two bathrooms to ensure comfort, functionality, and suitability for families. All homes are broadband-ready and within gated, guarded communities to enhance digital access and security. To ensure consistency, the PR1MA Project Brief sets standards for design, materials, technical specifications, and technological solutions. For faster and higher-quality delivery, PR1MA adopts the Industrialised Building System (IBS). Implementation is anchored by a holistic business model and proactive stakeholder engagement. Federal, State, and Local Governments play key roles in planning, regulatory compliance, and streamlined approvals. PR1MA secures land and regulatory clearances as a conduit between public needs and private sector efficiency. Developments are strategically located near infrastructure, transport nodes, and public facilities to lower costs and living expenses. Partnerships across agencies, private developers, and suppliers allow

economies of scale, while prioritizing large land tracts creates synergy with state housing programs and long-term affordability goals.

Enablers & Obstacles

PR1MA's success is driven by strong federal support that prioritizes housing, while State Governments play a pivotal role as land matters fall under their jurisdiction. Local Authorities influence timelines through their power to expedite or delay approvals. The participation of developers, contractors, and consultants provides essential expertise for quality delivery. However, affordability is challenged by rising land costs, infrastructure gaps, and difficult terrain. Discerning buyers also demand higher value and quality, which often requires investment beyond the ceiling price. Resource and funding constraints remain a key obstacle, but sustained financing not only enables delivery of affordable homes, it also multiplies economic impact by supporting industry players and strengthening overall resilience.

Results & Impact

Despite operational and economic pressures, PR1MA has remained steadfast in fulfilling its mandate. As of August 2025, it has completed 66 projects nationwide, delivering 43,812 units, with an active pipeline of over 10,000 more. Sales and occupancy rates continue to grow, with more than 45,000 units sold and a steady annual rate of move-in. To date, PR1MA has enabled 80,000 families to thrive in well-planned, community-centric neighborhoods, proving that its role extends beyond transactions to creating livable spaces.

PR1MA commitment to quality is evident in its adoption of the Construction Industry Development Board's Quality Assessment System in Construction (QLASSIC), achieving 82% scores in Residensi Brickfields and Menggatal are among the highest for affordable housing. Beyond physical delivery, PR1MA emphasizes long-term community integration. Facilities management ensures proper maintenance and operations post-handover, while wellness activities and festive events promote social bonds. Collectively, these efforts demonstrate PR1MA's impact not only on housing affordability but also on community resilience, economic participation, and the broader goals of sustainable urban development.

Replication & Scale Up

PR1MA Homes program is replicable in other regions as a government intervention to close market gaps where private developers face pricing and cost challenges. It enables targeted housing supply when demand exists but economics are misaligned. The program also fosters technology adoption and builds delivery partners while reducing risks for contractors through assured demand, allowing focus on quality. To succeed, government must unlock land, improve infrastructure, and provide capital support to keep costs controlled.

PR1MA model is scalable through a hybrid strategy that combines land optimization, strategic partnerships, and accelerated timelines, proving affordable housing can align with quality and social needs. Its success depends on strong federal support, including land access, incentives, and alignment with housing policies as reflected in PR1MA Act 2012. Complementary measures like end-financing and Rent-to-Own also expand ownership opportunities. With adaptive localization, PR1MA offers a replicable blueprint for inclusive urbanization and SDG 11.

Policy Uptake

This housing practice has been fully adopted into formal policy frameworks and legislation, and is being implemented at scale with institutional support.

PR1MA housing programme is governed within Malaysia's legislative and policy framework through the Perumahan Rakyat 1Malaysia Act 2012. This Act provides the legal foundation for the establishment, governance, and execution of PR1MA mandate to plan, develop, construct, and maintain affordable housing for M40 group. As a Government Agency, PR1MA reports directly to the Ministry of Housing and Local Government which objective is also to ensure provision of adequate, quality and affordable housing. Hence, obtaining strong support from the Federal Government and the agencies within the Ministry.

Lessons & Takeaways

PR1MA plays significant role in narrowing Malaysia M40 housing gap. As housing is a fundamental block for sustainable urban development, it is critical to ensure strong government support to help reduce development costs which lowers selling price without compromising quality. Coordinated support across the governments allow the houses to go beyond shelter but incorporate value for money and community elements, ensuring homes to be more than brick and mortar. Moving forward, replicability of PR1MA in other regions or countries hinges on principle of sustainable, affordable, and inclusiveness.