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Publication: Amwal Magazine

Date: March 20, 2010

Country: KSA/Pan Arab

Page: 53

SAUDI ARABIA: APPROVAL ON ESTABLISHING NEW REAL ESTATE COMPANY



The Public Investment Fund (PIF) issued its approval to contribute 20 percent of the new home finance company's total capital of SAR 2 billion. 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.