HESSEQUA
Local Municipality

Home

Department of Infrastructure

ASLA

INFORMATION SESSIONS
19 January & 20 January 2024

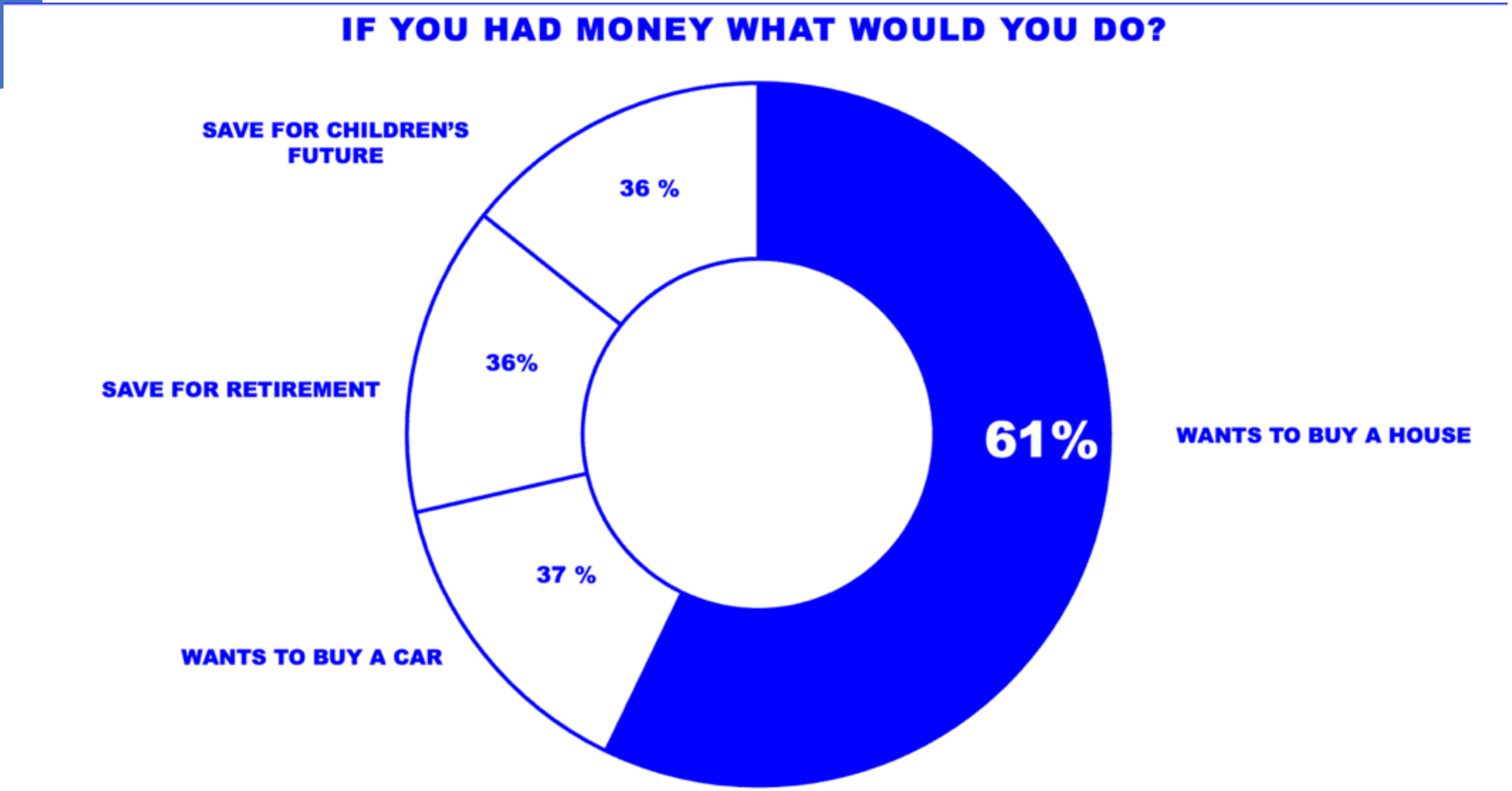
Western Cape Government
FOR YOU

HOME LOAN

RENT TO OWN:

FIRST HOME FINANCE

Do you want to own home?



How do I start?

ASLA

HOW TO BUY YOUR OWN HOME:

1. TO QUALIFY FOR A HOME LOAN

You will need a good credit score and income to support the home loan repayment to qualify for a home loan.

If your score is not so good at this moment, you may qualify for Rent To Own, or sign up for the Budget & Debt Repair Fitness programme to assist you to get your credit score and affordability in shape and fit enough for a home loan

