

A boon for first-time home buyers

KUALA LUMPUR: Bank Negara will team up with four commercial banks to reach out to first-time home buyers in a scheme expected to be announced in the 2017 Budget.

Prime Minister Datuk Seri Najib Razak is expected to include the scheme, which is geared towards bridging the gap between home buyers and financial institutions, when tabling the budget.

Second Finance Minister Datuk Johari Abdul Ghani said the ministry was working out a formula with Bank Negara, CIMB Bank, Maybank, AmBank and RHB Bank.

He said the new mechanism would provide a better financing ecosystem by addressing the mismatch between the buyers' purchasing power and the loan amount they were entitled to receive from banks.

"It would involve the purchase of houses valued at RM300,000 and below to help those who could not secure housing loans.

"This is not because banks do not want to give loans, but because the amount the buyers are entitled to get based on their income is not sufficient to finance the homes.

"This is not an incentive, as the buyers will pay for the house, but we will try to help them own their first homes while they wait for their salary increment, after which they are entitled to secure a higher loan. The scheme will have a yearly quota," he said after launching the Rumah Mesra Rakyat Online (RMROnline) at Wisma Perkeso yesterday.

RMROnline is a system under Syarikat Perumahan Negara Bhd (SPNB) that allows low-income earners who are landowners to build their own home by applying on SPNB's website (www.spnb.com.my).

It has received 83,534 applications, of which 36,188 had been approved and 36,013 houses had been built.



Second Finance Minister **Datuk Johari Abdul Ghani** (centre) looking at a model of a house after launching the Rumah Mesra Rakyat Online system in Kuala Lumpur yesterday. With him are Syarikat Perumahan Negara Bhd chairman **Datuk Dr Abd Latiff Ahmad** (left) and chief executive officer **Datuk Ahmad Azizi Ali**. Pic by Asyraf Hamzah