



capitas
groupinternational

Publication: Shams Newspaper

Date: February 7, 2010

Country: KSA

Page: 11

INVESTMENT FUND TO CONTRIBUTE FOR THE NEW HOME FINANCE COMPANY (400 MILLION)

The Public Investment Fund issued its approval to contribute 20 percent of the new home finance company's total capital of SAR 2 billion. This represents the single largest investment in a mortgage company in the history of PIF. The Islamic Corporation for the Development of the Private Sector (ICD), a member of the Islamic Development Bank Group, is currently attracting founding sponsors for the new home financing company and are scheduled to close remaining investments by the end of February 2010. Mr. Khaled Al-Aboodi, CEO of ICD, announced PIF's approval and confirmed that the company is being established to facilitate home ownership by providing households across the Kingdom with affordable financing options. According to estimates the demand for new housing in the country is at least 150,000 units per year over the next 10 years. Mortgage currently makes up only 1 percent of bank assets underscoring a large funding gap for home financing in Saudi Arabia.