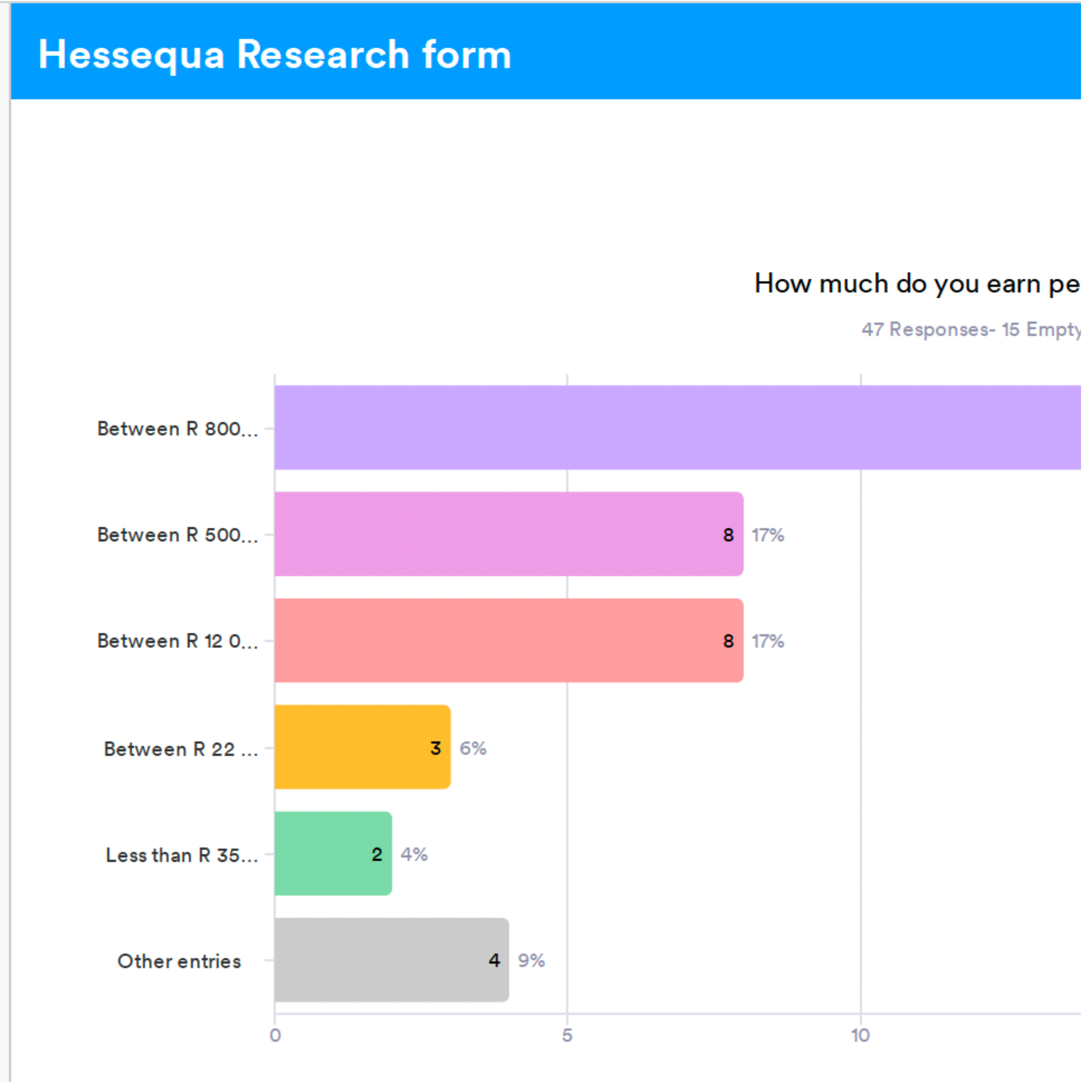
2. TO QUALIFY FOR A FLISP SUBSIDY

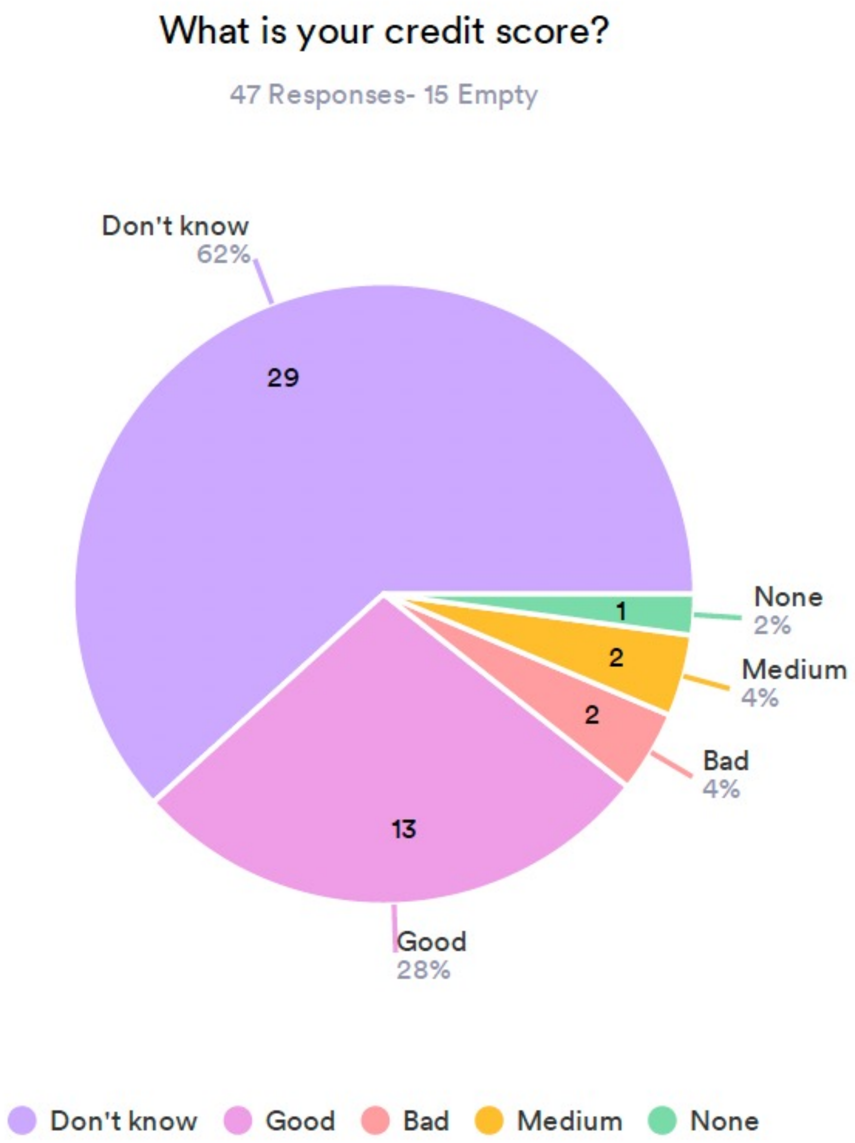
You must first qualify for a home loan, before you can qualify for a FLISP subsidy. You can however check if you can qualify for a FLISP subsidy before you apply for a home loan and even receive your FLISP Provisional Voucher.

FLISP PROVISIONAL VOUCHER:

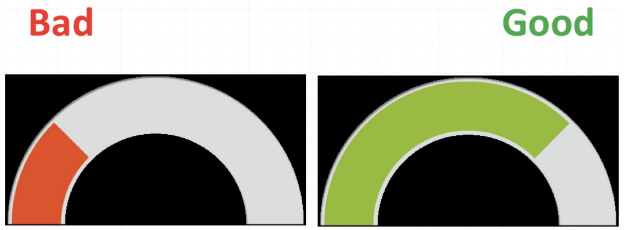
Register here for a FLISP Voucher Interview & get your Flisp Subsidy pre-voucher

Market Survey





3 – INGREDIENTS
For a Home Loan Application

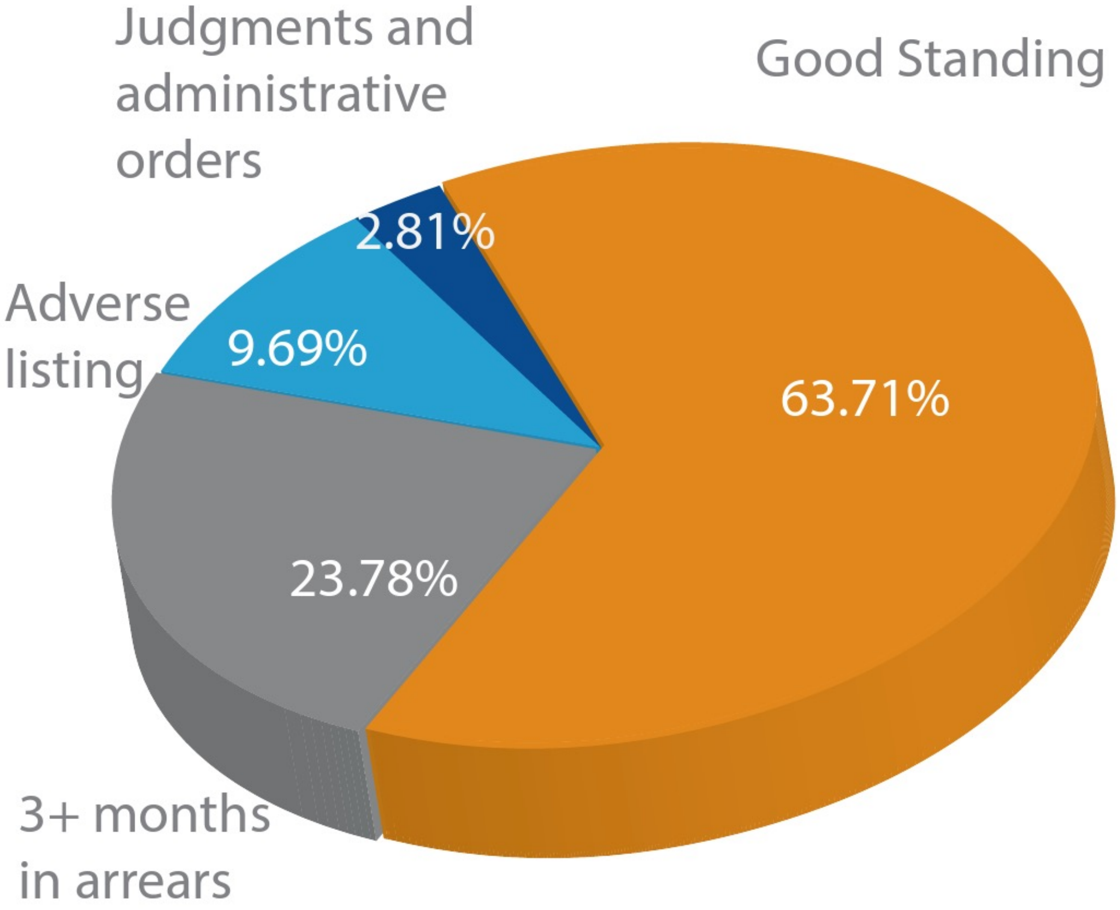


Credit Profile

Affordability

Loan to Value
Deposit & Valuati

Credit standing of consumers: March 2023



Number of home loans

Table 2.3: Mortgages granted – gross monthly income of individuals (number of agreements)

Level of income	2022-Q1	2022-Q2	2022-Q3	2022-Q4	2023-Q1
≤R10K	192	313	229	191	155
% share of credit granted	0.44%	0.68%	0.47%	0.42%	0.44%
R10.1K-R15K	619	2,864	576	584	417
% share of credit granted	1.42%	6.26%	1.17%	1.28%	1.18%
>R15K	42,639	42,575	48,247	44,820	34,798
% share of credit granted	98.13%	93.06%	98.36%	98.30%	98.38%
Total number of mortgages	**43,450**	**45,752**	**49,052**	**45,595**	**35,370**

Under 2%

Credit Profile & Affordability

Affordability

Bond Amount	R1 296 880 - R1 274 476
Bond Duration	
Quote Expiry	25 Oct 2022
Total Income	R25 795.41
Total Income afte	
Total Expenses	R3 229.17
Current Debt Pay	R10 193
Net Affordability	R7 877.83
Cash Utilization	87.48%
Money Summary	Download

GOOD INCOME

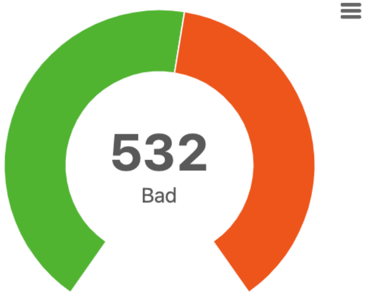
Financial

Current Report: 25 Sep 2022

View the financial breakdown of this lead including Credit Report and 3 Months Bank verified statements

Credit Report

BAD SCORE



Score	Metric	Date	Report
532	Bad	25 Sep 2022	Download

State	Completed
Total Debt	R12 939
Total Payments	R10 193
Total in Arrears	R10 689
Enquiries	7
Judgements	1
Negative Information	1

DOES A DECLINE STOP YOUR JOURNEY?

