Islamic banking players to be sympathetic to house buyers

ISLAMIC banking players have been urged to be sympathetic to house buyers of abandoned projects and not burden them with debt as it may lead to bankruptcy.

Malaysian Muslim Consumers Association (PPIM) financial services monitoring bureau chief Sheikh Abdul Kareem Said Khadaied said many house buyers face legal action filed by Islamic banking players demanding high payment for uncompleted houses.

"For example, a house buyer was ordered by the court to pay back the full price of the house costing RM492,000 to a bank although the bank only paid RM39,000 to the developer," he said at Consumer Forum 2012 entitled "Is Islamic Banking Only In Name?" in Kuala Lumpur.

Sheikh Abdul Kareem who was the third panel member said as an Islamic entity, banks should think of problems faced by Muslim consumers and the officers should show discretion to help the house buyers.

PPIM activist Shirazdeen Adam Shah served as forum moderator with Universiti Utara Malaysia director of Institute for Governance and Innovation Study Dr Nuarrual Hilal Md Dahlan as the first panelist, Bank Islam Malaysia Bhd Shariah division head Ustaz Mohd Nadzri Chik as second panel member and Bank Muamalat Malaysia Bhd former chief executive officer Datuk Abdul Manap Abdul Wahab as fourth panel member.

Nurrual said Bank Negara Malaysia should improve Islamic banking to benefit consumers, especially buyers of houses in abandoned projects.

The government should compel all private developers to complete the houses and sell them by including warranty insurance to avoid problems.

He also urged consumers to buy from government developers like Syarikat Perumahan Nasional Bhd to avoid the risk of bankruptcy. — *Bernama*