

NHB in talks with insurance cos

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The National Housing Bank (NHB) is in talks with few insurance companies for tie-ups related to offering insurance-linked housing finance products.

Mr S. Sridhar, NHB Chairman and Managing Director, said, "A proposal has been sent to them so that they can build the concept further. We are also in the process of framing outlines for this scheme."

With the increased life expectancy, most of the borrowers will outlive their term of reverse mortgage and end up giving up their property.

"This will allow beneficiaries to use their property to generate income for life as against for only 20 years as provided under the present schemes," Mr Sridhar said here Thursday.

So far, banks have disbursed around 2,000 loans worth Rs 550 crore, he said. Reverse mortgage is now being seen as a way to meet the financial requirements of elderly homeowners. For those who are above 60 years, they can avail themselves of periodical payments from a lender against the mortgage of his/her house while remaining the owner and occupying the house.

The apex body after joining with hands Tina Ambani-promoted Harmony for Silvers Foundation, hopes to create more awareness about reverse mortgage, clear misconceptions and provide unbiased advice to senior citizens about this product.

Mr Sridhar said that he expects reverse mortgage to become more popular in India than in any other developing country as there was no "social security" or "old-age income security" available here.

राष्ट्रीय आवास बैंक

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