



YOUTH HOMEOWNERSHIP READINESS AND ACCESS TO GOVERNMENT HOUSING PROGRAMMES IN MALAYSIA

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Abstract

This study examines factors associated with homeownership readiness among young adults in selected urban areas of Malaysia, focusing on perceived homeownership barriers, financial capacity and access to government housing programmes. A quantitative cross-sectional research design was adopted using a structured questionnaire, with 551 valid responses collected. Descriptive statistics, reliability and factorability analysis, and multinomial logistic regression were employed. Among the 235 non-homeowners, only 21.7% intended to purchase a house within the next five years, while 57.4% had no intention and 20.9% were uncertain. Deposit requirements, location and house price emerged as the most prominent perceived barriers. The six barrier items demonstrated strong internal consistency and were consolidated into a Perceived Homeownership Barriers (PHB) construct. However, PHB was not statistically significant in explaining homeownership intention after controlling for age, monthly income and residential location. Monthly income showed significant associations, particularly between respondents with no purchase intention and those who were uncertain. Although awareness of government housing programmes was high at 86.2%, financial requirements, house prices, financing limitations and insufficient programme information remained prominent challenges. The findings highlight the importance of improving affordability, financing accessibility, information clarity and housing suitability to strengthen youth homeownership readiness.

Keywords: Youth Homeownership, Homeownership Readiness, Perceived Homeownership Barriers, Financial Capacity, and Government Housing Programmes.

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INTRODUCTION

Homeownership is important for socio-economic stability and long-term financial security. However, youth homeownership in Malaysia, particularly in the Klang Valley, is increasingly challenged by rising house prices, slow income growth, and financing difficulties. Although the government has introduced programmes such as *Skim Rumah Pertamaku* and other affordable housing initiatives, homeownership among youths remains relatively low. Therefore, this study examines the challenges affecting youth homeownership and evaluates their perceptions of government housing programmes in the Klang Valley of government housing programmes from the perspective of urban youth.

Housing affordability is a major socio-economic issue in Malaysia, particularly in the Klang Valley, where house prices have increased faster than income, reducing young adults' purchasing power (Muhammad Nazhan Kamaruzuki & Mohd Amirul Rafiq Abu Rahim, 2024). High living costs, including rent, transportation, and daily expenses, further limit youths' ability to save for homeownership (Norazmawati Md. Sani & Nurul Shafiqah Mohd Nori, 2021). In addition, mortgage requirements such as Debt Service Ratio (DSR) and credit assessments may restrict access to housing finance. According to Institute for Youth Research Malaysia (IYRES, 2022), the growing gap between house prices and wage growth has created significant affordability challenges among young working adults. Although government initiatives such as *Skim Rumah Pertamaku* aim to reduce these barriers, challenges remain. Therefore, youth homeownership should be examined through factors such as house prices, income, cost of living, financing requirements, and government housing programmes.

Despite continuous government intervention through affordable housing Youth homeownership in the Klang Valley remains challenging despite government affordable housing initiatives. The main issue is the growing gap between house prices and income, which reduces the purchasing power of young adults and delays homeownership (Mohd Sahrul Syukri, 2024). In addition, rising living costs such as rent, transportation, food, and utilities reduce youths' ability to save for down payments and other housing costs (Lim H. & Abdul Malek M., 2021). Furthermore, strict housing loan requirements, including Debt Service Ratio (DSR), credit scoring, and repayment assessments, may limit access to financing, particularly for young borrowers with existing financial commitments or limited credit history (Ismail N. et al., 2021). The divergence between income growth and house prices also contributes to delayed ownership and reduced opportunities for long-term wealth accumulation (Yaacob R. & Mohd Noor N., 2023).

Although government housing programmes such as *Skim Rumah Pertamaku* are intended to assist first-time homebuyers, the availability of such programmes does not necessarily eliminate the financial and affordability barriers faced by young households. Potential buyers may still experience difficulties related to income affordability, loan eligibility, down-payment requirements, financial commitments, and limited awareness of programme requirements. Therefore, examining the relationship between housing affordability factors and youth awareness of government housing programmes is important to determine whether existing assistance adequately addresses the needs of potential young homeowners in the Klang Valley.

