



Legal Responsibility of Business Actors to Consumers in Subsidized Houses Related to the Quality of Livable Houses

Laskar Surya Aryandi^{1*}, Ferdi Ardiansyah Pratama², Dafi Najmi Athallah³, Dudung Hidayat⁴, Raden Handiriono⁵

Fakultas Hukum Universitas Swadaya Gunung Jati

Corresponding Author: Laskar Surya Aryandi laskarsurya25@gmail.com

ARTICLE INFO

Keywords: Subsidized House, Legal Protection, Breach of Contract, Violation of Legal Norms, Prevention Efforts

Received : 02 April 2025

Revised : 16 April 2025

Accepted: 18 May 2025

©2025 Aryandi, Pratama, Athallah, Hidayat, Handiriono: This is an open-access article distributed under the terms of the [Creative Commons Attribution 4.0 International](https://creativecommons.org/licenses/by/4.0/).



ABSTRACT

Housing is one of the basic needs that every individual in society must meet. To create equitable access to decent housing, the government has launched a housing subsidy program aimed at low-income communities. Although this program has a positive purpose, in practice, there are still various problems, especially related to violations of legal standards in the agreement to sell subsidized houses. One of the crucial issues that arises is related to the quality of houses that do not meet the livable criteria and the lack of legal protection for consumers or subsidized housing buyers. The main purpose of this study is to analyze the legal responsibilities of business owners in the agreement to sell subsidized houses in order to identify violations of legal norms that occur in the transaction. This study uses normative juridical data, such as legal regulations, books, scientific journals, and other relevant topics related to research. The results of this study show that the Consumer Protection Law Number 8 of 1999 provides legal protection to consumers for the actions of business owners in selling houses by affirming the responsibility of business owners to ensure legal certainty over consumer rights in providing a decent home. Following the specific agreements conveyed, fairness and balance in the relationship between business and consumers, especially in implementing the sales and marketing of fair, efficient, and cheap goods and services, should be realized through consumer protection laws or legal channels if consumer rights are violated.

INTRODUCTION

The imbalance of economic growth and the rapid growth rate of the population in Indonesia have posed serious challenges in meeting housing needs, especially for people with low incomes. Housing is a basic need for human beings, not only as a place to live, but also as a space with social, economic, and psychological value for its inhabitants. However, the increasing demand for residential land has also increased land and property prices. This creates difficulties for the community, especially for low-income groups, in providing decent and affordable housing in a strategic location.

To address these problems, the Indonesian government is committed to improving the well-being of the community through the creation of a subsidized housing program aimed at the Income-producing Community (MBR). as well as the protection of consumer rights, The Indonesian government has passed Law No. 8 of 1999 on the Consumer Protection Act (UUPK). This law provides a legal basis for consumers to obtain their rights, such as the right to comfort, security, and freedom in using goods or services, including selling a house. Conditions like this, on the one hand, benefit consumers because the need for the desired goods and services can be met with various choices. But on the other hand, this phenomenon puts consumers in a weak position because consumers are the object of business activities to reap enormous profits through promotional tips and sales methods that are detrimental to consumers (Gunawan, 2003). However, even though regulation is already in place, many consumers still do not understand their rights or have to take legal steps because of the complicated process.

Therefore, it is crucial to understand how the Consumer Protection Act is applied in selling a house and the extent to which the protection activities are effective in protecting consumers from harmful practices. This study aims to examine the application of the UUPK in the context of selling houses and to provide an understanding to the public, especially law students and general consumers, about the rights and remedies that can be taken if they become a member. One of the main challenges in Indonesia's housing and settlement sector is the limited housing supply, which is commensurate with the affordability of power for the MBR.

In this case, subsidized housing is a strategy in an effort to increase access to decent housing. The construction of subsidized houses for MBR is not done directly by the government, but by involving the private sector, such as a developer. In this case, government support is realized through various financing schemes, one of which is through the Home Finance Liquidity Facility (FLPP) program. Under the decision of the Public Housing and Public Housing Administration (PUPR) Number 552/KPTS/M/2016 on the Income Limit for Mortgage Groups That Can Receive Subsidies, the maximum income limit to be able to take advantage of the mortgage subsidy facility is set at Rp4,000,000.00 for landed houses, and Rp7,000,000.00 for apartments.

