



Media Release

13 September 2016

The State Government of Johor Launches The Johor Affordable Home Financing Scheme with AmBank Islamic

The State Government of Johor and AmBank Islamic Berhad today launched an Islamic affordable home financing scheme to assist qualified applicants from Johor to acquire affordable homes. The scheme is designed to provide an opportunity for qualified Johoreans who earn up to RM5,000 per month to promote homeownership.

“Year after year, the demand for affordable housing has been steadily increasing. To answer these calls for affordable housing, the State Government of Johor has taken the proactive role of committing to building 60,000 units of affordable homes in the next five years. Whilst we are pleased that our plans are in motion, one of the challenges for the target groups is to secure financing from financial institutions,” said Dato’ Mohamed Khaled Bin Nordin, Menteri Besar of Johor, who officiated the signing ceremony of the scheme in Johor Bahru.

Also present at the signing ceremony were Tan Sri Azman Hashim, Chairman of AmBank Group, Datuk Haji Abdul Latif bin Haji Bandi, Johor State EXCO for Housing and Local Government, Dato’ Sulaiman Mohd Tahir, Group Chief Executive Officer of AmBank Group and Encik Eghwan Mokhzanee, Chief Executive Officer of AmBank Islamic.

The State Government of Johor was represented by Tuan Haji Mohammed Ridha bin Dato’ Haji Abd. Kadir, Deputy Director, Johor Economic Planning Unit whilst AmBank Islamic was represented by its Chief Executive Officer, Encik Eghwan Mokhzanee to execute the agreement for the scheme.

This affordable home financing scheme by AmBank Islamic is designed to assist home purchasers who actually qualify to secure financing but were typically not accepted by

financial institutions (FIs), since affordable homes may not be within a number of FIs' target market.

Tan Sri Azman Hashim, Chairman of AmBank Group, said "We are honoured to be a part of the State Government of Johor's aspirations in providing affordable homes to deserving Johoreans. AmBank Islamic will be providing Islamic financing facilities of up to RM300 million to the under-served segment under this scheme."

The collaboration was first mooted when the State Government of Johor requested AmBank Islamic to consider providing Islamic home financing which is in line with the state's aspirations in respect of ownership of affordable homes by Johoreans.

"Whilst profit is the key motivator to AmBank Islamic, as an Islamic bank, we also wish to play a meaningful role in uplifting the socio-economic standing of society. Hence, AmBank Islamic has agreed to explore the provision of financing for affordable homes with the support of the State Government of Johor," Tan Sri Azman added.

Dato' Mohamed Khaled, Menteri Besar of Johor, further commented, "As an institution with over 40 years of legacy in understanding and helping Malaysians grow financially, I fully trust AmBank Islamic and AmBank Group's capabilities in providing the best service to all customers."

"As a caring Government, the State Government of Johor is also playing a part in supporting AmBank Islamic in ensuring the success of the Scheme. I urge the successful applicants to be responsible to fulfil their instalment payments to the bank, failing which the bank would pursue the normal legal recourse available, including foreclosure proceedings. The State Government would ensure that only genuine first time home purchasers could apply under the Scheme," Dato' Mohamed Khaled added.

Under the Scheme, eligible applicants must meet the repayment capability criteria and those, such as bankrupts and facing legal suits, would not be qualified to apply.

For further information, please contact Syed Anuar Syed Ali, Head, Group Corporate Communications and Marketing, AmBank Group, at 03-2036 1703 or via email at sasa@ambankgroup.com