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Hong Leong provides green energy financing

KUALA LUMPUR: Hong Leong Bank Bhd and Hong Leong Islamic Bank Bhd have launched a new green energy financing facility, HLB Solar Plus Loan/Financing-i, which is a convenient financing solution for home owners to install a solar-powered energy system.

In a statement yesterday, the bank said the HLB Solar Plus Loan/Financing-i is open to both new and existing HLB Home Loan/Financing-i customers who are looking to install solar panels at residential homes, which are either under-construction or completed.

The bank is offering a margin of financing of up to 105% on the property value, with flexible financing options from RM15,000 to RM60,000 for a three-to-10-year tenure, or up to the age of 70 of the main borrower upon maturity of the loan, whichever is earlier.

As a start, the bank has partnered with solar powered energy system specialists ERS Energy and Solaroo Systems to provide a comprehensive one-stop installation, commissioning, operations and maintenance services to its customers.

According to HLB group managing director and chief executive officer Domenic Fuda, the green energy facility is another initiative by the bank to support the nation's target of increasing the installed capacity for renewable energy (RE) to 31% by 2025 and 40% by 2035.

"We believe that financial institutions will be critical components in helping to steer the transition towards sustainable source of energy.

"RE has significant growth potential to support the country's low carbon economy agenda, as well as long-term advantages for households in terms of energy cost savings, cushioning against future rise in energy costs and reducing carbon footprint in the process."

HLB managing director of personal financial services Charles Sik said: "Although the solar power energy market for residential homes is still nascent, we are getting a lot of interest especially from new home buyers who are keen to embark on the renewable energy lifestyle as soon as they move into their new homes.

"The HLB Solar Plus Loan/Financing-i aims to meet this demand by easing the financing process where customers with homes under construction, as well as those which have been completed, can apply for solar panel financing together with their mortgage application, unlike conventional methods of only offering solar panel financing for completed homes."

"This financing facility also helps homeowners to spread the cost of both purchasing and installing the solar panel over the course of several years, rather than paying the full cost at one go. At the same time, they will enjoy a reduction in their monthly electricity bills of 50% to 80% depending on the installed capacity," Sik added.