

Media Release

TTMF and HMB unite to create greater opportunities for home and property ownership, investment as TTMB

On August 6 of 2021, a decision was taken by the Board of Directors of Trinidad and Tobago Mortgage Finance (TTMF), Home Mortgage Bank (HMB) and its shareholders, the the National Insurance Board of Trinidad and Tobago (NIBTT) and the Minister of Finance Corporation Sole to effect a merger of the operations of TTMF with those of the HMB.

Now known as the Trinidad and Tobago Mortgage Bank (TTMB), the reasoning behind the merger was clear: to unite complementary strengths of these two institutions, with the confidence that they would consequently create generational wealth for the financial well-being of ALL citizens of Trinidad and Tobago.

Primarily, the merger between the TTMF and HMB will facilitate alignment with the Government's national housing programme.

The Minister of Finance, the Honourable Colm Imbert said that TTMB is expected to be a more streamlined organisation with improved financial strength to enhance public trust and confidence. This new entity, he noted, is meant to be better equipped to service the delivery of affordable houses by the Housing Development Corporation of Trinidad and Tobago (HDC).

“Greater mortgage loan ability will lead to a larger financing turnover in the mortgage sector and a gradual reduction in the demand for houses,” the Minister said during the 2022 National Budget Presentation.

This merger, he added, would remove inefficiencies in mortgage financing and create a sustainable flow of finance to support the low to middle income housing market.

The Chairman of the Board of TTMB, Patrick Ferreira who was also chair at the two mortgage institutions, echoed similar sentiments. He believes the merger's objective is to increase returns, strengthen customer service, and offer improved benefits for employees and creditors.

The TTMF was incorporated in 1965 “with the objective of providing mortgage finance to the purchase of dwelling houses (including land) such mortgages to qualify as guaranteed under the Housing Act 1962”. It carried the reputation of the largest provider of mortgages in the local market, excelling at both individual and multi-family housing developments.

The HMB was created in 1985 as a “specialised financial institution which offered financing and investment opportunities.” In its dual role, it provided financing to facilitate property development projects and commercial mortgages while it engaged in Capital Markets, presenting a range of investment products geared towards both individuals and institutional investors.

The Samaan Tree Fund, for example, is an open-end mutual fund which offers investment primarily in a portfolio of residential mortgages, providing investors with high returns and safety of capital.

Thus, as a unified effort between TTMF and HMB, the opportunity to buy property or invest is one bona fide method to demonstrate financial leverage. TTMB will offer secure investments backed by real estate as it creates housing stock and providing finance for residential and commercial development. The local saying “land doh rot” comes to mind here as real estate is indeed a high value earner.

With the strengths of these two organisations, the amalgamation would allow for rate stability, access to housing development projects and a full range of investment products spanning short to long-term. The best feature is it will not be constrained by the commercial banks’ rigid lending criteria, but rather offer creative solutions to mortgage challenges and financial assets.

TTMB promises to be a professional, caring, and innovative service which will focus on the people to ensure their needs are fulfilled.