

MBSB Bank seeks to disburse RM6b affordable housing loans

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MBSB Bank Bhd president and chief executive officer (CEO) Datuk Seri Ahmad Zaini Othman (left) and Cagamas Bhd president and CEO Datuk Chung Chee Leong signing a Cagamas SRP mortgage guarantee programme agreement in Kuala Lumpur yesterday. With them are MBSB Bank chairman Tan Sri Abdul Halim Ali (second from left) and Cagamas chairman Nik Hasyudeen Mohd Yusoff. PIC BY HALIM SALLEH

AFFORDABLE HOUSING

MBSB BANK EYES RM6B DISBURSEMENT

Second-biggest Islamic lender also plans to increase end-financing penetration

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NEWLY-FORMED MBSB Bank Bhd is looking at disbursing up to RM6 billion of affordable housing loans this year.

"A huge chunk of our portfolio has always been in development and affordable housing, and that would not change now that we have become a full-fledged bank," said president and chief executive officer Datuk Seri Ahmad Zaini Othman yesterday.

"We have between RM5 billion and RM6 billion worth of affordable home financing in the pipeline this year and that would keep us comfortable for the next three years."

To date, MBSB Bank has financed some RM4.5 billion for

government-backed affordable housing projects.

They comprised 1Malaysia Civil Servants Housing Programme (RM2 billion), 1Malaysia People's Housing Programme (RM1.6 billion) and Federal Territories Affordable Housing Programme (RM900 million).

Following the acquisition of Asian Finance Bank Bhd last month, MBSB Bank, with an enlarged asset base of RM47.81 billion, has become the country's second biggest Islamic bank after Maybank Islamic.

"With this new status, we are looking at launching more syariah-compliant products.

"We are presently strong in property development and we will be looking to increase our end-financing penetration. We will also look at strengthening our trade financing portfolio, add more products

“We are presently strong in property development and we will be looking to increase our end-financing penetration.”

DATUK SERI AHMAD ZAINI OTHMAN
MBSB Bank Bhd president and chief executive officer



(From left) MBSB Bank Bhd chairman Tan Sri Abdul Halim Ali, MBSB Bank president and chief executive officer Datuk Seri Ahmad Zaini Othman, Cagamas SRP Bhd director Datuk Chung Chee Leong and Cagamas Holdings Bhd chairman Nik Mohd Hasyudeen Yusoff at the signing of the double collaboration agreement in Kuala Lumpur yesterday. PIC BY HALIM SALLEH

to our Islamic retail segment and grow our transactional banking," added Zaini.

MBSB Bank has allocated RM250 million to upgrade its core banking system and roll out financial technology solutions in

the third quarter of this year.

Earlier, Zaini and Cagamas SRP Bhd director Datuk Chung Chee Leong signed a double collaboration agreement for Cagamas' Mortgage Guarantee Programme and the participation of

MBSB Bank in the My First Home Scheme.

MBSB Bank will now be able to obtain Cagamas' guarantee for the three government-backed affordable housing projects that it is involved in.