FACT :

50 % OF HOME LOANS ARE DECLINED

DO NOT

LET A FLAT TYRE STOP YOUR HOME OWNERSHIP JOURNEY

First - check out Credit Score

Land in Dustbin
End of relationship

First - check out Credit Score

Bad – Low Good

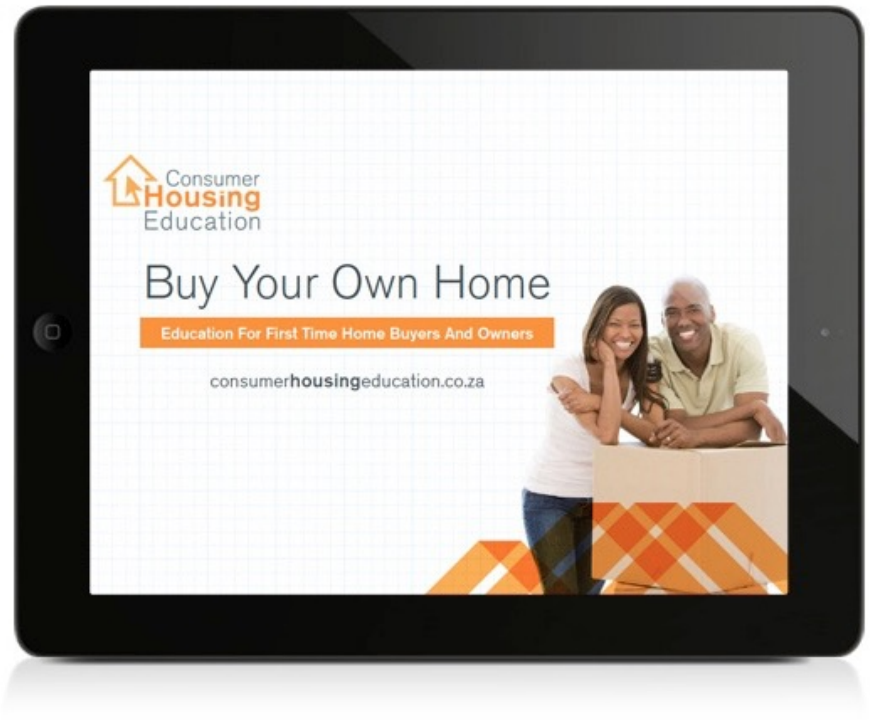
FIX THE FLAT TYRE
Refer to Debt Repair

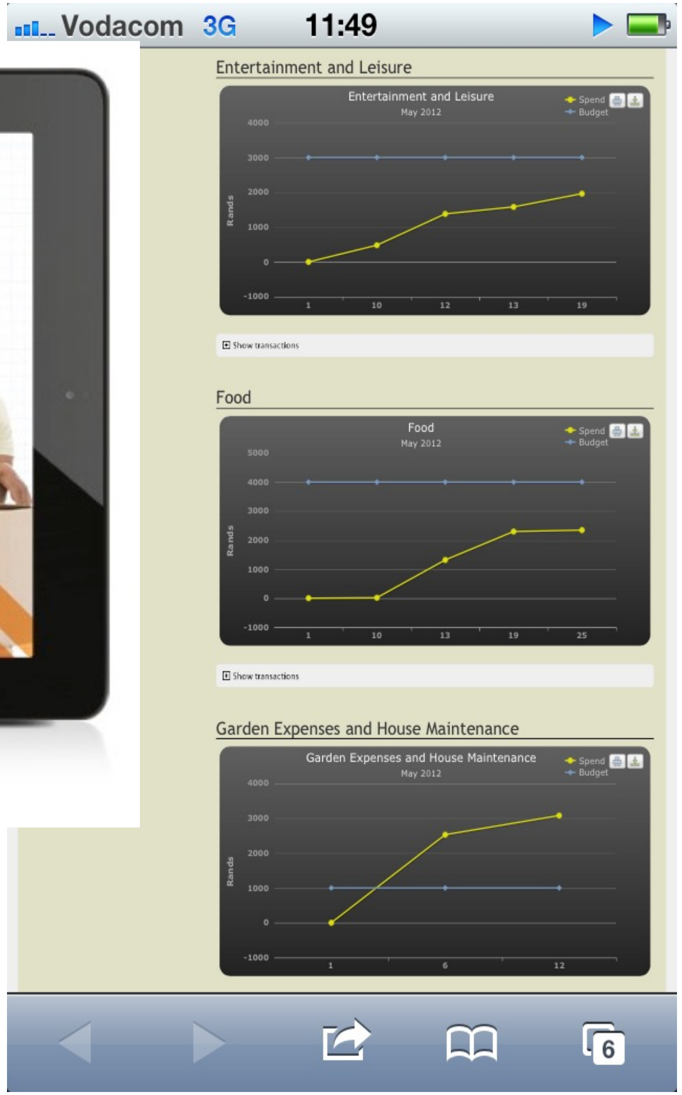
Good
Proceed to do business

Go the Gym
&

Get Fit
with
My Budget Fitness
Personal Trainer
MY BUDGET FITNESS
TRAINER

GETTING FITTER – LEARN TO BUDGET





In budget

Alert !!!

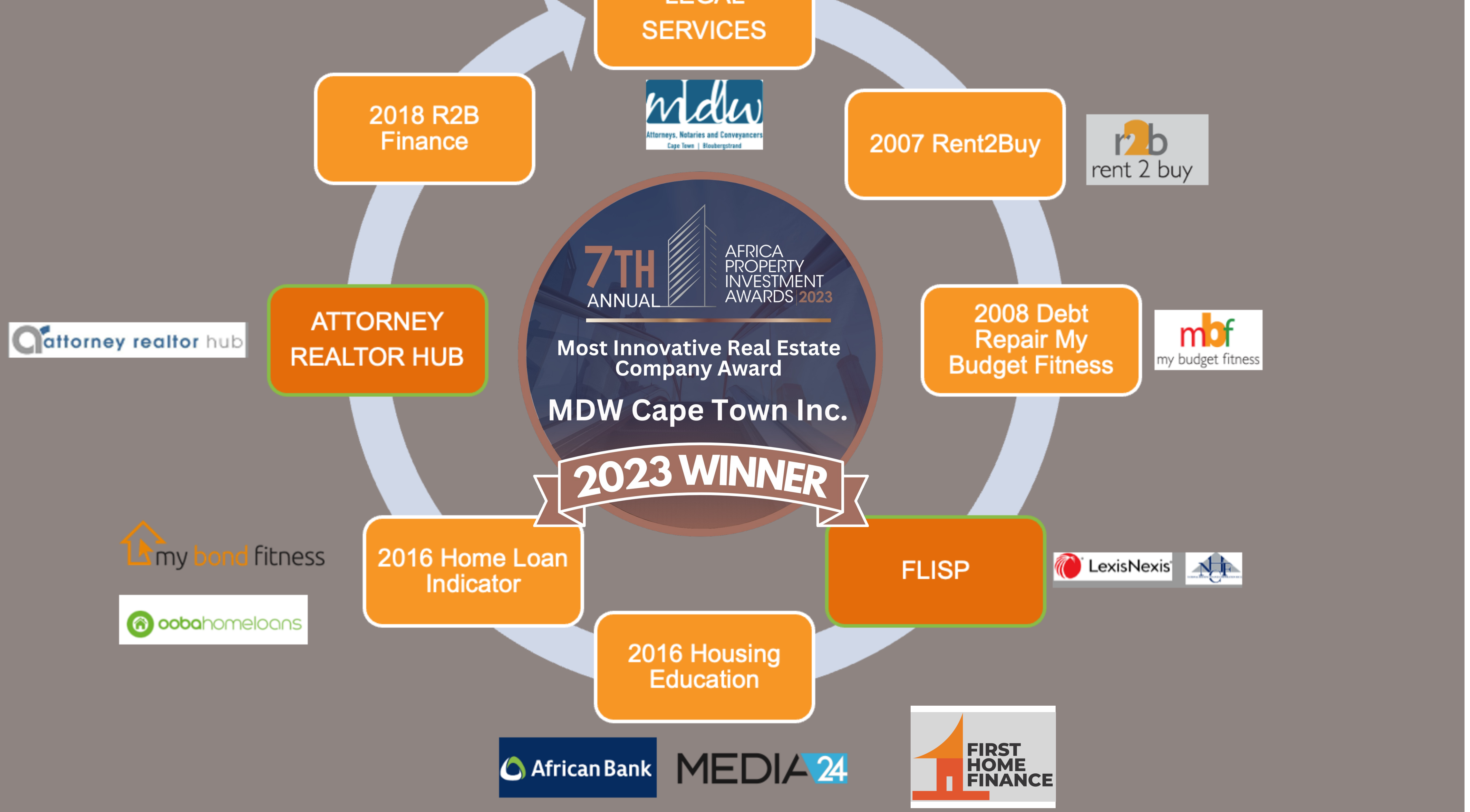
PERSONAL MY BUDGET FITNESS PERSONAL TRAINER