In implementing the housing subsidy program, the bank is very strategic as a credible party and a partner responsible for the smooth distribution of housing financing. One of the financing schemes used in this program is the

Home Ownership Loan (KPR), a loan facility banks provide to the community for housing purchases. In this scheme, the homeowner has the right to the ownership of the property that is built up to the sale process. At the same time, the other party is responsible for repaying the loan in a phased manner according to the period agreed upon with the bank. The interest on the loan pays the loan (Urip Santosa, 2015).

RESEARCH RESULT

Home Ownership Loans (KPR)

In the practice of Home Ownership Loans (KPR), a sale agreement between the buyer and the seller creates a legal relationship between the parties. This legal relationship creates rights and obligations that each party must fulfil. However, there are still various problems in its implementation, especially in the subsidized housing program with the Home Finance Liquidity Facility (FLPP) scheme aimed at the low-income community (MBR). Based on a report from the World Bank, many subsidized housing units are considered to meet the standard of habitability.

Facts on the ground show that many subsidized housing units are uninhabited and face various problems, ranging from a less strategic location, limited accessibility, to poor building quality. In addition, inadequate basic infrastructure, poor construction quality, and lack of access to electricity and clean water are also hindering factors. The conditions of the situation pose a challenge for the Indonesian government in determining decent housing for people with low incomes. As stated in the Consumer Protection Law No. 8 of 1999, the state is responsible for protecting all Indonesian people by providing housing and residential areas that allow people to live in decent homes, reaching, safe, harmonious, and sustainable in all regions of Indonesia. Based on the above issues, this study will discuss the legal protection of the beneficiaries in the sale of subsidized houses, especially those related to the quality of livable dwellings. In addition, this investigation also aims to identify various violations of legal norms experienced by the defendant in the agreement to sell subsidized houses.

Legal Protection KPR

Legal protection for consumers when selling a house is crucial, remembering that the house is not only a basic need for each individual, but also involves a considerable financial investment. In the relationship between consumers and businesses, both parties must carry out their rights and obligations to ensure that transactions are conducted fairly, transparently, and in compliance with applicable legal regulations. However, there are still cases of law violations in the sale of houses, such as delays in the delivery of units that are not under the agreement, and land ownership that is not under the contract. Considering the impact of consumer behavior in these high-value transactions, legal protection is not only intended to create a sense of security and legal certainty, but also to encourage consumers to carry out their responsibilities professionally and in a manner that is consistent with their needs. Consumers must also behave responsibly and be vigilant to avoid becoming victims of

irresponsible predators. Consumers must conduct an independent assessment to prevent fraud by the consumer (Sedana et al., 2021).

Based on the author's knowledge, until now, several legal journals still provide consumer protection related to the sale of subsidized livable houses. The writing of this journal has a different character from that of existing journal writing, and the results of writing that raise the title of consumer protection issues will be the same. Still, the writing results are not the same. A paper in a journal created by Be\$rliana Ayu K from Airlangga University entitled Legal Protection for Subsidized Houses in the Sale Agreement of Subsidized Houses Related to the Quality of Habitable Houses, which focuses its research on the legal protection of subsidized houses in the construction of subsidized houses. Speaking to the journal Urip Santoso Parame, the Group on Housing Law, which emphasizes the regulation of housing law in housing and residential areas, Muhammad Anie has provided legal protection for consumers over the ownership of houses from developers in Makassar City. Describing the specification of the technology that ensures the quality and reliability of the building for consumers, Gle\$ry Lazuardi describes uninhabitable subsidized houses by the World Bank, which focuses on the quality of livable dwellings, which will later become a correction for livable housing entrepreneurs. Still, our journal is different from other journals, which focus on the legal responsibility of business owners while discussing how consumers can make efforts to avoid losses and misrepresentations from the developer.

Based on the background information, the author intends to investigate the matter in relation to the problem of violations against consumers in the sale of subsidized houses in order to avoid fraud by the business owner in the sale of houses.

Problem Formulation

1. What is the legal responsibility of business owners in the agreement to sell subsidized houses related to the quality of livable houses?
2. What are the reasons for violating legal norms against the parties involved in the agreement to sell a livable house?

Purpose Of Writing

1. To know the responsibilities of business owners in the agreement to sell subsidized houses related to the quality of livable dwellings.
2. To anticipate violations of legal norms against the parties involved in the agreement to sell livable houses.