LITERATURE REVIEW

Youth homeownership must be examined through an integrated framework that combines housing affordability theory, urban spatial economics, and institutional financing behaviour. Previous studies suggest that youth homeownership outcomes are shaped by the interaction between structural market forces (referring to supply) and individual financial capability (referring to demand) rather than income level alone (Shahril Omar, 2023). Therefore, a multidimensional theoretical lens is necessary to understand the complexity of affordability challenges within metropolitan housing markets.

Housing Affordability Theory

Housing affordability theory explains the relationship between housing costs and household income, commonly measured through the price-to-income ratio. However, affordability also depends on factors such as down payment, transaction costs, loan requirements, and mortgage commitments. These combined factors can create significant barriers for young buyers in the Klang Valley (Shahril Omar, 2023). Rising house prices and limited income growth further widen the affordability gap, while delayed homeownership may reduce youths' opportunities for long-term wealth accumulation. Therefore, this theory provides an important basis for understanding the factors affecting youth homeownership.

Urban Spatial Economics and Location Efficiency

Urban spatial economics explains that housing affordability depends not only on house price but also on location and transportation costs. Affordable housing in suburban areas may involve higher commuting expenses and longer travel times, especially when employment centres are concentrated in urban areas. For young professionals, proximity to workplaces, public transportation, and amenities is important when choosing a home. Therefore, housing that is cheaper but located far from employment and facilities may not be economically efficient (Shahril

Omar, 2023). Hence, location efficiency should be considered when assessing housing affordability and youth homeownership.

Institutional Financing and Credit Constraints

Institutional financing plays an important role in youth homeownership. Loan requirements such as Debt Service Ratio (DSR) and credit scoring may limit young borrowers, particularly those with existing financial commitments or limited credit history (Shahril Omar, 2023). Even when house prices are affordable, strict financing requirements can prevent loan approval and delay homeownership. Therefore, housing affordability and financing accessibility should be considered together when examining the barriers to youth homeownership.

Financial Behaviour and Readiness

Financial behaviour influences youth homeownership through budgeting, saving habits, debt management, and financial literacy. Strong financial knowledge helps youths evaluate mortgage options, plan for down payments, and manage long-term repayments, while limited financial literacy may delay homeownership decisions (Lim H. & Abdul Malek M., 2021). However, financial behaviour alone cannot overcome high house prices and living costs. Therefore, financial readiness should be considered together with structural affordability and financing constraints when examining youth homeownership.

Theoretical Framework

The theoretical framework integrates economic affordability, financing accessibility, spatial efficiency, and financial readiness to explain the factors influencing youth homeownership. House price and income represent key economic factors, while cost of living affects youths' ability to save for homeownership (Shahril Omar, 2023). Loan requirements, such as DSR and credit scoring, may further influence access to housing finance. Meanwhile, financial literacy supports better financial planning, mortgage evaluation, and repayment decisions (Lim H. & Abdul Malek M., 2021). Overall, the framework suggests that youth homeownership is influenced by the combined effects of house price, income, cost of living, loan requirements, location, and financial literacy.

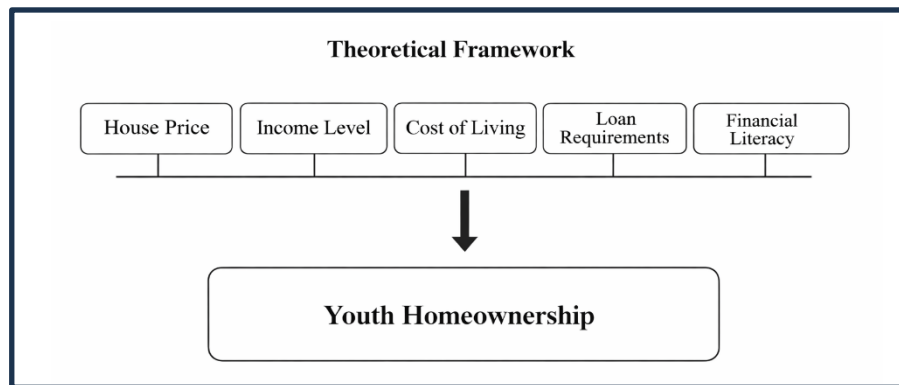


Figure 1. Theoretical Framework of Youth Homeownership

Figure 1 illustrates the theoretical framework of youth homeownership by identifying five independent variables that influence homeownership outcomes among youths in the Klang Valley. These five independent variables were subsequently examined through statistical analysis to determine their relationships with youth homeownership.

