

# Naya Pakistan Housing Programme: An overview of Pakistan's largest housing initiative

September 8, 2023 in Property & Construction Updates Reading Time: 6 mins read



Prime Minister (PM) Imran Khan inaugurating the NPHP chapter in Islamabad



As a result, a large segment of the indigenous population — especially in major metropolises like Islamabad, Lahore, & Karachi — have been forced to live in the sub-standard accommodations, and that too at higher prices. Moreover, this lapse in cheap housing options also takes a toll on the entire nation's socio-economic, and to an extent, the psychological wellbeing of the citizens. As per the official government sources, Pakistan is currently facing an overall shortage of 12 million housing units — which is growing at an exponentially high rate each year, when compared to the rise in population.

## Pakistan's most 'ambitious' Housing Project — The backdrop

Despite being one of the most pressing concerns of Pakistan, the housing shortage issue did not really see any tangible development beyond political slogans and rhetoric. Just as the previously-introduced such schemes had failed to meet the highlighted objectives owing to various reasons, including power abuse and contract hijacks, that caused the final price to exceed the first bid to the national treasury by thrice to four times. Not to mention the fact that owing to this prevailing housing shortage, the people hailing from the low-income segment have been forced to live in shanty settlements, which they have mostly established on state land. All these contributing factors have led to the subsequent need for such cheap housing initiatives like the 'Naya Pakistan Housing Programme (NPHP)'.

Under the NPHP initiative — introduced by Prime Minister (PM) Imran Khan — the incumbent government aims to deliver 5 million houses before the end of its ongoing tenure. Experts from the housing sector and government critics have termed the project as 'ambitious'. However, in a surprising turn of events, two years into the ongoing government's tenure, we can say that the past has not repeated itself as the move has helped the country's housing sector get the attention it previously warranted. Especially, with the housing and construction amnesty package presented in the budget for fiscal year (FY) 2020-21.

## Application process & eligibility criteria for NPHP initiative





scheme for people coming from the saturated class and the low-income segments of the society, the government teamed up with National Database and Registration Authority (NADRA) to enable the citizens to be able to directly download the registration forms from the authority's website. The applicants are required to mention the family's total gross income per month, if it ranges between the figures mentioned below:

- Less than PKR 20,000
- Between PKR 20,001 & PKR 40,000
- Between PKR 40,001 & 60,000
- Between PKR 60,001 & PKR 100,000
- More than PKR 100,000

However, the NPHP registrations are now closed, following the completion of its first and second phases. The authority received millions of applications from people belonging to all kinds of demographics. As per the applicant submission stats issued by NADRA, out of the 1.9 million+ application received;

- 715,473 were submitted by people from the labour class
- 184,355 were submitted by slum dwellers
- 5,500 were submitted by transgender persons
- 34,654 were submitted by widowed women
- 9,325 were submitted by the divorced women

The successful applicants will be accommodated in the various housing schemes including high-rises, houses, plots, flats, etc. The low-cost housing initiative is presently being developed and it has three categories; labour class, lower-middle class and the middle class. The eligibility criteria requires only one person per family to apply and people without any independent properties in Pakistan will be preferred. The successful applicants will also be obligated to live in the houses, and not sell it for 5 years after attaining possession.

## Location & pricing details for housing units





of the project, seven districts were chosen for the construction of low-cost houses that include, Islamabad, Faisalabad, Quetta, Muzaffarabad, Swat, Sukkur and Gilgit.

As for Punjab, the Punjab Housing Town Planning Agency (PHATA) has announced that it will construct 3 and 5 marla units in Layyah, Chistian, Renala Khurd, Okara, Bhakkar, Quaidabad (Khushab), and Bhakkar.

The payment plan for 3 and 5 residential plots, under the third phase, in Rawalpindi (as revealed by PHATA) is as follows:

Type	3 marla	5 marla
Processing Fee	PKR 250	PKR 250
Token Money (Refundable)	PKR 10,000	PKR 10,000
20% Down Payment	PKR 67,200	PKR 112,000
36 Monthly Instalments	PKR 7,467	PKR 12,445
Estimated Total Price	PKR 336,000	PKR 560,000

It is pertinent to mention here that the cost estimates of these developed houses vary from place to place as per the city and its local market rate, and the number of storeys and facilities pre-installed. However, given the incumbent government's stern focus on the low-cost housing finance and revision of mortgage policies, the State Bank of Pakistan (SBP) has announced a mandatory lending target for the commercial banks to use 5% (around PKR 300 billion) of their private sector credit towards the housing and construction sector.

Furthermore, it was announced in the budget that people opting for bank loans to finance their housing construction process will also be offered a subsidised interest rate — 5% tax for 5 marla houses and 7% tax for 10 marla units.