MY BUDGET FITNESS PERSONAL TRAINER

MOVE FROM HERE

TO HERE

THIS IS HOW IT ALL STARTED



BROUGHT TO YOU BY: my bond fitness

MILL PARK

KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

ASLA

Western Cape Government
FOR YOU

106 HOUSES

ECENT PROJECTS

278 HOUSES

Mossel Bay
MUNICIPALITY

Western Cape Government
FOR YOU

Good morning Meyer,

ERF ……|BREDASDORP

I trust this e-mail to find you all good and well. I want to take the time and thank you all for everything, your efforts, time and commitment in making it possible for my family to own a home, it doesn't go by unnoticed or unappreciated. I am really honoured and blessed to be a part of this with you, I cannot say thank you enough.

Have a merry and blessed festive season, Christmas and New Years, God bless you all, from my family to you and yours.

Kind regards

B…. D
A……….: E……. R…….
………..
T|E:

Munisipaliteit • U-Masipala • Municipality
OVERSTRAND

Overstrand Municipality
A: 1 Magnolia Street, Hermanus, 7200 | **P:** P.O Box 20
Hermanus, 7200
T: +27 (0) 313 8000 | **F:** +27 (0) 312 8128
E: enquiries@overstrand.gov.za | **W:** www.overstrand.gov.za

FLISP – FIRST HOME FINANCE

FIRST HOME FINANCE

SAVE THOUSANDS

Save Thousands of Rands as a First Time Buyer by using your FLISP Subsidy as a deposit.

Click here for more information

Apply Now

THE VALUE OF A SUBSIDY

property24

For Sale To Rent Developments Commercial Calculators Advice List Privately meyer@mdwinc.co.za

News Search

Home > News > Latest News > How I saved R120k on my bond to become a first-time home owner

How I saved R120k on my bond to become a first-time home owner

11 Nov 2020

Mary Xaba, a domestic worker from Ivory Park in Johannesburg, will have her own property registered in her name this December. This is her interesting journey to becoming a homeowner.

Share

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Top Articles

FICA compliance | Free webinar to impr...

Accountable Institutions need to remain compliant with increasingly stringent anti-money laundering controls and reporting mechanisms to the Finance Intelligence Centre.

Understand the SUBSIDY Value Add

INCOME	OLD	NEW
R10 000	R88 323	122 905
R15 000	R62 340	R86 687
R22 000	R27 960	R38 911

WHO CAN QUALIFY & APPLY?

WHO CAN APPLY?

- FIRST TIME HOMEOWNER (never owned a property before)
- FINANCES MUST BE APPROVED (before submitting)
- EARN BETWEEN R3 501 – R22 000.00 (gross) PM
- MUST HAVE A FINANCIAL DEPENDENT – SPOUSE OR CHILD
- RSA CITIZEN

WHAT TYPE OF FINANCE?

Financial Institutions Approved Home Loans

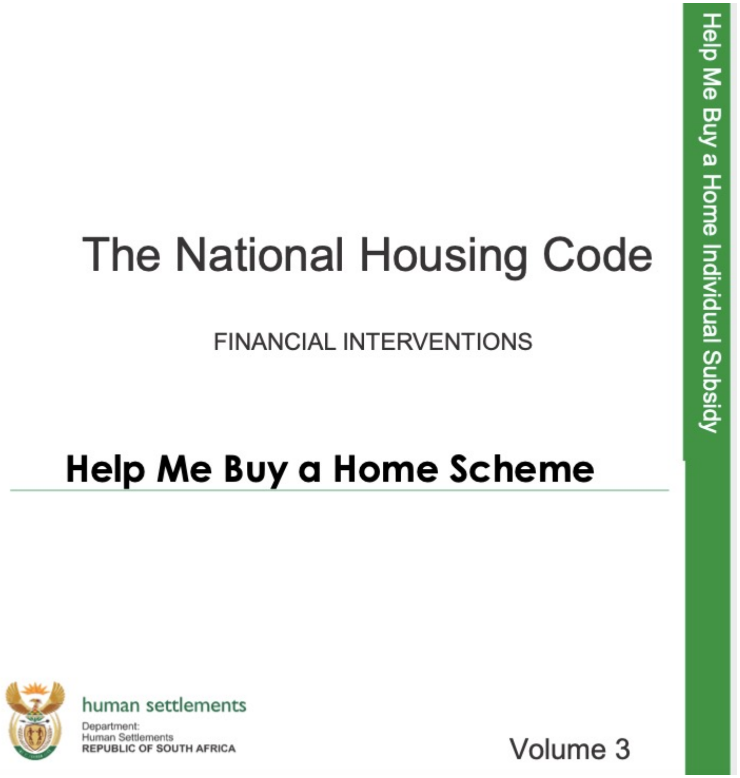
- ABSA
- Nedbank
- Standard Bank
- First National Bank

&

SA Home Loans

Capitec Bank

As from 1 April 2022


The National Housing Code

FINANCIAL INTERVENTIONS

Help Me Buy a Home Scheme

Help Me Buy a Home Individual Subsidy

human settlements
Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

Volume 3

WHAT CHANGED?– THE NEW DE-LINKED FLISP POLICY AS FROM 1 APRIL 2022

As from 1 April 2022, you no longer need a finance approval from one of the major financial institutions, explains Anele Matakane of MDW INC property & home finance services.

Now, a buyer can qualify for a first-time buyer FLISP subsidy if they have financial assistance to buy a property in the form of:

- the beneficiary's pension/provident fund loan,
- a co-operative or community-based savings scheme, i.e. stokvel,
- the Government Employees Housing Scheme,
- any other Employer-Assisted Housing Scheme,
- an unsecured loan,
- an Instalment Sale Agreement or Rent-to-own Agreement.

Welcome to r2b rent 2 buy 4me

The following 4 steps lies ahead towards your Home Ownership Journey, here is what can you expect:

SMART VOUCHERS ISSUED:

FIRST HOME FINANCE

FLISP

Finance Linked Individual Subsidy Programme

VOUCHER

PROVISIONAL VOUCHER FOR: {Name} {LastName}
ISSUED ON: {DateCreate}

Now First Home Finance

The Finance Linked Individual Subsidy Programme (FLISP) programme is a housing subsidy for first-time home buyers to assist with purchasing a home.

This Voucher gives the holder access to assistance to apply for the subsidy to the amount below. This voucher is a provisional voucher based on information provided by the user.

YOU POTENTIALLY QUALIFY FOR A SUBSIDY TO THE AMOUNT OF:

R120 000.00

Congratulations on successfully completing your ooba Bond Indicator.
Now you know your buying power!

Certificate issued to		Certificate number	
Name:	name of client	Certificate No:	1....1486
ID No:		Date:	03-February-2023

90%

90% of ALL ooba home loan applications with an ooba Bond Indicator are approved by banks. **Let ooba home loans give you the advantage!**

The ooba Bond Indicator does not include the property transfer and bond registration costs.

