

# Housing installments for affordable homes expected to go down by 20 per cent

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*Lim Guan Eng (left) gestures at the press conference. Bernama Photo*

PUTRAJAYA: The monthly installment payment for borrowers under the Affordable Housing Fund is expected to be reduced by 20 per cent.

This follows an announcement by Finance Minister Lim Guan Eng today that effective Sept 1, Bank Negara's RM1 billion Affordable Housing Fund has been expanded to those with household monthly income of not more than RM4,360 for purchase of a home not exceeding RM300,000.

Prior to this, the fund was opened to house buyers with monthly household income not exceeding RM2,300 for purchase of a home of not more than RM150,000.

"Successful applicants will enjoy a low interest rate of 3.5 per cent per annum with repayment period of 40 years. We hope with this flexibility, it will be easier for house buyers to obtain loans," Lim said at a joint media conference with Housing and Local Government Minister Zuraida Kamaruddin here today.

The media conference was held after both ministers attended focus group discussions to obtain views and recommendations for the 2020 Budget on housing, at the Housing and Local Government Ministry here.

Lim said the successful applicants would also be exempted from stamp duty for their sale and purchase agreement.

Meanwhile, Zuraida said six housing financing schemes, including the Youth Housing and 'rent-to-own' would be launched in October this year.

She said the schemes were being finalised for implementation to include the participation of banks and financial institutions.

Asked on the ministry's efforts to assist the Pahang government in assisting Lynas Malaysia Sdn Bhd (Lynas) to build a permanent deposit facility (PDF), Zuraida said it had to comply with all requirements. – Bernama