House Price refers to residential property costs that influence housing affordability. Rising house prices relative to income reduce purchasing power and lower youth homeownership potential (Arham et al., 2025; Sukereman et al., 2021).

Income Level represents an individual's financial capacity to afford housing. Higher income improves savings capability, mortgage eligibility, and repayment ability (Sukereman et al., 2021).

Cost of Living includes daily expenses such as rent, transport, food, and utilities. Higher living costs reduce disposable income and limit savings for homeownership (Arham et al., 2025).

Loan Requirements refer to financing conditions such as DSR, credit scoring, and loan eligibility. Strict lending criteria may restrict youths' access to housing finance (Ismail et al., 2023; Ahmad et al., 2012).

Financial Literacy refers to knowledge of budgeting, savings, and mortgage planning. Stronger financial literacy supports informed housing decisions and ownership readiness (Ismail et al., 2023).

Therefore, youth homeownership is influenced by the interaction of affordability, financing accessibility, and financial capability (Badrudin et al., 2022; Leh et al., 2016).

RESEARCH METHODOLOGY

Research Design

This study adopted a quantitative, cross-sectional research design to examine factors associated with homeownership readiness among young adults in selected urban areas of Malaysia. A quantitative approach was considered appropriate as the study sought to identify patterns in respondents' socio-demographic characteristics, homeownership status and intention, perceived barriers to homeownership, and awareness of government housing programmes. Data were collected at a single point in time using a structured questionnaire, enabling the study to describe the characteristics of the respondents and examine the relationship between perceived barriers and homeownership intention.

The research framework focused primarily on two dimensions. The first was perceived homeownership barriers, which captured respondents' perceptions of the financial and practical constraints associated with purchasing a house. The second was homeownership intention, particularly among respondents who did not currently own a house. Government housing programmes were examined as an additional policy-related dimension to assess respondents' awareness, perceived challenges and reasons for not purchasing through available programmes. This design enabled the study to consider both individual-level constraints and the accessibility of government housing support within the context of youth homeownership.

Population, Sampling and Data Collection

The target population comprised young adults residing in selected urban areas of Malaysia. Primary data were collected through a structured questionnaire distributed to eligible respondents. A total of 551 valid responses were obtained and used for the descriptive analysis. The respondents provided information on their socio-demographic characteristics, current homeownership status, intention to purchase a house, perceived barriers to homeownership, and experiences or perceptions concerning government housing programmes.

For the analysis of homeownership intention, the study specifically focused on respondents who did not currently own a house. This approach was adopted because the intention question concerned respondents' plans to purchase a house within the following five years and was therefore more directly applicable to non-homeowners. Of the 551 respondents, 235 (42.6%) were non-homeowners and were subsequently used to examine purchase intention. Among these respondents, 51 (21.7%) indicated that they intended to purchase a house within

five years, 135 (57.4%) indicated that they did not intend to do so, while 49 (20.9%) were uncertain. The questionnaire was administered using an online survey format to facilitate access to respondents across the selected urban areas. Participation was voluntary, and the collected responses were screened before statistical analysis. The resulting dataset was subsequently analysed using descriptive and inferential statistical techniques appropriate to the research objectives.

Research Instrument and Measurement

The questionnaire consisted of several sections covering respondents' demographic characteristics, homeownership status and intention, perceived barriers to homeownership, and government housing programmes. Respondents' perceptions of homeownership barriers were measured using six items covering house price, income and loan affordability, existing debt commitments, deposit requirements, location constraints, and home-buying knowledge.

The barrier items were originally measured using a five-point response scale ranging from *Strongly Agree* to *Strongly Disagree*, with an additional *Don't Know* category. For statistical analysis, the agreement responses were recoded so that higher scores represented a stronger perceived barrier. The *Don't Know* responses were treated as missing values when calculating the composite barrier score rather than being interpreted as a higher level of constraint. This treatment was necessary because uncertainty about an item does not represent the same underlying construct as agreement with a perceived barrier.

The six barrier items were subsequently examined for internal consistency and factorability before being combined into a broader Perceived Homeownership Barriers (PHB) construct. The analysis indicated strong internal consistency, with a Cronbach's alpha of 0.917. The suitability of the items for factor analysis was further supported by a Kaiser-Meyer-Olkin (KMO) value of 0.879 and a significant Bartlett's Test of Sphericity, $\chi^2(15) = 1,817.99$, $p < .001$. The results supported the use of a single composite measure representing respondents' overall perception of homeownership barriers.

