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15 NOVEMBER 2024

AFFIN AND CAGAMAS BERHAD SIGN MEMORANDUM OF UNDERSTANDING TO PROVIDE INNOVATIVE REVERSE MORTGAGE PRODUCT FOR SENIOR HOMEOWNERS IN MALAYSIA

KUALA LUMPUR: AFFIN Group (“AFFIN” or “the Group”) signed a Memorandum of Understanding (MoU) with Cagamas Berhad (“Cagamas”) to support senior homeowners with a unique financing solution under the Reverse Mortgage product stable. This partnership positions AFFIN as the first banking institution to support Cagamas’ offering, reinforcing its dedication to providing flexible and impactful financial solutions that benefit the community.

The Reverse Mortgage product, developed by Cagamas, is tailored specifically for senior homeowners who have fully paid off their mortgages, allowing them to meet their lifestyle needs while retaining homeownership. It offers an alternative and flexible financing solution, providing seniors with steady cash flow over a fixed period. This structure gives seniors control over their loan term, allowing them to address immediate financial needs without a lifetime commitment. Whether covering medical expenses or day-to-day living costs, this product supports the unique financial needs of senior homeowners with flexibility.

The MoU between AFFIN and Cagamas signifies a shared commitment to provide senior homeowners security and stability while serving as a pre-emptive measure to help them plan for their future. AFFIN will enhance awareness and broaden access to Cagamas’ Reverse Mortgage product, bringing valuable benefits to senior homeowners **who have fully paid off their home financing or loans**. Subject to finalisation of operational arrangements between AFFIN and Cagamas, rollout for this collaboration is scheduled to begin from end of Quarter One 2025, with initial availability in selected cities. Prospective applicants are encouraged to check with their nearest **AFFIN Mortgage Hub** for available details.

Chief Executive Officer of Affin Islamic Bank Berhad, Dato’ Paduka Syed Mashafuddin Syed Badarudin said “We are honoured to collaborate with Cagamas on the Reverse Mortgage product, a transformative financial solution that supports our senior homeowners. This partnership reflects our commitment to providing innovative financial solutions that enhance the well-being of our community. Through Cagamas’ Reverse Mortgage, together we aim to bring greater financial security and peace of mind to senior homeowners, empowering them to enjoy their retirement years in the comfort of their own homes

While **Encik Kameel Abdul Halim, President/Chief Executive Officer of Cagamas** said “This MoU with AFFIN reinforces Cagamas’ commitment to addressing Malaysia’s aging demographic with solutions that are both practical and forward-looking. Our reverse mortgage product provides a dignified and flexible way for seniors to access financial resources from their home equity. This partnership will allow us to expand our reach and provide direct support to senior homeowners who deserve financial stability and autonomy in their retirement years.”

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About AFFIN Group

Affin Bank Berhad operates as the financial holding entity of Affin Islamic Bank Berhad, Affin Hwang Investment Bank Berhad, Affin Moneybrokers Sdn Bhd. Generali Insurance Malaysia Berhad and Generali Life Insurance Malaysia Berhad are affiliated companies of Affin Bank Berhad.

AFFIN Group provides an array of financial products and services catering to both individual, enterprise, commercial, and corporate clients. The focus market segments are categorised under essential business units such as Community Banking, Enterprise Banking, Corporate Banking, Treasury, and Investment Banking. For more information, please visit <https://www.affingroup.com>.

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About Cagamas

Cagamas Berhad (Cagamas), the National Mortgage Corporation of Malaysia, was established in 1986 to promote the broader spread of home ownership and growth of the secondary mortgage market in Malaysia. It issues bonds and sukuk to finance the purchase of housing loans from financial institutions and non-financial institutions. The provision of liquidity to financial institutions at a reasonable cost to the primary lenders of housing loans encourages further expansion of financing for houses at an affordable cost.

The Cagamas model is well regarded by the World Bank as the most successful secondary mortgage liquidity facility. Cagamas is the second largest issuer of debt instruments after the Government of Malaysia and the largest issuer of AAA corporate bonds and sukuk in the market. Since incorporation in 1986, Cagamas Group has cumulatively raised circa RM439 billion worth of corporate bond/sukuk and others.

Cagamas Berhad

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