METHODOLOGY

This writing uses normative juridical analysis. The data is in the form of laws and regulations, books, and journals. The writing style used is descriptive and analytical, and it provides an understanding and legal study of the Library material. The authors of the study examine how the legal protection measures for consumers and the agreement to sell subsidized houses relate to the quality of livable dwellings

RESEARCH RESULT AND DISCUSSION

Legal Responsibilities of Business Actors for Buyers in Subsidized House Sale and Purchase Agreements Related to the Quality of Livable Houses

Legal liability is a legal concept that states that every person or party who commits a legal act, especially to the point of causing harm to another party, must be responsible for his or her actions. In this context, responsibility can include the obligation to compensate for damages, repair the situation, or comply with legal sanctions.

In a similar way, legal liability arises when there is an element of violation of the law or a legal obligation that is committed. In this case, the perpetrator will be held accountable for his actions or omissions, whether in a technical, criminal, or administrative way, depending on the nature of the violation (Sukmana, 2016). Claims for losses experienced by consumers as a result of the use of products, both in the form of material, physical, or mental losses, can be based on several provisions that have been mentioned. These provisions generally only have two categories: claims for damages based on default and claims for damages based on unlawful acts (Miru and Yodo, 2004).

In the context of consumer protection, especially in the sale of a house, the concept of legal responsibility is used to assess whether the buyer or seller has fulfilled their obligations in accordance with the agreements and regulations that apply, under Law Number 8 of 1999 on Consumer Protection. In the sale of a house, the business owner (usually a developer or dealer) is obliged to sell the house by the specifications, time, and other conditions agreed upon in the sale agreement. The business owner can be held legally liable if there is negligence or malpractice, such as a delay in construction, improper building specifications, or a hidden defect. Every company must have corporate *social responsibility*, namely the company's concern and moral commitment to the interests of the community, regardless of the calculation of the company's profits and losses, where the form of responsibility is the company's responsibility for the welfare of the environment and society (Sumardi and Supriyanto, 1987). The legal responsibility of business owners in the agreement to sell subsidized houses is based on the Consumer Protection Law number 8 of 1999, articles 4, 7, and 9. This article refers to the legal certainty of the safety, convenience, consumer safety, and the right to information that is related to the responsibility of the business operator to compensate for damages, losses, and/or injuries caused by consumers due to the consumption of goods and/or services produced or traded (Eprint, 2024).

This legal responsibility is based on the purpose of creating justice and legal certainty while also protecting the aggrieved party. Therefore, understanding this theory is very useful for analyzing cases between consumers and business owners in the transaction of selling a house.

The mechanism for selling subsidized houses cannot be removed from the market because it is like a pawn for a certain amount of money. Within the constitutional framework, the Indonesian Public Unity, as stated in the 1945 Constitution, is directed to become a state of affairs. Basically, the concept of national security means that a state not only functions to carry out its defense, but also has the responsibility to ensure a minimum of safety for all its citizens.

Along with efforts to address the issue of poverty, there has been a demand for the government to intervene in various aspects of social life, including housing. This interest is realized through the regulation of regulation or legal regulation that protects vulnerable groups of people, in this case, people who generate income from the domination of groups that have the power in the economy. The aim is to create social justice and ensure the enjoyment of the fundamental right to decent housing for all levels of society.

The housing subsidy program organized by the government is one of the efforts to assist the Income Tax Society (MBR) in finding suitable housing. In its implementation, several houses have been built and provided through this program, while the rest are still in the planning stage or only in the form of replicas and visual illustrations as a visual representation of future housing. The government in this case does not work alone. Instead, it works with the developer to re-realize the construction of subsidized housing and determine the mechanism for its implementation.

However, when building a new system, several problems, both technical and non-technical, are often associated with cheating practices. This can lead to a developer's breach of promises, which ultimately harms consumers and home buyers. Adequate legal protection is required to ensure consumer rights in this context.

Referring to Article 2 of Law Number 8 of 1999 concerning Consumer Protection (UUPK), consumer protection is an integral part of national development, which is in line with five main principles, namely:

1. The principle of benefit states that all consumer protection efforts must benefit consumers and business owners as much as possible.
2. The principle of justice, which aims to create maximum public participation, ensures that the rights and obligations of consumers and business actors can be implemented fairly.
3. The principle of balance governs achieving a balance between consumer interests, business practices, and governance, both in material and spiritual aspects.
4. The principle of safety and consumer safety guarantees that consumers feel safe when using the goods and/or services they consume.
5. The principle of legal certainty ensures legal protection in the country by enforcing the law fairly and consistently, both for consumers and business operators (Anies, 2016).