Bond indicator	R 618,680		
Lending Rate Calculated at Prime	10.25%	Loan Term	20 years

The home loan amount that you may qualify for will vary should your home loan be approved at an interest rate below or above the current prime lending rate. The ooba Bond Indicator does not include the property transfer and bond registration costs. Indicative home loan amounts at a rate of 0.25% below and 0.5% above prime are shown:

10.0%	R 629,337	10.75%	R 598,213

Disclaimer – Whilst every effort has been made to ensure the accuracy of this document, ooba (Pty) Ltd and its subsidiaries accept no liability in respect of any errors contained herein.

How do I use my subsidy?
Reduce my purchase price

• **Purchase price**	**R450 000.00**
• **Less subsidy on R16 000.00 pm**	**<u>R77 994.00</u>**
Balance due	**R 372 000.00**
Home loan required	

LET US COMPARE

HOME LOAN OF R450 000

- Income required:

R16 225.00

(on a home loan paid off on 20 years x11.75%)

Subsidy R77 994.00

HOME LOAN OF R346 000.00

- Income required:

R12 500.00

(on a home loan paid off on 20 years x11.75%)

Subsidy R105 520.00

Now use your higher subsidy

- **Purchase price** **R450 000.00**
- **Less subsidy on R16 000.00 pm** **R105 500.00**

Balance due **R 344 500.00**

Home loan required

- Purchase price R450 000.00
- Less subsidy on R16 000.00 pm R77 994.00

Balance due R 372 000.00

Increase your purchase price

- **Purchase price** **R450 000.00**

PLUS subsidy on R16 000.00 pm **R77 994.00**

Balance due **R 572 994.00**

Home loan required

EXTRA!

CAN NOW PAY LEGAL TRANSFER FEEs

GOOD WAY TO START THE DAY

MESSAGE
YESTERDAY
&
THIS
MORNING

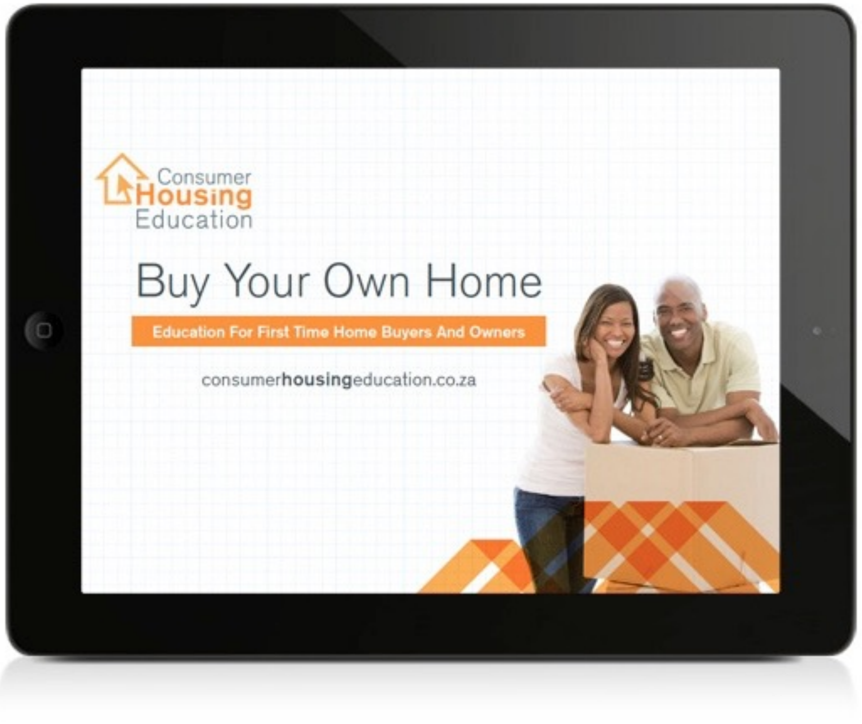
HOW DO I START

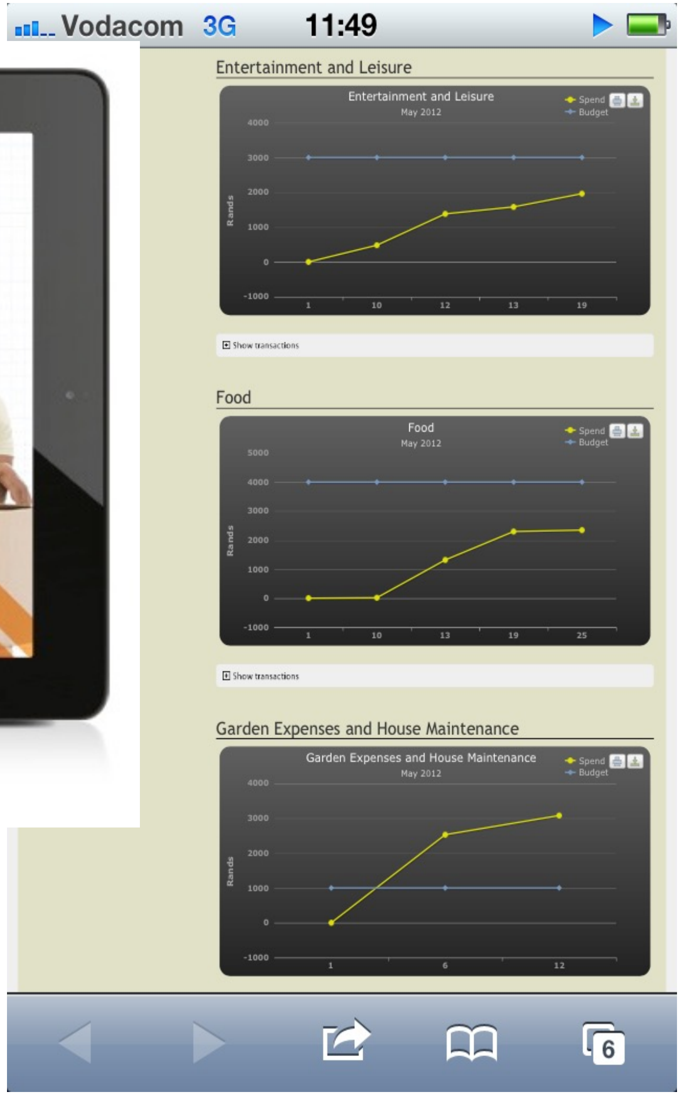
?

How do I start?

