

M'sia eyes foreign financiers for RTO scheme

THE government is seeking foreign financiers to participate in the rent-to-own (RTO) housing scheme to further facilitate home ownership in the country.

Housing and Local Government Minister Zuraida Kamaruddin said Putrajaya is in talks with a few foreign agencies — including from China, South Korea and the Middle East — to secure new financiers for the housing scheme by year-end.

"We are currently talking to foreign investors to see whether they want to come into the RTO scheme and assist us by being the financier.

"Cagamas Bhd could be the conduit and these foreign investors can park their money with Cagamas," Zuraida said at the Constructing and Financing Affordable Housing Across Asia Conference in

Kuala Lumpur yesterday.

Zuraida said she may join Prime Minister Turr Dr Mahathir Mohamad's visit to Beijing scheduled at the end of April and engage with prospective parties from the country to get three to four RTO financiers.

She further said the RTO financing agreements are targeted to be signed this year, though the implementation will only kick in some time beginning 2021 as the first housing project under the new National Housing Policy would be completed in the next three years.

She said the RTO financing scheme may be expanded and offered to current existing units.

The Pakatan Harapan government in its election manifesto promised to build one million affordable homes in 10



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years, or about 100,000 units a year.

According to Zuraida, big data technology will play key roles in determining the right supply and demand, pricing and demog-

raphics of the locations.

At the conference, Cagamas inked a memorandum of understanding with Korea Housing Finance Corp to jointly explore methods to promote home ownership in

the respective countries.

The agreement will enable domestic experience in housing finance, mortgage and financial instruments to be mutually exchanged between Malaysia and South Korea.

Cagamas, the second-largest issuer of debt instruments after the federal government and the largest issuer of AAA corporate bonds and sukuk in the market, has cumulatively issued circa RM319.1 billion worth of corporate bonds and sukuk since its incorporation in 1986.

Cagamas president and CEO Datuk Chung Chee Leong said the firm plans to introduce a shared equity housing programme to boost home ownership.

Chung said Cagamas is looking at similar programmes in the UK and Australia to replicate them for the local market.

— by RAHIMI YUNUS