## Govt-sanctioned Incentives for construction & housing sectors



Furthermore, it was announced that people who could not reveal their income sources can also invest in the NPHP — until December 31, 2020. For builders and developers, working on these low-cost housing projects, can enjoy tax-exemption of up to 90%. Additionally, withholding tax was waived off for all construction sectors, except the formal sectors of steel and cement. It was also stated that any ‘family’ selling their house would not have to pay any capital gains tax.

## Progress status of Naya Pakistan Housing Programme (NPHP)

- August 2020: The PC-I of worth PKR 2 trillion was finalised for the construction of 35,000 low-cost apartments in Lahore. Moreover, the NPHP was extended to Attock, and is earmarked to be developed over 4,000 kanals of the district.
- Prime Minister (PM) Imran Khan also formed a high-powered National Coordination Committee (NCC) on Housing, Construction and Development to expedite the housing projects falling under the NPHP initiative.
- March 2020: PM Khan inaugurated seven housing projects comprising 20,000 units, which were to be developed at a cost of PKR 100 billion. These affordable houses are to be built in major metropolises like Lahore, Islamabad, Quetta and Rawalpindi. Out of these seven housing projects, six belong to the Federal Government Employees Housing Authority (FGEHA), while the other belongs to the Pakistan Housing Authority Foundation (PHAF).
- Moreover, in the Budget 2020-21, PM Khan announced a PKR 30 billion subsidy for the housing scheme — which translated into a sum of PKR 0.3 million, which was to be given during the construction of the first 100,000 housing units. In another encouraging development, Blue World City Chief Executive Officer (CEO) Saad Nazeer offered 50,000 apartments, and 5,000 constructed houses for the Naya Pakistan Housing Programme (NPHP) — free of cost!
- Additionally, real estate investors and developers hailing from Turkey, China, Canada, and the United Arab Emirates (UAE) have expressed their interest in the NPHP initiative.

## Final thoughts





initiative is tangible, and looks very promising. Experts are very hopeful that the incumbent government might succeed in reducing the backlog of housing shortage in Pakistan. The scheme was launched in April 2019, with a vow to help the country's long-neglected stratum move from the *katchi abadis* and into flats and high-rises, and we for one hope this vision comes to reality.

**Tags:** housing initiatives in Pakistan low-cost housing scheme Naya Pakistan Housing Programme NPHP



## Related Posts

PROPERTY & CONSTRUCTION UPDATES

### Plot Size Conversion in Pakistan

This blog sheds light on the shortcuts to plot size conversion like marla to kanal, and square meter to square...

© SEPTEMBER 8, 2023

## Leave a Reply

Your email address will not be published. Required fields are marked \*

Comment \*





Name \*

Email \*

Website

Save my name, email, and website in this browser for the next time I comment.

POST COMMENT

## Recommended



### Top 10 Housing Societies in Lahore

🕒 SEPTEMBER 25, 2023



### Bike Registration Check Made Easy: Verify Your Bike's Registration Details in Pakistan

🕒 SEPTEMBER 8, 2023



### PSL 2023: Schedule, Venue, and Ticket Prices

🕒 SEPTEMBER 8, 2023





## Categories

ARCHITECTURE & INTERIOR DESIGN

---

LAWS & REGULATIONS

---

LIFESTYLE

---

PROPERTY & CONSTRUCTION UPDATES

---

TIPS & TRENDS

---

UNCATEGORIZED

## Tags

---

Advantages and disadvantages of penthouses Best cafes Best Desi Restaurants cons of penthouses  
Convert marla to kanal convert square metre to square yards flooring Floor tiles  
get yourself vaccinated horizontal housing solutions housing initiatives in Pakistan  
Housing trends in Pakistan living in high-rise building living in penthouses low-cost housing scheme  
Marble flooring Marble flooring vs Wooden flooring marble tiles marla to square metres  
marla to square yards Naya Pakistan Housing Programme NPHP orange line station  
orange line train route orange train lahore orange train lahore cost orange train lahore map  
orange train lahore route orange train lahore route stations orange train lahore timing  
orange train route Plot size conversion Pros and cons penthouses pros of penthouses tiling  
Types of vaccines available in Pakistan Vaccination process in Pakistan Vertical housing solutions  
wooden flooring wooden laminate flooring wooden tiles







Property & Construction Updates Lifestyle

Architecture & Interior Design Laws & Regulations Tips & Trends


Lamudi.Pk

[About Us](#)

[Contact us](#)


[Terms & Privacy Policy](#)

Contact

 0800-786786  
(9:00 AM – 6:00 PM)

 [support@lamudi.pk](mailto:support@lamudi.pk)

Address

 8th Floor, Mega Tower,  
63-B, Main Boulevard Gulberg,

Gulberg II, Lahore,  
Pakistan.



© 2021 Lamudi.pk. All rights reserved.

