Ijarah Mausufah Fi Zimmah Islamic Home Finance In Dealing With Abandoned Housing Projects In Malaysia: Features, Issues, And Prospects

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Islamic Home Finance in Malaysia
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Housing purchase in Malaysia
Abandoned Housing Projects
Objectives

- To study the terms in Ijarah Mausufah Fi Zimmah (IMFZ) of Kuwait Finance House (KFH)
- To study the issues in IMFZ in face of the problems of abandoned housing projects.
- To propose improvement in the terms of IMFZ in face of the problems of abandoned housing projects.
Features of IMFZ

- Purchaser buys a property together with the finance of the bank
- Purchaser sells the property to the bank
- Bank leases the property to the purchaser
- Profit margin
- Responsibility and liability
- Abandoned housing project?
- Bank will refund all moneys (all lease moneys paid) received if CCC is not obtained for the purported property.
- No term on the rehabilitation and compensation on abandonment.
Recommendations and conclusion

- Impose mandatory full build then sell
- Housing development insurance
- Shariah Advisory Council and Shariah Advisory Committee must contain representatives from Consumers’ Associations.
Thank you