4 Modules to start with

GEETING FITTER – LEARN TO BUDGET

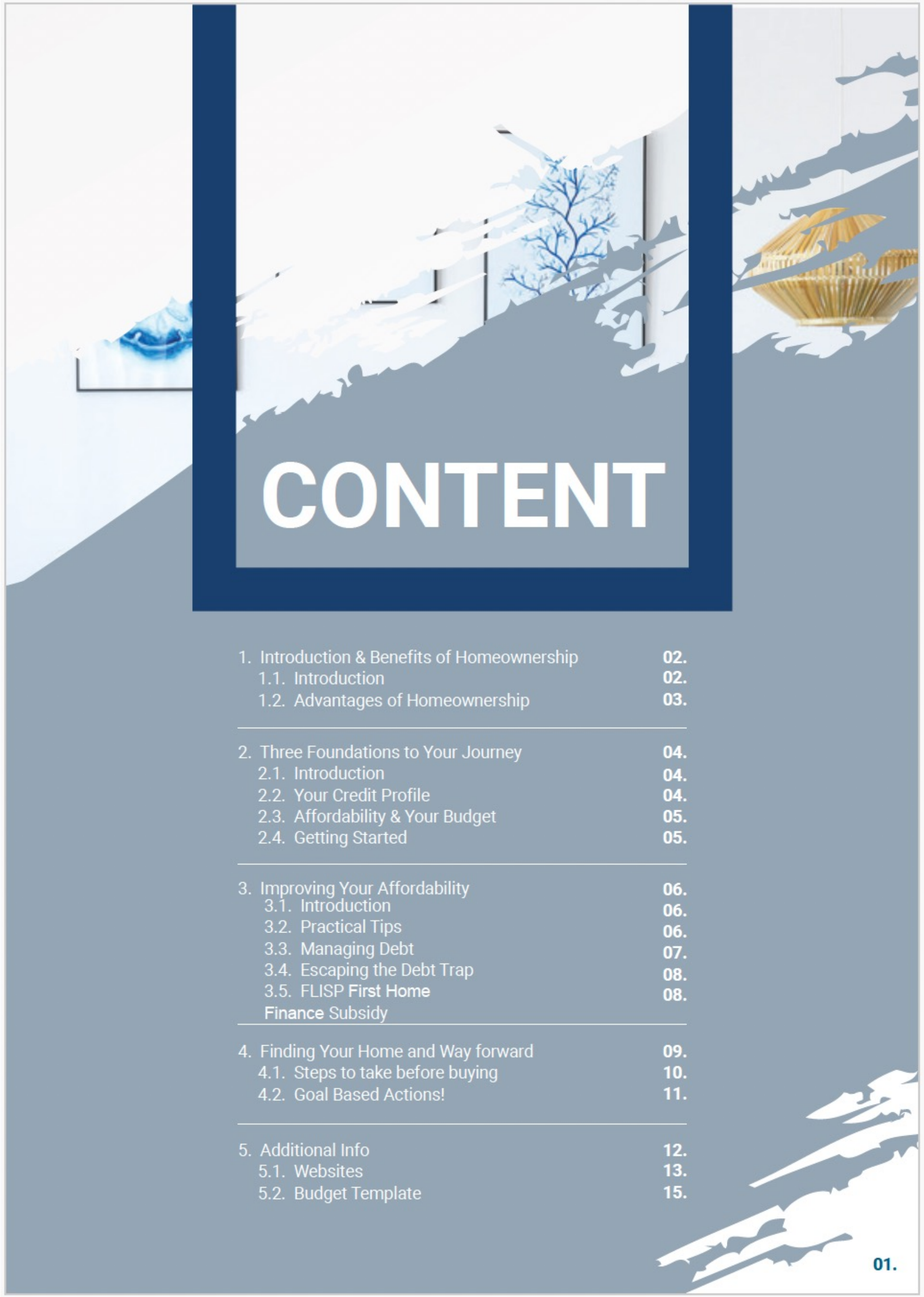




In budget

Alert !!!

What will I learn?



CONTENT

THE A – Z GUIDE – READ THE BOOK – THEN WATCH THE VIDEOS

MODULE 3

3.3. Managing Debt

Keeping track of the money you spend each month on items you need, will help you manage your finances but more critically it will eliminate the need for costly credit.

Try our free budgeting tool to track your spending –

Go to https://budget.4me.tech to register. You will them simply create your budget, capture expenses on the go and then check on a regular basis if you are living within or beyond your budget! Registration is free **for a paid up 4Me member**. After using it for a few months, you will most likely agree that this is easiest way to keep track of budget spending and the most affordable book keeping system for your own budget. You can even load the budget and mobile number of your partner so that you can both keep track of your total household budget expense. Compare your **4Me** budget each month with your actual spending and then adjust your **4Me** budget to make sure that you are always on top of your budget.

While credit can be used responsibly, using credit cards or short-term loans to purchase non-essential items, is often costly in the long run.

But how can careless use of credit can impact you and your family?

You would normally buy groceries and other essential items every month. These would typically be cash purchases.

But why not buy that Flat Screen TV? Everyone seems to have one, and you are told you can pay it off over 12 months if you purchase it on credit. Out comes the credit card and you are now enjoying your TV-programmes in full HD.

Along comes month two. You still have enough cash for most of your groceries but you buy a little less, as you make that first **Installment** to pay off your new TV. You are of course, also paying the interest on the outstanding balance, and ...oh yes, don't forget the monthly admin fee.

"Well that wasn't so bad you say. Maybe I should get that PVR decoder. Then I can record all my programmes and watch them when I want to." you say. The credit card comes out again and you are the proud owner of a PVR Decoder.

Month 3 arrives, and the fridge is looking a little empty. You buy your groceries but realize you have to buy far less. You now have to pay the **Installment** for the TV, the PVR decoder and the interest and admin payments for both.

"Maybe I can buy some groceries on credit" you say.

You get the picture! ***Purchasing Items on credit can be risky and over time you will have less and less money available for the items and services, you and your family really need.***

3.4. Escaping the Debt Trap

This simple approach can help you. Collect details of all your short term debt accounts. List these debts on a page or spreadsheet, from the smallest outstanding balance to the largest.

Keep on paying the normal monthly payments required for every account each month. Then use spare cash identified in your budget to pay extra on the smallest debt each month. Keep on doing this until it is paid off. We'll call this our Debt Busting Payment!

With that debt paid off, add what you were normally paying off on the smallest debt onto your Debt Busting Payment and start paying off the next smallest debt.
You get the idea. Each time you pay off a debt, you add the normal monthly payment to increase the size of your debt busting payment. Doing this will also save you interest, admin fees and credit insurance, but most importantly, you will more easily afford that dream home.

3.5. FLISP Subsidy

Another way to improve your affordability is to apply for a FLISP subsidy. FLISP stands for Finance Linked Individual Subsidy Programme. This is a Government subsidy that assists qualifying households by providing a once-off subsidy between the ranges now shown on screen.

The criteria to qualify for **First Home Finance -** FLISP are basically as follows. It is targeted to households who earn between R3 501 – R22 000 per month [combined household income [income requirements as from July 2018]:

- Whose monthly household income ranges between the amounts now reflected on screen;
- Who are purchasing a property for the first time;
- Who have secured bond finance;
- Who have a dependent – spouse or child
- Who are South African and/or hold a permanent residency permit; and

We can help you apply for a FLISP subsidy, should you wish to purchase a home. Once your bond is already approved and you meet the qualifying criteria – go to ***www.flisp.co.za*** to apply.

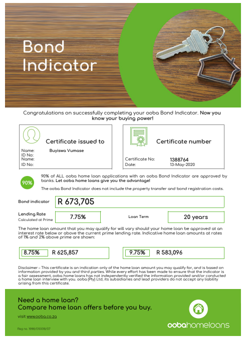
MODULE
4

Finding your home to buy and way forward - My Bond ...
Share
VISIT THE
AREA
FOR SALE
Watch on YouTube
my bond fitness
evo

Bond Indicator Certificate Issued – Next Steps

You 12 steps start here

1. Congratulations! Your Bond Affordability Certificate is available



2. Schedule your Appointent With our consultant

3. We discuss your budget & Affordability

4. Inform About Insurance options

5. We explain the legalaties of Home ownership

6 Explain what to look out for

7 Assist to identify a property

8. Assist In negotiations Between Seller Agent & Purchaser

9. Assist with the Legal Documents & Process with Deed of Sale

10. Finalize Insurance

11. Assist & Submit Property Finance application

12. Handing over Keys & explain responsabilties

. Reward & Cash-back

PROUD NEW HOMEOWNER TO BE

MELHOUT FONTEIN

Rent To Own

RENT TO OWN:

WHAT IS RENT TO OWN?

Rent To Own enables the first time buyer to enter into a lease agreement and rent the house and at the same time receive an option to buy the house two years later.

The purchase price will be "frozen" for the two-year period, which means that the price will not escalate during the lease term

Mill Park Project – Bredasdorp Western Cape

Western Cape Government
FOR YOU

ASLA

KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

mdw
Attorneys, Notaries and Conveyancers
Cape Town | Bloubergstrand

mbf
my budget fitness

MILL PARK

Mill Park Development | Sign Up | Properties | Home Loan | Rent To Own

Bredasdorp

33 new Mill Park New Homeowners!

Deferred ownership pilot project a breakthrough into the home-ownership market

18 August 2022

Listen

Six weeks since its launch, the Mill Park Home Ownership Project in Bredasdorp, Cape Agulhas is proving to be a welcomed breakthrough into the home ownership market for aspirant buyers.

On June 21, the Minister of Infrastructure Tertuis Simmers, conducted a sod turning ceremony for the 106 units affordable housing programme project. The project is aimed at assisting aspirant first time homeowners, through either a home loan or a Help Me Buy A Home (FLISP) subsidy. A first of its kind, the Deferred Ownership (rent to own) structure was launched through this project. To date, the project already has eight (8) buyers pre-approved through sale, home loan and Help Me Buy A Home subsidy. The Deferred Ownership

