

# Cagamas SRP expects loans approved to reach RM12.6 billion by 2021

**KUCHING:** Eligible Malaysians can now purchase their first home and apply for financing online with Cagamas SRP Bhd's (CSRP) Digital Skim Rumah Pertamaku (Digital SRP), launched in collaboration with Didian and MHub, two technology property portals.

"We are delighted to partner with Didian and MHub to offer an integrated platform which connects home buyers, bankers, developers, and real estate agents. This collaboration facilitates three things," CSRP chairman Dato' Bakarudin Ishak said.

"Firstly, Digital SRP provides new access for prospective first-time house buyers to a wider selection of more than 130,000 properties of which, more than 50 per cent are eligible under SRP, and assistance from close to 2,000 real estate agents across more than 300 agencies nationwide.

"Secondly, Digital SRP is convenient, time efficient and value enhancing. Prospective buyers can now identify properties eligible under SRP online, check their financing eligibility and apply for loans without having to 'walk-in' to the bank. Online loan applicants will be contacted by the participating banks for further processing of their application.

"Thirdly and most importantly, CSRP is helping more Malaysians own their first home with this digital initiative. We hope Digital SRP will stimulate more than a 50 per cent increase in cumulative SRP loans to RM12.6 billion by 2021."

With these partnerships, CSRP expects a cumulative increase of SRP loans approved by 14,400 in 2020 from a cumulative base of 26,213 in 2019 with a total financing of RM9 billion.

As of June 2020, SRP has benefitted close to 33,000 first time house buyers, of which 90 per cent are from the low-income group, to secure home financing totalling RM6.8 billion, since SRP



Zuraida (centre) receives a memento from Bakarudin (third right), flanked by (from left) Chow, Chung, Ministry of Housing and Local Government Secretary-General Datuk Zainal Abidin Abu Hassan, Ministry of Finance's Under Secretary for Strategic Investment Division Datuk Shahrol Anuar Sarman and Quek.

was launched in 2011.

SRP is a government initiative to assist eligible first-time home buyers to obtain up to 110 per cent financing from participating banks, enabling them to own a home without making a down payment.

About 71 per cent of the approved applications were from Selangor, Johor, Kuala Lumpur, Perak and Melaka. The average loan size was RM206,450 with 86 per cent of the approved applicants being 25 to 40 years of age.

Out of this, 27,600 or 84 per cent of the applications were Islamic financing while the balance 5,400 or 16 per cent were conventional loans.

As of January 2020, Malaysia has close to 26.7 million internet users with a median age of 30.3. This median age closely corresponds with SRP's customers who are between 25 and 40 years of age. Digital SRP is, therefore, expected to enable and facilitate more enquiries and home purchases for internet

savvy buyers within this segment.

Housing and Local Government Minister Zuraida Kamaruddin officiated the launch of the Digital SRP. Cagamas Bhd's president / chief executive officer (CEO), Datuk Chung Chee Leong was also present.

"Our collaboration with Cagamas to launch the Digital SRP is yet another first for Didian, as we continue to make good on our commitment to our agents and agencies to bring them better opportunities," Didian director Chow Nam Kit said.

"With Digital SRP, our agents will be able to seamlessly apply for SRP on behalf of their customers in just a few clicks. With our exciting upcoming pipeline of projects and more liquidity for buyers through SRP, we are optimistic our agents will have the right tools to help their clients find, purchase, and own their ideal first homes."

"Through this collaboration,

MHub aims to help first time home buyers get educated and gain access to the SRP loan scheme by using its intelligent matching platform to pre-qualify these buyers and by channelling their applications to the various banks that offer SRP loans," MHub's CEO Quek Wee Siang said.

"Currently MHub has close to 90,000 homes for sale in this product category with a combined Sales Purchase Agreement (SPA) value of RM27 billion."

Digital SRP users can also apply for financing by visiting the nearest branch of the participating banks. Currently, there are 25 participating banks nationwide.

SRP is open to first-time house buyers earning RM5,000 and below for single applicants, or RM10,000 and below for joint applicants. They are eligible to purchase a property in either the primary or secondary market with a maximum value of RM500,000.