Government housing programmes were assessed through questions concerning programme awareness, information sources, perceptions and challenges associated with programme participation. Several questions allowed respondents to select more than one response. These items were therefore treated as multiple-response variables, with the results reported using both response percentages and case percentages where appropriate. This approach allowed the study to identify the most frequently reported challenges and reasons for not purchasing through government housing programmes without imposing a single-response structure on respondents.

Data Analysis

The collected data were analysed using descriptive and inferential statistical techniques. Descriptive statistics, including frequencies, percentages, means and standard deviations, were first used to summarise respondents' demographic characteristics, homeownership status, purchase intention, perceived barriers and government programme awareness. For the six perceived barrier items, the analysis excluded *Don't Know* responses from the calculation of means and the composite PHB score. The reliability and dimensionality of the perceived barrier construct were subsequently assessed using Cronbach's alpha, KMO and Bartlett's Test of Sphericity. The six items demonstrated strong internal consistency and sufficient factorability, supporting their aggregation into the PHB construct. The resulting PHB index was then used as a predictor in the subsequent inferential analysis.

To examine the factors associated with homeownership intention, multinomial logistic regression was conducted among the 235 non-homeowners. The dependent variable consisted of three categories: *Yes*, *No*, and *Not sure*, with *Not sure* specified as the reference category. The independent variables comprised the Perceived Homeownership Barriers (PHB) index, age, monthly income and residential location. The analysis was based on complete cases, resulting in an analytical sample of 230 respondents. Multicollinearity among the predictors was also assessed using tolerance and Variance Inflation Factor (VIF) values.

Finally, multiple-response analysis was used to examine respondents' reported challenges and reasons associated with government housing programmes. This analysis enabled the study to distinguish between general programme awareness and the practical constraints affecting programme participation. The combination of descriptive analysis, construct validation and multinomial regression provided an integrated basis for interpreting the factors associated with homeownership readiness among young adults in the study area.

RESEARCH FINDINGS

Respondents' Profile and Homeownership Status

A total of 551 valid responses were obtained and included in the analysis. The respondents represented diverse employment and income backgrounds. The largest employment group comprised private-sector employees (40.1%), followed by self-employed respondents (27.4%), government employees (17.8%) and students (14.5%). In terms of monthly income, 46.3% reported earning RM6,001 and above, while 22.9% earned RM4,001–RM6,000, 14.2% earned RM2,001–RM4,000 and 16.7% earned less than RM2,000. Residential location was almost equally distributed between urban (50.3%) and rural (49.7%) respondents. These characteristics indicate that the sample included respondents

with different employment and income circumstances, providing a useful basis for examining differences in homeownership readiness.

Table 1. Key Characteristics of Respondents (N = 551)

Variable	Category	Frequency	Percentage
Employment status	Government sector	98	17.8
	Private sector	221	40.1
	Self-employed	151	27.4
	Unemployed/Retired	1	0.2
	Student	80	14.5
Monthly income	Less than RM2,000	92	16.7
	RM2,001–RM4,000	78	14.2
	RM4,001–RM6,000	126	22.9
	RM6,001 and above	255	46.3
Residential location	Urban	277	50.3
	Rural	274	49.7

Source: SPSS analysis.

In terms of current homeownership, 316 respondents (57.4%) reported that they owned a house, while 235 respondents (42.6%) did not own a house. Since the purchase-intention question specifically concerns future house purchase, the subsequent analysis of homeownership intention was restricted to the 235 non-homeowners. Among this group, only 51 respondents (21.7%) indicated an intention to purchase a house within five years, compared with 135 respondents (57.4%) who did not intend to purchase and 49 respondents (20.9%) who were uncertain.

Table 2. Homeownership Status and Purchase Intention

Measure	Category	Frequency	Percentage
Current homeownership status (N=551)	Own a house	316	57.4
	Do not own a house	235	42.6
Purchase intention among non-homeowners (n=235)	Yes	51	21.7
	No	135	57.4
	Not sure	49	20.9

The relatively small proportion of non-homeowners expressing a definite intention to purchase within five years provides an important context for understanding the barriers examined in the subsequent analysis. Rather than assuming that all non-homeowners are immediate potential buyers, the findings indicate that a substantial proportion remain either unwilling or uncertain about purchasing a house. This distinction is important because homeownership readiness involves not only the existence of perceived barriers but also the financial and practical capacity to translate an intention into an actual purchase.