Interest rates & buying power:7 % vs 11.75%

Income of R8 000.00 pm

Paid over 20 years @ 7% **= R 309 000.00**

PM = R2 400.00

Income of R8 000.00 pm

Paid over 20 years @ 11.75% **= R 221 000.00**

PM = R2 400.00

Interest rates & buying power:7 % vs 11.75%

Income of R15 000.00 pm

Paid over 20 years @ 7% **= R 580 400.00**

PM =R4 500.00

Income of R15 000.00 pm

Paid over 20 years @ 11.7% **= R 415 000.00**

PM = R4 500.00

MELKHOUT WEST

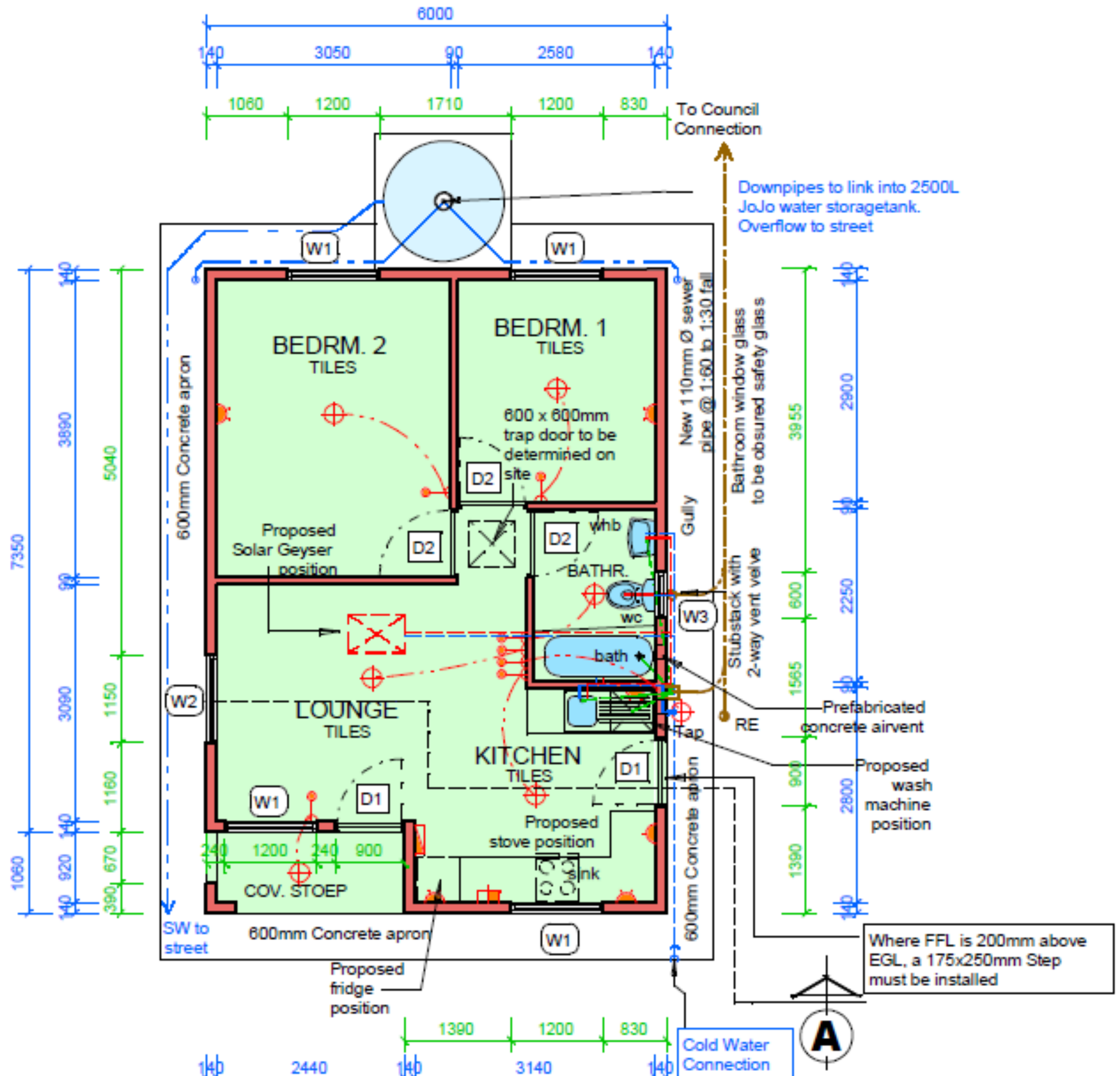
2 BEDROOMS

3 BEDROOMS

House Prices

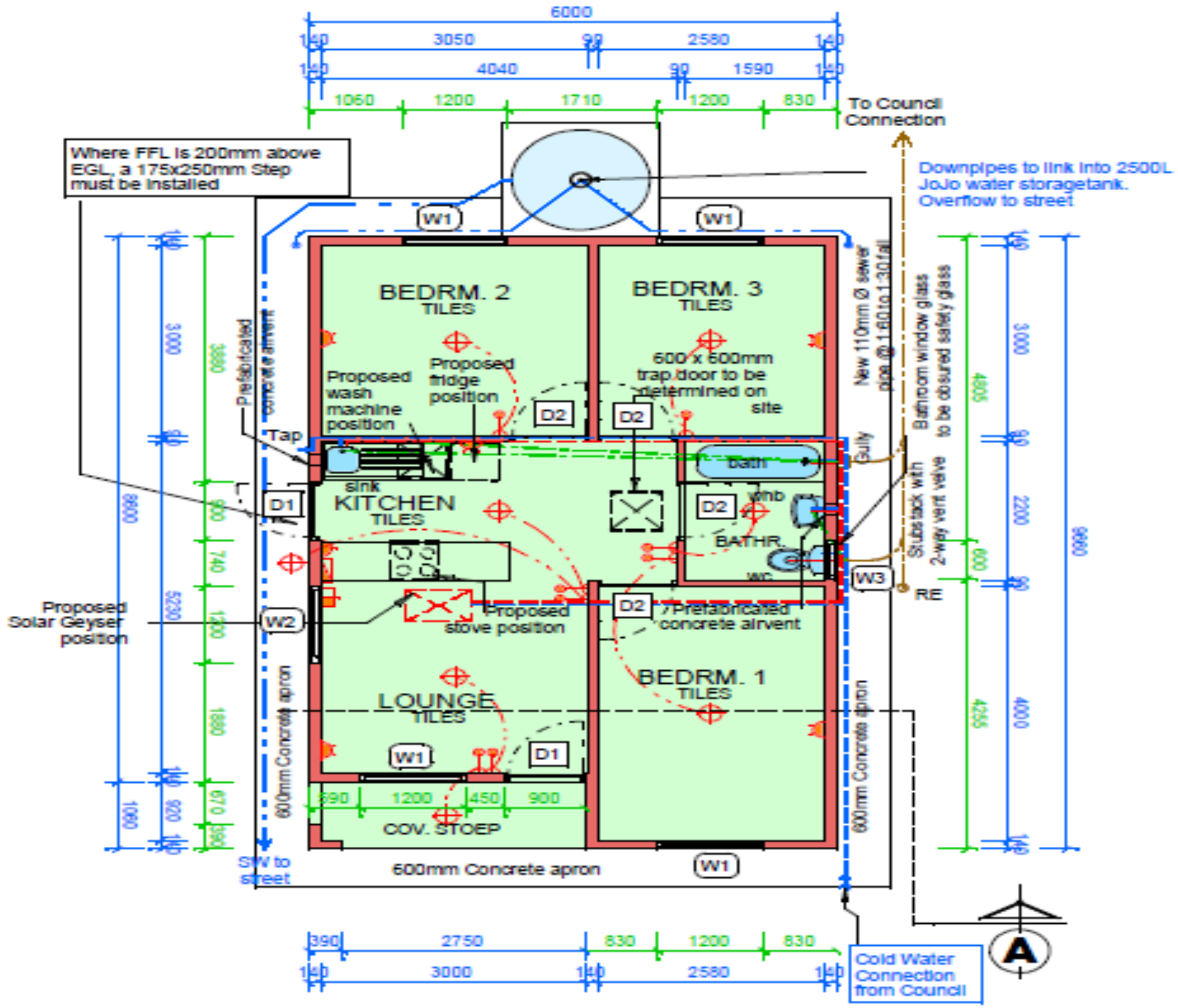
- **2 BEDROOMED HOUSE**
  - **R633 500.00**
- **3 BEDROOMED HOUSE**
  - **R730 000.00**

2 BEDROOMS



6000
140 3050 90 2580 140
1060 1200 1710 1200 830
To Council Connection
Downpipes to link into 2500L JoJo water storagetank. Overflow to street
W1
W1
BEDRM. 2
TILES
BEDRM. 1
TILES
600 x 600mm trap door to be determined on site
D2
D2
D2
Proposed Solar Geyser position
whb
BATHR.
wc
W3
bath
New 110mm Ø sewer pipe @ 1:60 to 1:30 fall
Bathroom window glass to be obsured safety glass
Gully
Stubstack with 2-way vent velve
Prefabricated concrete airvent
RE
Tap
600mm Concrete apron
W2
LOUNGE
TILES
KITCHEN
TILES
D1
D1
W1
Proposed stove position
sink
Proposed wash machine position
COV. STOEP
240 1200 240 900
SW to street
600mm Concrete apron
W1
Proposed fridge position
Where FFL is 200mm above EGL, a 175x250mm Step must be installed
1390 1200 830
140 2440 140 3140 140
Cold Water Connection
A
7350
3890
5040
3090
1150
1160
1060
920
670
390
3955
2900
2250
600
1565
900
2800
1390