Besides these principles, it is hoped that consumer protection in the sale of subsidized houses can be done effectively and fairly. In the context of the ownership of a home by the developer, legal protection provides a legal framework to ensure fairness in transactions between the parties involved in the sale of a house. This legal protection not only functions as a guarantee of legal certainty for the parties, but also as an instrument to protect the rights of consumers, especially in terms of the use of housing that should be enjoyed optimally under the agreement.

Legal protection for consumers in the case of homeownership includes a mechanism for complaints arising from violations of individual rights. The scope

of consumer protection can be divided into two aspects: protection against the possibility of goods being handed over to consumers not in accordance with what was agreed upon, and protection against the imposition of unfair conditions for consumers. Violations can take the form of slightly below-standard building quality, land areas that do not comply with the agreement, and various other violations that harm consumers. In addition to violations of individual rights, there are also violations of the collective rights of consumers, who should also be protected (Meialana, 1993).

In practice, not a few consumers of subsidized houses feel disadvantaged. Many high-income people depend on this program to get a decent living space. However, the realization in the field of rap was not as promised. Many of the problems being investigated include water quality unsuitable for consumption, inadequate environmental conditions, such as mud roads, basic facilities, such as wells, or water unsuitable for bathrooms. In addition, the quality of the building, which is far from the specifications promised in advertisements and promotional brochures, is evidence of the incompatibility between the initial agreement and the real conditions. This behavior can be categorized as a breach of promise or a breach of promise, which in a legal way provides a basis for consumers to demand liability.

To minimize the risk of fraud, consumers should understand the transaction stages and ensure that the legal relationship between the buyer and the seller is established in a mutual agreement. One of the most important agreements is the Sale of Goods (PPJB) agreement, which binds the two parties to enter into a final sale agreement. The PPJB implementation guidelines are regulated through the Minister of Public Housing No. 09/KPTS/M/1995 on the Guidelines for the Binding Sale of Houses (Leo, 2020). Which is a reference to the practice of selling houses by the developers.

Furthermore, the legal basis that consumers can use to demand the developer's responsibility can be found in Law Number 1 of 2011 concerning Housing and Residential Areas. Article 134 in conjunction with Article 151 of the law states that a person who commits a violation can be fined up to Rp5,000,000,000.00 (five billion rupiah). In addition to the sanctions, there are administrative sanctions as stipulated in Article 150, ranging from written warnings, suspensions of activities, revocation of business licenses, and closure of business operations.

Forms of Violation of Legal Norms Against the Parties Involved in the Sale and Purchase Agreement of Livable Houses

A house sale agreement between a developer and a buyer is a data protection agreement, in which one of the parties bears responsibility for himself or herself or for another party involved in a legal relationship. In contract theory, the process of an agreement is divided into three phases, namely:

1. Pre-contractual phase, which includes the process of offering and negotiating between parties;
2. Contractual phases, which require the conclusion of an agreement between the parties; and

3. Post-contractual phase, namely exercising rights and obligations as stipulated in the contract (Salim, 2019).

In the practice of selling houses, the concept of this agreement is crucial because it involves many aspects, such as the price of the house, the time of the house, the specification of the building, the quality of the land, and so on. This agreement becomes the legal basis if the day arises. For example, if the developer is too late to hand over the house or the building specifications are not suitable, then the consumer can sue based on the content of the agreement that has been agreed.

The terms of the agreement also establish the principle of freedom of contract, which means that the parties to the agreement must determine the content of the agreement as long as it is not contrary to law, public order, and morality. However, when selling a house, the consumer is often in a position of power because the buyer usually prepares the agreement's content. Therefore, legal protection of consumers is a way to reduce the imbalance of rights and obligations (Rivaldi and Supriatna, 2023).

In the context of selling a house, a violation of the law by the business owner in the agreement to sell a home can occur when the developer does not fulfill its obligations as agreed. Depending on the number of violations, this violation of the law can be categorized as a violation of the law or an act against the law.

