

HBA: Extend enhanced fund to **secondary market**

➤ Association also urges relaxed income cap for joint borrowers

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PETALING JAYA: While commending the government's move in expanding the eligibility criteria for the Affordable Home Fund (AHF), the National House Buyers Association (HBA) hopes that the scheme can be extended to first-time house buyers in the secondary market.

AHF currently allows for purchases of residential property in the primary market only with financing rate of up to 3.5% per annum.

HBA secretary-general Datuk Chang Kim Loong (*pic*) said it hopes that the scheme is also available for completed properties (sub sale).

"We also hope that the income cap of RM4,630 can be relaxed to allow for joint application where the individual income may be below RM4,630 but combined is higher than the threshold RM4,630 to buy property costing up to RM300,000," he told *Property Take* yesterday.

Effective Sept 1, 2019, the maximum monthly household income for applicants is increased to RM4,360, from RM2,300

previously. The maximum property price is increased to RM300,000, from RM150,000 previously, in line with the definition of affordable house in the National Affordable Housing Policy.

HBA applauded the government and Bank Negara Malaysia (BNM) for heeding its call for setting up such an "extended" scheme to help the Middle 40 (M40) income segment to acquire their dream homes in enhancement of the financial assistance to Bottom 40 (B40) segment announced early this year.

"This M40 segment often find it very challenging to buy their dream homes due to two factors, namely coming up with the 10% downpayment and qualifying for a housing loan within the affordable bracket. The AHF helps the middle income segment to



buy their dream homes by tackling both challenges at the same time," said Chang.

He said the lower interest rate at "up to 3.5%" will help to reduce the burden of the M40 segment and give them more disposable income for other urgent needs and some savings for any unforeseen emergencies.

Despite previously proposing that the monthly household income eligibility be raised up to RM5,000 per month, Chang said it can accept the experts' measurement and factors related to management of risk, having taken into account the statistics, analyses and disciplines, and their rationale in imposing the household income eligibility at

RM4,360.

He added that the conditions upon which the B40 segment were restricted should similarly be imposed on this enhanced scheme for the M40 segment.