Perceived Barriers to Homeownership

Six factors were examined to assess respondents perceived barriers to homeownership: deposit requirements, location, house price, income and loan affordability, home-buying knowledge, and existing debt commitments. The original response scale ranged from *Strongly Agree* to *Strongly Disagree*, with an additional *Don't Know* option. For the analysis, the agreement responses were recoded such that higher scores represented stronger perceived barriers, while *Don't Know* responses were treated as missing.

Table 3. Perceived Barriers to Homeownership

Rank	Perceived Barrier	N	Mean	SD
1	Deposit constraint	449	2.644	1.226
2	Location constraint	450	2.544	1.038
3	House price	459	2.466	1.060
4	Income / loan affordability	505	2.289	1.080
5	Home-buying knowledge	506	2.208	1.214
6	Existing debt commitment	459	2.020	1.054

Note: "Don't Know" responses were treated as missing in the calculation of means.

The results indicate that deposit requirements represented the highest-rated perceived barrier (M=2.644, SD=1.226), followed by location constraints (M=2.544, SD=1.038) and house price (M=2.466, SD=1.060). Income and loan affordability recorded a lower mean of 2.289, while home-buying knowledge and existing debt commitments recorded means of 2.208 and 2.020, respectively. Therefore, the findings suggest that respondents perceived the initial financial requirement associated with purchasing a home, particularly the ability to provide a deposit, as more prominent than existing debt commitments.

An important methodological consideration is the relatively substantial proportion of respondents selecting *Don't Know* for several barrier items. The proportion ranged from approximately 8.2% for home-buying knowledge to 18.5% for deposit requirements. These responses were not interpreted as evidence of either agreement or disagreement and were therefore excluded from the

calculation of the barrier means. This treatment provides a more meaningful representation of respondents who expressed an actual perception of the respective barrier.

To determine whether the six items could reasonably be represented as a broader construct, internal consistency and factorability tests were conducted.

Table 4. Reliability and Factorability of Perceived Homeownership Barriers

Test	Result
Cronbach's Alpha	0.917
KMO	0.879
Bartlett's Test of Sphericity	$\chi^2(15) = 1,817.99$
Significance	p < .001
Eigenvalue – Factor 1	4.382
Variance explained	≈73.0%

The six items demonstrated high internal consistency, with a Cronbach's alpha of 0.917. The KMO value of 0.879 and significant Bartlett's Test of Sphericity further indicated that the correlation structure among the items was suitable for factor analysis. The first factor had an eigenvalue of 4.382 and accounted for approximately 73% of the total variance. Accordingly, the six items were aggregated into a single Perceived Homeownership Barriers (PHB) index for subsequent analysis.

These findings are important because they suggest that the barriers are not necessarily isolated concerns. Instead, respondents' perceptions of deposit requirements, location, house price, financing affordability, knowledge and debt can be considered collectively as a broader perception of the constraints associated with homeownership

Factors Associated with Homeownership Intention

To further examine whether perceived barriers and selected socio-demographic characteristics were associated with homeownership intention, a multinomial logistic regression analysis was conducted among the 235 respondents who did not currently own a house. The dependent variable consisted of three categories: *Yes*, *No*, and *Not sure*. The *Not sure* category was used as the reference category. The predictors included the PHB index, age, monthly income and residential location. After accounting for cases with missing values across the variables included in the model, the analysis was based on 230 complete cases.

Table 5. Multinomial Logistic Regression Predicting Homeownership Intention

Predictor	Comparison	B	p-value	OR
PHB Index	Yes vs. Not sure	-1.042	.100	0.353
	No vs. Not sure	-0.031	.953	0.970
Income: RM3,001–RM4,500	No vs. Not sure	-2.937	<.001	0.053
Income: RM4,501–RM6,000	No vs. Not sure	-2.899	.002	0.055
Income: >RM6,000	No vs. Not sure	-4.626	<.001	0.010
Age	Yes/No vs. Not sure	—	>.05	—
Residential location	Yes/No vs. Not sure	—	>.05	—

Note: OR = odds ratio. Income comparisons are relative to the lowest income category. Only statistically significant income estimates are presented in detail.

The overall multinomial regression model was statistically significant, $\chi^2(18)=88.86$, $p<.001$, with a McFadden pseudo- of 0.200. This indicates that the set of predictors provided meaningful explanatory information regarding differences in homeownership intention categories.