A default occurs when one of the parties does not implement the agreement's content as it should. For example, business sellers or deputies may be late in handing over the house to consumers, the house built does not match the brochure drawings or technical specifications, or the house is not built at the same time, even though the consumer has paid the down payment. These things violate the agreement and can cause losses for consumers.

For example, unlawful acts can occur if the business owner's actions cause losses to consumers, even if they are not directly related to the content of the agreement. For example, if a business owner sells a house on land that is still in the same land or does not have a property, then it can be considered an act against the law because it violates the rights and legal security of consumers.

Based on Article 19 of Law Number 8 of 1999 concerning the Consumer Protection Act (UUPK), business owners who violate the law and harm consumers are required to pay compensation. This compensation can be in the form of a refund, a product replacement, or a company replacement. This is a legal liability for negligent or fraudulent business owners who run their businesses.

Some legal violations that occur in the sale of a house include:

1. Do not hand over the house according to the time promised in the agreement (wanpre\$stasi).
2. Specify the building from a brochure or initial promise, a description of the land area, the material's quality, or the house's design.
3. Houses are built on problematic land, for example, if they are certified, are still standing, or have a building permit (IMB).

4. The agreement is not transparent, for example, including clauses between parties that harm consumers without adequate explanations.
5. Ignoring complaints or reports of damage from consumers wastes money.

These violations harm financially and can impact consumers' psychological well-being because home ownership is a critical need. Therefore, legal protection is needed so that consumers have certainty and a sense of security when making transactions to sell houses (Ayu, 2022).

Furthermore, the protection of consumer rights in a general way is regulated in Article 4 of Law Number 8 of 1999 concerning the Consumer Protection Act (UUPK), which includes:

1. The right to comfort, security, and convenience in consuming goods and/or services.
2. The right to choose and obtain goods and/or services according to the promised exchange rate, conditions, and guarantees.
3. The right to accurate, truthful information regarding the conditions of the warranty of goods and/or services.
4. The right to submit information and complaints about the goods and/or services used.
5. The right to seek legal protection in the same as consumer protection.
6. The right to receive guidance and education as a consumer.
7. The right to be treated fairly, honestly, and non-discriminately.
8. The right to obtain compensation if the goods and/or services are not delivered under the agreement or for use.
9. Other rights regulated by the law are positive.

With the introduction of regulation and legal enforcement, it is hoped that consumers, especially those who own subsidized housing, will receive comprehensive protection in the transaction process while encouraging the developer to be accountable for providing decent housing in line with the standards set.

Violation of the rights of the beneficiaries in the agreement to sell a subsidized house

The most common problems in implementing subsidized house sale agreements are related to consumer protection aspects, especially the limitation of the choice of Home Ownership Credit (KPR) products. Consumers are advised to choose a home unit without considering or comparing financing products appropriate to their financial condition. Since the bank has been given exclusive access to the same business through the Equal Partnership Agreement (PKS), consumers are only provided limited access to mortgage products from the central bank (Faisal, 2024).

Consumers are divided into three categories, namely, commercial consumers, intermediate consumers, and end consumers (Nasution, 2022). In principle, consumers should have the right to make choices without coercion, either directly or indirectly. However, in this context, consumers' position is weakened due to their lack of financing alternatives. This imbalance in position can have a negative impact, as it allows the business owner to exploit the

consumer through unfair business practices and the risk of loss borne by the consumer due to the business owner's unilateral policy.

Not only are consumers harmed, but business leaders can also experience negative impacts, such as decreased product quality and the emergence of unequal business competition. Another problem contributing to consumers' position is the lack of information provided by the mortgage scheme offered by banks. As a result, consumers often have a limited understanding of mortgage mechanisms, including the number of installments that must be paid every month.

For example, promotional materials such as brochures and other media generally only display a site plan or master plan that describes the long-term plan of the building, such as the construction of public facilities, without providing information that would be sufficient to support the financing aspects. This strategy is aimed at attracting consumer interest rather than providing a comprehensive understanding of the rights and obligations of the subsidized house.

