



[Circulars/Notifications](#) / SME, Housing and Sustainable Finance Department



SH&SFD Circular No. 03 of 2025

September 24, 2025

The Presidents/Chief Executives  
All Banks/HBFL/MFBs

Dear Sir/ Madam,

**Mera Ghar - Mera Ashiana**  
**Markup Subsidy and Risk Sharing Scheme for Affordable Housing Finance**

1. With a view to promote affordable housing finance, the Government of Pakistan has introduced a Markup Subsidy and Risk Sharing Scheme namely 'Mera Ghar - Mera Ashiana'. The key features of the scheme are given below:

| Parameters   | Features  |
|--|---|
| <b>Eligibility Criteria</b>                        | <ul style="list-style-type: none"> <li>First time homeowners citizens of Pakistan holding CNICs.</li> <li>Not owning any housing unit in their name</li> </ul>                    |
| <b>Scope</b>                                       | <ul style="list-style-type: none"> <li>Purchase of house/flat</li> <li>Construction of house on already owned plot</li> <li>Purchase of plot and construction of house</li> </ul> |
| <b>Size of Housing Unit</b>                        | <ul style="list-style-type: none"> <li>House of up to 5 Marla</li> <li>Flat/Apartment of up to 1360 sq. ft. area</li> </ul>   |
| <b>Participating Financial Institutions (PFIs)</b> | <ul style="list-style-type: none"> <li>All commercial banks, Islamic banks, MFBs and HBFL</li> </ul>  |
| <b>Maximum Loan size</b>                           | <ul style="list-style-type: none"> <li>T1 = Up to PKR 2.0 Million</li> <li>T2 = Above PKR 2.0 Million and up to PKR 3.5 Million</li> </ul>  |
| <b>Maximum Loan Tenor</b>                          | <ul style="list-style-type: none"> <li>20 years (subsidy for 10 years)</li> </ul>   |
| <b>Bank Pricing</b>                                | <ul style="list-style-type: none"> <li>One Year KIBOR + 3%</li> </ul>   |
| <b>Customer/end user fixed pricing</b>             | <ul style="list-style-type: none"> <li>Tier 1: 5%</li> <li>Tier 2: 8%</li> </ul>  |
| <b>Bank Charges</b>                                | <ul style="list-style-type: none"> <li>No processing cost</li> <li>No prepayment penalty</li> </ul>   |
| <b>Loan to Value (LTV) Ratio</b>                   | <ul style="list-style-type: none"> <li>90:10 (90% loan &amp; 10% equity)</li> </ul>   |
| <b>Risk Coverage</b>                               | <ul style="list-style-type: none"> <li>10% of the outstanding portfolio under the scheme on first loss basis</li> </ul>   |

- The PFIs are advised to take necessary measures for proper dissemination of scheme through their branch network and other means. PFIs are further advised to gear up their systems for successful implementation of the scheme and to avoid any misuse of the scheme.
- The mechanism for payment of markup and credit loss subsidy will be communicated in due course.
- Please acknowledge the receipt.

Yours Sincerely,

Sd/-

**(Najm us Saqib Shabbir)**  
Additional Director



