

Review financing model for affordable homes: PM

To meet 'One Family One Home' target, banks urged to allow easier access to funds for B40, M40 groups

KUALA LUMPUR: Bank Negara will need to review its financing model to make home ownership much easier for the B40 (Bottom 40 income) and M40 (Middle 40 income) groups in line with the "One Family One Home" target, said Prime Minister Datuk Seri Ismail Sabri Yaakob.

He said this was among decisions taken at a National Affordable Housing Council meeting, which he chaired yesterday, to discuss the direction taken and the coordination and monitoring of affordable housing plans nationwide under the campaign.

"This is to ensure financial institutions allow easier financing for the B40 and M40 groups to own units in People's Housing Projects (PPR) and other affordable homes. The focus will be on direct purchase and rent-to-own (options)," Ismail Sabri said in a statement yesterday.

He added that the council agreed to set a new direction for PPR housing by taking into account current needs as well as the inclusion of new components to realise the "Liveable Malaysia" agenda.

He said new PPR projects will look into elements such as connectivity and internet access, including "fibre to the home" public transport network and designs that are more economical and comfortable.

Ismail Sabri said the meeting also discussed strategies for the implementation of 500,000 affordable housing units nationwide under the 12th Malaysia Plan, involving the federal and state governments as well as private housing developers.

"The government is committed to ensuring the provision of adequate and quality affordable housing to meet the needs of a growing population.

"As such, the Housing and Local Government Ministry has introduced the

Home Ownership Programme to ensure a more comprehensive ecosystem for housing development and financing as well as initiatives that can help Keluarga Malaysia own homes."

Ismail Sabri said the government was committed to having more affordable housing units for the younger generation and developing affordable housing projects in the suburbs and smaller towns to allow more from the M40 group to own homes.

"The concerns raised at the meeting were rising cost of construction materials such as iron and steel as well as cartels controlling the construction industry."

He said Housing and Local Government Ministry and the Real Estate and Housing Developers' Association Malaysia have been directed to look into these concerns, Bernama reported.

He urged all parties to play a role in ensuring that the "One Family One Home" target is met.

Ismail Sabri said to realise this the federal government would provide subsidies, while state governments would allocate land, and banks would provide easier home financing to ensure PPR and affordable homes are sold at reasonable prices.