

KPKT to announce home financing schemes for B40 in mid-October

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PUTRAJAYA (Aug 22): By mid-October, the Ministry of Housing and Local Government (KPKT) hopes to launch around six home financing schemes, specifically for the B40 income group.

"We are looking at about six different schemes with about 15 banks and financial institutions on board," said KPKT Minister Zuraida Kamaruddin at a joint press conference with Cagamas Bhd president and CEO Datuk Chung Chee Leong here today.

Zuraida has also asked banks to relax some of their requirements to fund housing projects, with the government promising to deliver one million affordable homes by 2028.

"Developers have switched their focus from building expensive high-end homes to affordable homes. Therefore, we need the banks' support in order to reach the government's target to build 1 million affordable homes in 10 years.

"The demand [for affordable homes] will increase and banks would be more willing to help developers fund the projects," said Zuraida.

Meanwhile, Cagamas' My First Home scheme and Youth Housing scheme (launched in 2011), have already helped 25,000 borrowers to purchase their first homes, by obtaining loans of up to 100% for homes priced below RM500,000, said Chung.

"With the revised My First Home scheme, borrowers can now borrow up to 110% if they are buying houses below RM300,000 and have an individual or household monthly income of no more than RM10,000. The age cap is removed as well, as long as it is your first home purchase.

"This has facilitated the number of approved loan cases this year [to date] of 7,000 cases. Last year, around 8,000 cases were approved. The banks provided the loans while Cagamas provided the mortgage guarantee. This year, we expect at least 10,000 [loan] approvals," he said.