However, the results provide an important finding concerning the role of perceived barriers. The PHB index was not statistically significant in either comparison. For respondents indicating *Yes* compared with those who were *Not sure*, the PHB coefficient was negative but did not reach statistical significance ($B=-1.042$, $p=.100$). Similarly, the PHB effect for respondents indicating *No* compared with those who were *Not sure* was negligible and statistically insignificant ($B=-0.031$, $p=.953$). Thus, although respondents reported several substantial perceived barriers descriptively, the overall intensity of these barriers did not independently explain homeownership intention once age, income and residential location were considered simultaneously.

In contrast, monthly income demonstrated statistically significant associations, particularly in distinguishing respondents who reported *No* intention from those who were *Not sure*. Respondents earning RM3,001–RM4,500 had substantially lower odds of reporting *No* rather than *Not sure* compared with the lowest income group ($OR=0.053$, $p<.001$). Similar patterns were observed among respondents earning RM4,501–RM6,000 ($OR=0.055$, $p=.002$) and those earning above RM6,000 ($OR=0.010$, $p<.001$). These results indicate that income provides stronger differentiation in homeownership intention than the overall perceived barrier index within the present sample.

Table 6. Summary of Regression Findings

Variable	Relationship with Homeownership Intention
Perceived Homeownership Barriers	Not statistically significant
Age	Not statistically significant
Monthly income	Significant for No vs. Not sure
Residential location	Not statistically significant
Overall model	Significant, $p < .001$

The findings therefore suggest an important distinction between perceived barriers and behavioural intention. Respondents may recognise deposits, house prices, location and financing as barriers, but the presence or intensity of these perceived barriers alone does not necessarily determine whether a non-homeowner expresses a definite intention to purchase. Within this model, income appears to provide greater differentiation in respondents' certainty regarding future homeownership.

Awareness and Challenges of Government Housing Programmes

The final component of the analysis examined respondents' awareness and experiences relating to government housing programmes. The findings show a relatively high level of programme awareness. Out of 551 respondents, 475 (86.2%) indicated that they were aware of government housing programmes, while 76 respondents (13.8%) reported that they were not aware.

Table 7. Awareness of Government Housing Programmes

Awareness	Frequency	Percentage
Yes	475	86.2%
No	76	13.8%
Total	551	100.0%

The high awareness level, however, should not be interpreted as evidence that respondents fully understood programme requirements or were able to access the programmes. In the perception-related question examined in the dataset, 27.6% of respondents selected the "Don't Know" category, indicating that uncertainty remained present despite the generally high level of programme awareness. This distinction suggests that awareness and practical understanding of housing assistance should be treated as separate dimensions. The multiple-response analysis further identified the major challenges perceived by respondents in relation to government housing programmes.

Table 8. Challenges Associated with Government Housing Programmes

Rank	Challenge	Responses	% of Responses	% of Cases
1	House price increase	416	18.8	75.5
2	No housing loan guarantee	361	16.3	65.5
3	Low income	302	13.6	54.8
4	High down payment	292	13.2	53.0
5	Strict eligibility	286	12.9	51.9
6	Unstrategic location	276	12.5	50.1
7	Insufficient programme information	275	12.4	49.9
8	Other	5	0.2	0.9
Total		2,213	100.0	

Note: Multiple responses were permitted; therefore, percentages of cases do not sum to 100%.

House price increase was the most frequently reported challenge, selected by 75.5% of respondents, followed by the absence of housing loan guarantees (65.5%) and low income (54.8%). High down-payment requirements, strict eligibility conditions, location and insufficient programme information were also reported by approximately half of the respondents. These findings demonstrate that respondents' concerns extend beyond the nominal availability of government housing programmes towards the affordability, financing, eligibility and practical suitability of the available assistance. The original study similarly identified house price, financing and income-related issues as prominent concerns. The analysis also examined the reasons respondents gave for not purchasing a house through government programmes.

Table 9. Reasons for Not Purchasing Through Government Housing Programmes

Rank	Reason	Responses	% of Responses	% of Cases
1	Financial requirements	364	22.5	66.1
2	Lack of programme information	361	22.3	65.5
3	Lack of suitable housing options	304	18.8	55.2
4	No house in desired area	296	18.3	53.7
5	Requirements too strict	286	17.7	51.9
6	Other	6	0.4	1.1
Total		1,617	100.0	

Note: Multiple responses were permitted; therefore, percentages of cases do not sum to 100%.