Article 7 of the Consumer Protection Law (UUPK) is regulated in a way that determines the obligations that must be fulfilled by business owners, especially in the context of the development of goods and/or services (Supriatiningsih, 2016). Responsibilities include:

1. To carry out business activities in a responsible manner and based on good faith;
2. Provide accurate, honest information regarding the condition of the warranty for goods and/or services, including the use, repair, and maintenance thereof;
3. Provide services to consumers in a fair, honest, and non-discriminatory manner;
4. To ensure the quality of the goods and/or services produced and/or sold by the specifications that have been determined;
5. To provide a link to consumers to test and/or test the goods and/or services, as well as to give warranties and/or warranties for the product;
6. Provide compensation and/or compensation for losses arising from the use of traded goods and/or services;
7. Provide compensation if the goods and/or services received are not under the agreement or contract.

If one of the parties to the agreement, the business or consumer, does not fulfill its obligations as stipulated in the regulations, the aggrieved party has the right to demand the revocation of its rights. A breach of a duty can result in damages that require the negligent party to be held legally liable. With this deception, this re-regulation provides legal protection to consumers and encourages business owners to carry out their business activities ethically and professionally.

Consumer legal remedies if there is a violation of the rights of the business owner in the agreement to sell subsidized houses

Business owners, in this case developers, are taking strategic steps in developing subsidized housing as part of a government program to support

people's access to affordable housing for homeowners. However, in practice, it is not uncommon to find various violations committed by developers, such as building quality that is not up to the promised standards, damage to the building structure, technical specifications that deviate from the contract, and negligence in the provision of basic facilities that are the rights of consumers.

These problems create a sense of distrust and concern among people who do not want to buy subsidized housing. This is because the agreement to sell a subsidized house is not only related to the contractual aspect but also to consumer protection, which in this case is somewhat in a better economic position than that of the business owner.

In the context of legal protection, consumers have various rights as stipulated in Article 4 of Law Number 8 of 1999 concerning the Consumer Protection Act (UUPK), including the right to comfort, security, and convenience in using goods and/or services; the right to submit complaints and complaints; and the right to compensation if the goods and/or services received are not under the agreement or the contract (Maharani and Dzikra, 2021).

If the developer infringes on consumers' rights, consumers have two main paths to redress a claim: non-litigation and litigation mechanisms. The non-litigation route can be achieved by filing a complaint with the Consumer Protection Agency (BPSK), as stipulated in Article 52 of the UUPK. The Consumer Dispute Resolution Agency (BPSK) is a body tasked with handling and resolving disputes between business actors and consumers (Article 1 number 11 of Law Number 8 of 1999 concerning Consumer Protection). BPSK can resolve consumer disputes through mediation, conciliation, and arbitration based on the principles of fairness and reach. As a consumer dispute resolution body outside the court, BPSK's decision is final and binding, without appeals or cassation efforts (Article 54 paragraph (3) of Law Number 8 of 1999 concerning the protection of consumers).

If the consumer through BPSK does not produce results or is dissatisfied, then the consumer can take the litigation route through the court. Based on Article 45, paragraph (1) and Article 46 of the UUPK, consumers can file a lawsuit with the court in the jurisdiction where the consumer lives. In a lawsuit, consumers can claim damages based on negligence or unlawful acts, as Article 19 of the UUPK stipulates. Article 1 states, "Business owners are responsible for compensating for damages, losses, and/or losses to consumers due to consuming goods and/or services produced or traded." The compensation in question can be a refund, replacement of goods, or other compensation agreed upon.

In addition to data protection responsibilities, business operators can also be subject to criminal sanctions if they are proven to have committed serious violations, such as fraud or disclosing misleading information. This law is regulated in Article 62 paragraph (1) of the UUPK, which states that "Business owners who violate the laws as referred to in Articles 8 to 17 are threatened with imprisonment for a maximum of five (5) years or a maximum penalty of Rp2,000,000,000.00 (two billion rupiah)." (Novianti, 2021).

With demystification, consumer protection in selling subsidized houses requires careful attention, both from the regulatory and implementation aspects, to ensure that consumer rights are protected efficiently and fairly.

Steps to prevent violations by the developer in the agreement to sell a house

To avoid any breach of the promised house or violation of rights, consumers can make several efforts to avoid being deceived by departures in the sale agreement of the house (Firmansyah, 2023):

1. To do a check-in and re-account of the transaction through online sales by simply viewing the sales history of the store by developer.
2. Verify the validity of the documents by a PPAT notary so as not to be a falsification of documents such as a Certificate of Ownership (SHM) and Building Permit (IMB)
3. Conduct a survey directly in front of the proper location to check the physical condition of the building and whether it complies with the promised specifications.
4. Selling transactions try to use the mortgage method to minimize the risk of fraud by not making a down payment (*Down Payment*) until there is a mortgage destination.

