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122 developers have registered so far

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KUALA LUMPUR, Tues. - With the Home Ownership Campaign kicking off on Saturday, 122 housing developers have so far registered their interest in taking part in the month-long scheme.

With their participation, the campaign, which promises discounts, attractive financing and interest rates for prospective home buyers, already involves houses and apartments across the country, particularly in the Klang Valley, Johor and Penang.

More details about the campaign, which Prime Minister Datuk Seri Dr Mahathir Mohamad will launch, were released today in a media briefing by key housing developers and insurance and financial community members.

To be eligible for the campaign's attractive financing, discounts and interest rates, buyers may only purchase homes worth up to RM250,000.

Other details are:

- * For homes costing up to RM200,000, buyers can obtain 95 per cent financing;

- * A discount of at least 10 per cent will be given off the market price.

- Bumiputeras will receive a discount of at least 15 per cent.

- * Interest rates of nine per cent per annum will be provided for houses or apartments that cost up to RM100,000.

- * For residential property worth between RM100,000 and RM250,000, buyers will pay only the base lending rate for the first year.

- For subsequent years, the payment will be the BLR plus 1.5 per cent (present BLR rates are at 8.05 per cent).

- * Processing fees and stamp duties will be waived, while legal charges can be reduced on a case by case basis.

"Loan tenures, which currently range from 10 to 35 years, will be determined at the discretion of the banking and finance companies," said the Association of Banks Malaysia chairman Datuk Amirsham A. Aziz. (see CORRECTION above)

Also present at the briefing were Association of Finance Companies Malaysia chairman Datuk Tay Ah Lek, Housing Developers Association of Malaysia president Datuk Eddy Chen, Persatuan Insurance Am Malaysia executive director Lim Chiah Fook, Employers Provident Fund senior general manager Mohd Yusoff Abdul Mubin and the Life Insurance Association of Malaysia chief executive officer Vincent Kwo.

Tay said during the campaign, finance companies would be encouraged to offer free gifts and set up one-stop approval centres at relevant housing projects.

"Starting Saturday, buyers can look at newspapers for a series of advertisements listing the participating developers and properties," said Chen.

"This is a one-off boost for the housing development industry, signifying the bottoming out of the market," he said.

When asked if restrictions against foreigners buying property worth less than RM250,000 would be eased during the campaign, Amrisham would only say that Dr Mahathir would make an announcement on the matter during the launch.

The campaign is endorsed by the National Economic Action Council.

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