Financial requirements emerged as the most frequently selected reason for not purchasing through government programmes, reported by 66.1% of respondents, closely followed by lack of programme information (65.5%). More

than half of the respondents also reported a lack of suitable housing options (55.2%), absence of housing in their desired location (53.7%) and overly strict requirements (51.9%). The original dataset confirms these multiple-response results.

Taken together, the findings indicate that the main issue is not simply whether young people know that government housing programmes exist. Rather, the results point towards a gap between programme awareness and practical accessibility. Respondents may be aware of government assistance but still face financial requirements, financing limitations, information gaps, eligibility constraints and location mismatches that affect their ability or willingness to participate.

Summary of Research Findings

Overall, the findings demonstrate that homeownership readiness among the respondents is shaped by a combination of financial and practical considerations. Although 57.4% of the total respondents currently owned a house, only 21.7% of the non-homeowners indicated an intention to purchase within the next five years, while 57.4% reported no intention and 20.9% remained uncertain. Among the perceived barriers, deposit requirements, location and house price recorded the highest mean scores, indicating that upfront financial requirements and the suitability of housing locations were particularly prominent concerns. The six barrier items also demonstrated strong internal consistency and factorability, supporting their consolidation into the Perceived Homeownership Barriers (PHB) construct.

The inferential findings provide a further distinction between perceived constraints and actual homeownership intention. While respondents reported several significant practical and financial concerns, the PHB construct was not statistically significant in explaining differences in purchase intention after controlling for age, income and residential location. Instead, monthly income showed statistically significant associations, particularly in distinguishing respondents who had no intention to purchase from those who were uncertain. At the government programme level, awareness was relatively high at 86.2%; however, financial requirements, house prices, financing limitations and insufficient programme information remained prominent challenges. Taken together, the findings suggest that improving youth homeownership requires attention not only to programme awareness but also to the extent to which housing assistance is financially accessible, understandable and practically suitable for potential buyers.

CONCLUSIONS

This study examined the factors associated with homeownership readiness among young adults in selected urban areas of Malaysia, with particular attention to perceived homeownership barriers and the role of government housing programmes. The findings indicate that although 57.4% of the respondents currently owned a house, only 21.7% of non-homeowners reported an intention to purchase a house within the next five years, while 57.4% had no intention and 20.9% remained uncertain. Deposit requirements, location and house price emerged as the most prominent perceived barriers, highlighting the importance of upfront financial capacity and housing suitability in the homeownership decision. The six barrier items also demonstrated strong reliability and factorability, supporting their consolidation into a Perceived Homeownership Barriers (PHB) construct.

The inferential findings provide an important distinction between perceived barriers and actual homeownership intention. Although respondents identified several substantial financial and practical constraints, the PHB construct was not statistically significant in explaining differences in purchase intention after controlling for age, income and residential location. In contrast, monthly income demonstrated significant associations, particularly in distinguishing respondents with no intention to purchase from those who were uncertain. This suggests that homeownership readiness cannot be understood solely through the presence of perceived barriers; the financial capacity of potential buyers remains an important factor in shaping their position towards future home purchase. In relation to government housing programmes, the high level of awareness (86.2%) indicates that information about such programmes has reached a substantial proportion of respondents. However, house prices, financial requirements, financing limitations and insufficient programme information continued to be prominent challenges. Therefore, the findings suggest that the issue extends beyond programme awareness towards the ability of potential buyers to translate awareness into actual and financially feasible access to housing.

The study contributes to the existing literature by providing an integrated empirical perspective on youth homeownership readiness that distinguishes between perceived barriers, financial capacity, purchase intention and government programme accessibility. Methodologically, the study demonstrates the usefulness of consolidating related barrier items into a reliable PHB construct while subsequently examining its association with categorical homeownership intention. From a practical and policy perspective, the findings provide evidence that housing interventions should not focus solely on increasing awareness of government programmes, but should also consider the financial circumstances of potential buyers, particularly their ability to meet deposits,

housing prices and financing requirements, as well as their need for clear programme information and suitable locations. For developers and housing providers, the findings highlight the relevance of affordability and locational suitability in responding to the needs of younger potential buyers. Overall, the study reinforces that improving youth homeownership requires a broader approach that connects financial affordability, access to financing, information clarity and housing suitability, rather than treating awareness of government programmes as the only pathway towards homeownership readiness.

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