In the practice of buying a house, consumers are faced with various forms of fraud or violation of their rights. Therefore, consumers must be more careful in choosing the right product to avoid a loss.

1. Do not rush to sign a Letter of Sale Agreement (SPJB) or a Selling Bond Agreement (PPJB). Read each clause carefully, especially those related to the time of delivery, building specifications, and sanctions if the development is unnecessary.
2. To maintain objectivity, consumers are advised to use an interpreter (not a right-hand deaf), to ensure the validity of the documents while protecting the rights of consumers in legal ways.
3. All transactions, both down payment and installments, should be done in writing and accompanied by proof of payment. This is especially true if you are going to spend
4. If consumers are unsure about an offer, it is recommended to consult with a consumer protection agency or BPSK to determine a neutral legal role.

By implementing these measures, consumers are expected to be protected from harmful practices and to fully exercise their rights when selling a home.

CONCLUSIONS AND RECOMMENDATIONS

The subsidized Home Ownership Loan (KPR) program aimed at supporting homeownership for the Income Community (MBR) is still facing various problems, one of which is the developer's lack of transparency. This condition negatively impacts consumers, who ultimately experience losses, both real and non-real.

One of the main factors that causes unpredictability is the lack of consumer bargaining position when choosing a mortgage product that is in line with the needs and financial capabilities of the consumer. In addition, the lack of transparency and adequate information from banks and developers has also

worsened this situation. The supervision is still limited by the government, especially the Public Works and People's Housing Administration (PUPR), and the implementation of projects for the construction of subsidized houses by developers is also one of the reasons for the suboptimal protection of consumers.

In dealing with these conditions, consumers can use legal remedies to demand that their rights be respected. Legal remedies can be initiated by filing a summons or legal complaint to the court. If the summons does not yield results, the consumer can proceed by filing a lawsuit through the Consumer Protection Agency based on the data set or choose to pursue a non-litigation route by reporting it to the Consumer Protection Agency (BPSK), as regulated in Law Number 8 of 1999 on Consumer Protection.

Suggestion

Seeing the rampant defaults committed by developers in implementing the subsidized Home Ownership Credit (KPR) program, efforts are needed from various parties to prevent greater losses among low-income people (MBR).

1. First, it is suggested that the government, through the Ministry of PUPR, improve the supervision and evaluation system for developers involved in subsidized housing projects. This supervision should be not only administrative but also include periodic inspections in the field and strict sanctions against developers who violate commitments or carry out development unprofessionally.
2. Second, banks need to actively provide education to prospective debtors, not only about the mortgage application process, but also about consumer rights, legal provisions, and potential risks that may be faced if the developer fails to fulfill their obligations.
3. Third, developers must convey information honestly and transparently to consumers about building specifications, project legality, and estimated unit handover time. This is important to create a healthy and balanced relationship between business actors and consumers.
4. Fourth, as consumers, the public also needs to improve legal and financial literacy. Consumers are advised to read and understand the entire contents of the sale and purchase agreement and keep proof of payment and other official documents as a basis for legal action in the future.
5. Fifth, if rights are violated, consumers should not hesitate to seek legal remedies, either through summonses, lawsuits to the General Court, or non-litigation mechanisms such as complaints to the Consumer Dispute Resolution Agency (BPSK), in accordance with the provisions of Law Number 8 of 1999 concerning Consumer Protection.

With the consistent implementation of these steps, it is hoped that the implementation of the subsidized mortgage program can run fairly, transparently, and truly in the best interests of the community as the main beneficiary.

ADVANCED RESEARCH

Future research should focus on analyzing the root causes and legal implications of developer defaults in subsidized Home Ownership Credit (KPR) programs, especially their impact on low-income communities (MBR). Studies can evaluate the effectiveness of current government oversight mechanisms, particularly those enforced by the Ministry of PUPR, and identify gaps in monitoring and sanctioning unprofessional developers. Research should also assess the transparency and accountability of developers in providing accurate information to consumers.

