

More than 3,100 applications for BNM's affordable homes fund approved - Lim

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KUALA LUMPUR, Nov 26 -- More than 3,100 applications for Bank Negara Malaysia's (BNM) Fund for Affordable Homes have been approved as of Oct 31, with funds totalling RM596 million, said Finance Minister Lim Guan Eng.

He said BNM and other financial institutions had taken steps to help house buyers in reducing ancillary costs of homeownership through the RM1 billion fund which was introduced in January this year.

"The scheme was enhanced on Sept 1, where the maximum monthly household income was raised to RM4,360 and the maximum property price was increased to RM300,000," he said during the oral question and answer session at the Dewan Rakyat here, today.

Lim was answering a question from Hassan Abdul Karim (PKR-Pasir Gudang) on the progress in BNM's efforts to help lower income earners in purchasing affordable houses.

He said with the fund, first time house buyers -- especially the younger generation -- will be able to obtain funding from financial institutions at a much lower financing rate of 3.5 per cent per annum, with a repayment period of 40 years or up to age 70.

"The lower financing rate and the longer repayment period will help borrowers by reducing monthly repayments and subsequently boosting purchasing power as well as increasing access to fundings," he added.