

Beyond Tin Roofs: **BUILDING DIGNITY BRICK BY BRICK**

Mr. Mohammad Ali, Managing Director and CEO, Pubali Bank PLC.



TDS:
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“Every brick-built home we finance replaces a tin roof with dignity — that’s the real measure of our success.” — Mr. Mohammad Ali, Managing Director and CEO of Pubali Bank PLC.

Bangladesh’s housing market is expanding beyond city centres, fuelled by strong demand from rural and semi-urban families seeking stability and comfort. Affordable home loans and digital access are transforming how people build and upgrade their homes, making ownership achievable for more Bangladeshis than ever before. To understand this shift toward inclusive housing finance, The Daily Star spoke with Mr. Mohammad Ali, Managing Director and CEO of Pubali Bank PLC.

The Daily Star (TDS): In the last two to three years, what trend have you observed in the demand for home loans, and what is driving it?

Mohammad Ali (MA): Our home loan portfolio has grown by over 40 percent, far outpacing the seven to eight percent growth in the overall real estate market. The main driver is our “Affordable Housing” scheme, focused on rural and semi-urban borrowers. We provide loans ranging from Tk 2 to 10 lakh to help people upgrade kacha or tin-shed houses into permanent brick homes. There is massive demand in this underserved segment.



TDS: How are changes in interest rates and government policies affecting home financing?

MA: Home loans are very low-risk assets for

banks, with default rates of just one to two percent. Because of that, banks, including ours, offer these loans at preferential rates, usually two percent lower than other loan types. As interest rates continue to decline, we expect housing loan rates to stabilize around nine to ten percent, making them even more attractive and affordable.

TDS: Which specific loan services

such as green housing, women’s housing finance, or developer financing are most popular?

MA: It depends on geography and customer type. Among urban, high-income clients, green and eco-friendly housing is gaining popularity. But for most people in rural and semi-urban areas, affordable housing loans dominate. It’s simple economics. A 1,000 square foot flat in a city costs Tk 40 to 50 lakh, while a family in a village can build their own home for Tk 10 to 12 lakh. We also see strong demand for renovation loans in cities and women-led loans linked to migrant remittances, where wives manage the financing while husbands send money from abroad.

TDS: What are the main challenges developers and individual buyers face

Pubali Bank PLC has expanded its home loan portfolio by over 40 percent through its Affordable Housing scheme, offering small-ticket loans to help families upgrade from tin-shed to brick-built homes.

innovative partnerships or digital solutions simplifying the loan process?

MA: Yes, very much. We have launched a web-based online application system where customers get an instant initial sanction—about 95 percent accurate—without visiting a branch. Our field officers then handle physical verification and document collection. This hybrid model has made the loan process faster and more convenient.

TDS: What’s your outlook for the housing market in 2025 and 2026, and how is your bank preparing?

MA: The housing market should grow

in securing financing?

MA: The biggest issue we deal with is fund diversion. Borrowers use loan money for other purposes like buying land instead of construction. For buyers, land documentation and ownership verification are major hurdles, as Bangladesh’s land records can be messy. There is also a gap between registered and market property values, which complicates valuation for financing.

by about 12 percent by 2025 and 2026, thanks to lower construction material costs. Our bank is targeting over 40 percent portfolio growth by expanding digital marketing, deploying 1,000 field officers, and focusing strongly on affordable housing. Beyond business, we see it as our social duty—helping families move from tin-shed to brick-built homes that offer comfort and protection from extreme heat.

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The Future of Living Minimal, Eco-Tech Homes

The Rise of Compact Living
In fast-growing cities like Dhaka, the traditional dream of a sprawling home is giving way to compact living. Smaller apartments are gaining popularity in response to limited land, rising property costs and urban density. These smaller living spaces align very well with smart and sustainable home principles: less space means lower utility demands, and it becomes easier to integrate smart systems and energy-saving features efficiently.

Technology, the Brain of Modern Living
Smart-home technology has become the cornerstone of modern living. From AI-powered assistants to advanced security systems with facial recognition, technology now enables homeowners to control nearly every aspect of their environment. Lighting, heating, and even kitchen appliances can be managed remotely through smartphones or voice commands. Smart lighting systems use motion sensors and natural-light detection to optimize energy use, enhancing convenience while reducing waste.

Energy-Saving Design: Building with the Planet in Mind
Beyond gadgets, the design and



structure of homes are evolving to conserve energy and minimise carbon footprints. Architects are integrating passive design techniques, like maximising natural light, using insulation materials, and orienting buildings to capture solar heat during winter and block it in summer. Solar panels and wind turbines are becoming common features in residential areas, helping homeowners generate

their own clean energy. Green roofs and rainwater harvesting systems further contribute to sustainability by improving air quality and conserving water. With governments around the world pushing for net-zero emissions, energy-efficient housing is not just a trend but a necessity.

Eco-Friendly Interiors
Inside the home, sustainability is merging seamlessly with style. Eco-friendly interiors focus on using materials that are renewable, recycled, or locally sourced. Low-VOC (volatile organic compound) paints, natural fibres, and responsibly sourced wood are becoming go-to choices. In Bangladesh, homeowners are embracing minimalism and multi-functional furniture to make smaller spaces feel larger and more streamlined, reflecting a preference for sleek, efficient design. Neutral and earthy colour palettes like beige, taupe, muted greens, and terracottas are also trending, creating a soothing environment and helping establish a connection with nature. Materials like cane and rattan are making a comeback, valued for their lightweight, breathable, and sustainable qualities.