In addition, further studies could explore the role of financial institutions in enhancing consumer protection, especially through education about mortgage risks, rights, and legal options. Investigating public awareness of legal remedies, such as the use of the Consumer Dispute Resolution Agency (BPSK), would provide insights into how well the existing legal framework protects buyers. These studies can support the development of more robust policies to ensure a fair, transparent, and trustworthy subsidized housing program for the benefit of vulnerable groups.

REFERENCES

- Adrianus Meliala.1993.Fraudulent Business Practices. Pustaka Sinar Harapan.Jakarta
- Ahmadi Miru, Sutarman Yodo. 2004. CONSUMER PROTECTION LAW. PT RajaGrafindo Persada. Jakarta
- Akhmad Bagus Faisal.2024. The Role Of Notaries In Legal Protection For Property Buyers On Credit When There Is A Lawsuit By A Third Party In The City Of Tegal.Proquest.com.
- Alfina Maharani, Adnand Darya Dzikra.2021. Consumer Protection Function And The Role Of Consumer Protection Institutions In Indonesia: Protection, Consumers, And Business Actors.
- Article 1 number 11 of Law Number 8 of 1999 concerning Consumer Protection
- Article 54 paragraph (3) of Law Number 8 of 1999 concerning Consumer Protection
- Astri Novianty.2021.Juridical Review of Fraud in the Buying and Selling Process That Is Not in Accordance with Its Purpose (Case Study of the Supreme Court of the Republic of Indonesia Number 279 /K/PID/2020).
- Berliana Ayu K.2022. Legal protection for buyers in subsidized house purchase and sale agreements related to the quality of livable houses. Juris Diction.
- Compare with Az. Nasution.2002. Consumer Protection Law, An Introduction. Diadit Media.Jakarta.h.13

Consumer Protection Law No. 8 of 1999

Decree of the Minister of State for Public Housing Number: 09/KPTS/M/1995
concerning the Guidelines for the Binding of Sale and Purchase of Houses.

Eka Supriatiningsih.2016. Legal Protection Of Consumer Rights In The Housing
Industry According To Law Number 8 Of 1999 Concerning Consumer
Protection.De'Rechtsstaat legal journal

Eprint, 2024.Theory of Responsibility. East Java

Fajar Firmansyah.2023.Legal Protection of Housing Consumers for
Inconsistencies in Developer Information in Subsidized Home Ownership
Loans is linked to Law Number 8 of 1999 concerning Consumer
Protection.digilib.uinsgd.ac.id

Gunawan Widjaja and Ahmad Yani.2003.Consumer Protection Law.
Gramedia.h.12

I Gusti Made Oka Sedana, I Ketut Sudiatmaka, Si Ngurah Ardhya.2021.The Role
Of The Consumer Protection Institution Foundation Related To Consumer
Losses Is Reviewed Based On Article 8 Letter F Of Law Number 8 Of 1999
Concerning Consumer Protection (A Case Study Of Consumer Losses To
The Purchase Of Subsidized Houses In The Tabanan Regency Area).
Judiciary Community, Ganesha University of Education Law Study
Program.

Ikhyak Ulumudin.2016.Buying and selling subsidized mortgages according to
PermenPUPR No.26/PRT/M/2016/Repository.Radenintan.ac.id

Law Number 1 of 2011 concerning Housing and Residential Areas

Leo Siregar.2020. Developer's responsibility for development that does not keep
promises. Leo Siregar & Associates.South Jakarta

Mochamad Nur Arsyi rivaldi, Rimba Supriatna.2023.As a result of the Law of the
Sale and Purchase Agreement of Individual Houses whose Object of Sale
and Purchase is not handed over. Journal of Legal Research (JRIH).

Muhammad Anies, 'Legal Protection for Consumers for Home Ownership from
Developers in Makassar City' (2016) 5 Al-Daulah

Murti Sumarni and Jhon Suprihanto.1987.Introduction to Business,
Fundamentals of Corporate Economics.Liberty.Yogyakarta.h.21

Aryandi, Pratama, Athallah, Hidayat, Handiriono

News.2020.It turns out that subsidized houses in Indonesia are not livable according to the World Bank's version. Beritakota.id.Jakarta

Oman Sukmana . 2016.Concept and design of a welfare state. eJournal.umm.ac.id

Regulation of the Minister of Public Housing of the Republic of Indonesia Number 3 of 2014

Salim H.S.2019.Development of Innominate Contract Law in Indonesia. Graphic Ray

Urip Santoso, Housing Law (Paramedia Group 2015)