3 BEDROOMS



6000
3050
2580
4040
1590
1060
1200
1710
1200
830
To Council Connection
Where FFL is 200mm above EGL, a 175x250mm Step must be installed
Downpipes to link into 2500L JoJo water storagetank. Overflow to street
W1
W1
BEDRM. 2
TILES
BEDRM. 3
TILES
Proposed wash machine position
Proposed fridge position
600 x 600mm trap door to be determined on site
New 110mm Ø sewer pipe @ 1:60 to 1:30 fall
Bathroom window glass to be obsured safety glass
Prefabricated concrete airvent
Tap
D2
D2
sink
KITCHEN
TILES
D1
Bath
whb
D2
BATHR.
wc
Stubstack with 2-way vent valve
Gully
W3
RE
Proposed Solar Geyser position
W2
Proposed stove position
D2
Prefabricated concrete airvent
BEDRM. 1
TILES
LOUNGE
TILES
W1
D1
600mm Concrete apron
COV. STOEP
SW to street
W1
390
2750
830
1200
830
3000
2580
Cold Water Connection from Council
A

BREDASDORP

EXAMPLE


18


EDEN

INCOME REQUIRED

R633 500.00 = R22 900.00 PM

@ 11,75 % X 20 YEARS

R730 000.00 = R24 600.00
@ 11,75 % X 20 YEARS

HOW CAN RENT TO OWN HELP ME?

CAN I STILL QUALIFY FOR A SUBSIDY?

2 BEDROOMED HOUSE
R 633 500.00

RENT TO OWN = 3 Years

R633 500.00 = R22 900.00 PM
@ 11,75 % X 30 YEARS

PM = R 6 300.00 PM

SAVINGS PM = 50 % = R3 150.00
Savings x 36 = R 113 400.00

RENT TO OWN = 3 Years

SAVINGS PM = 50 % = R3 150.00

Savings x 36 = R 113 400.00

Purchase price (frozen)	**R 633 500.00**
Less savings	**R 113 400.00**
Balance purchase price	**R 520 100.00**

RENT TO OWN = 3 Years

Purchase price (frozen)	**R 633 500.00**
Less savings	**R 113 400.00**
Balance purchase price	**R 520 100.00**
Income required R18 700.00	
Less:	
Subsidy on R18 700.00	**R 60 609.00**
Balance purchase price	**R 459 494.00**

Income required on R459 500.00 home loan

Paid over 20 years @ 11,75 % = R 16 700.00

Paid over 30 years @ 11,75 % = R 15 400.00

(First calculation R 22 900.00)

3 BEDROOMED HOUSE
R 730 000.00

INCOME REQUIRED

R730 000.00 = R24 600.00 PM

@ 11,75 % X 20 YEARS

RENT TO OWN = 3 Years

R730 000.00 = R24 6000.00 PM
@ 11,75 % X 30 YEARS

PM = R 7 300.00 PM

SAVINGS PM = 50 % = R3 650.00
Savings x 36 = R 131 400.00

RENT TO OWN = 3 Years

SAVINGS PM = 50 % = R3 650.00

Savings x 36 = R 131 400.00

Purchase price (frozen)	**R 730 000.00**
Less savings	**R 131 400.00**
Balance purchase price	**R 598 600.00**

RENT TO OWN = 3 Years

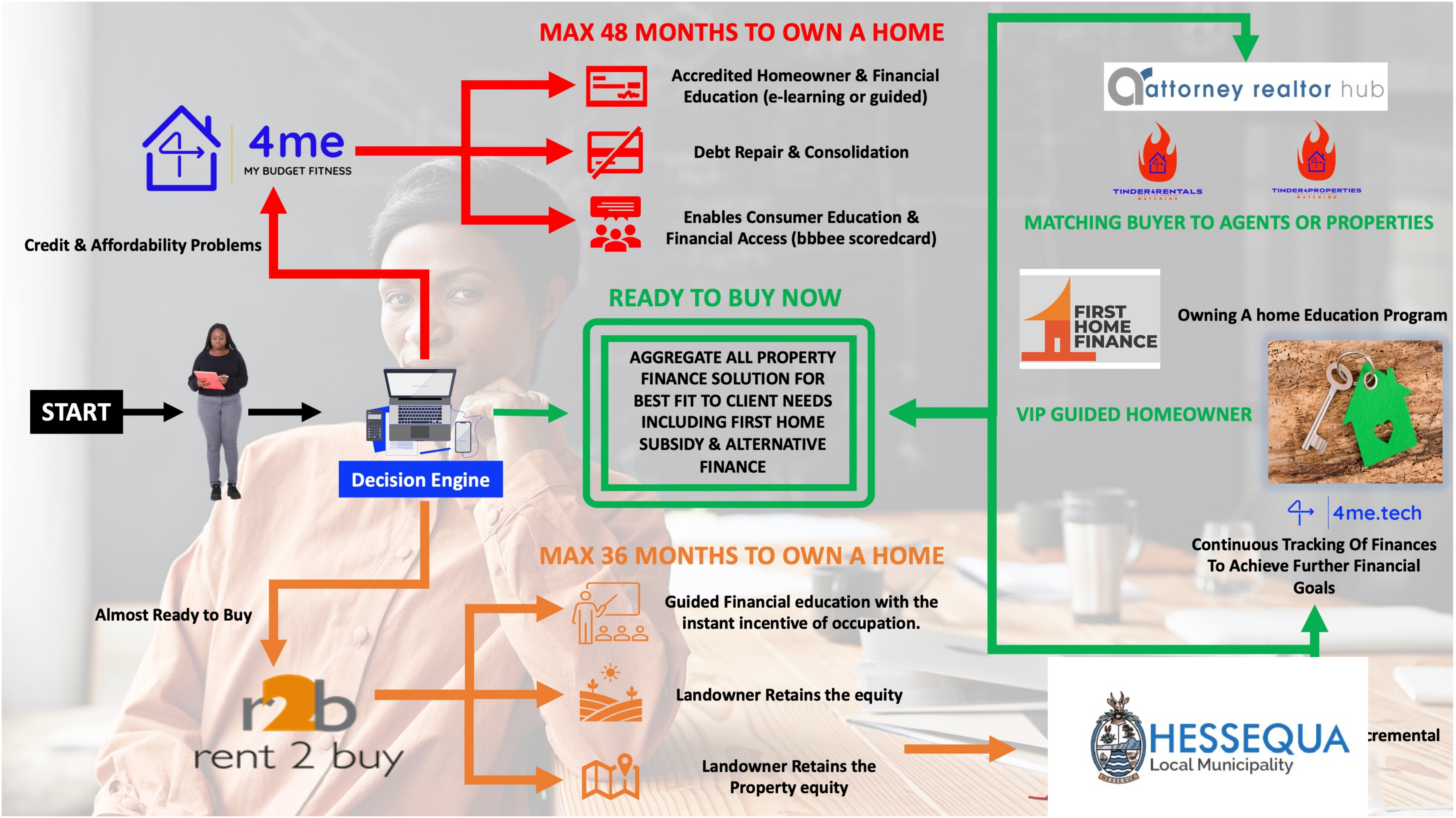
Purchase price (frozen)	**R 730 000.00**
Less savings	**R 131 400.00**
Balance purchase price	**R598 600.00**
Income required R20 000	
Less:	
Subsidy on R20 000.00	**R 53 336.00**
Balance purchase price	**R 545 246.00**

Income required on R545 246.00 home loan

Paid over 20 years @ 11,75 % = R 19 600.00

Paid over 30 years @ 11,75 % = R 18 300.00

(First calculation R 24 600.00)


MAX 48 MONTHS TO OWN A HOME
Accredited Homeowner & Financial Education (e-learning or guided)
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Enables Consumer Education & Financial Access (bbbee scoredcard)
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VIP GUIDED HOMEOWNER
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Continuous Tracking Of Finances To Achieve Further Financial Goals
MAX 36 MONTHS TO OWN A HOME
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Guided Financial education with the instant incentive of occupation.
Landowner Retains the equity
Landowner Retains the Property equity
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Department of Infrastructure

INFORMATION SESSION

HOME LOAN

RENT TO OWN:

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