

31/05/2003

#### BSN overwhelmed by Project Hope

PROSPECTIVE house buyers have responded overwhelmingly to the special loan incentives under the government's Home Ownership for the People project (Project Hope).

According to a Bank Simpanan Nasional (BSN) source, the bank's branches have been deluged by calls from prospective buyers interested in availing themselves to the incentives it is to offer. However, the bank has not yet finalised the details of these incentives and how they are to be offered to borrowers.

Under Project Hope, unveiled by Prime Minister Datuk Seri Dr Mahathir Mohamed last week as part of the economic stimulus package, the government will provide through BSN, a subsidy on housing loan interest payment of three per cent for the first year or an interest-free loan for the 10 per cent deposit for the first year for first-time house buyers purchasing units costing below RM100,000.

Purchasers who obtain loans from financial institutions other than BSN need not despair. A sum of RM600 will be credited into their loan accounts under Bank Negara Malaysia's Lending Guidelines on Housing Loans.

These packages will, however, be applicable for houses purchased from June 1 this year, to May 31, 2004. BSN has allocated RM300 million for its loan programmes under Project Hope.