

# **Finance-Linked Individual Subsidy Programme**

## **Brochure**

### **1. What is FLISP?**

- It is an instrument to assist qualifying households by providing a once off down payment to those households who have secured mortgage finance to acquire a residential property for the first time.

### **2. What is the objective of FLISP**

- The objective of the programme is to reduce the initial mortgage loan amount to render the monthly loan repayment instalments affordable over the loan payment term

### **3. Who is FLISP targeted at?**

- Households whose income range is R3 501 and R15 000 and are South African.

### **4. How will FLISP assist a qualifying beneficiary?**

- FLISP assists qualifying beneficiaries who wish to obtain mortgage finance from a lender to:
  - Acquire ownership of an existing residential property;
  - Obtain vacant serviced residential stands which are linked to house-building contracts with home builders registered with the National Home Builders Registration Council (NHBRC); or
  - Build a new house with the assistance of a homebuilder registered with the NHBRC, on a serviced residential stand, that is already owned by the beneficiary.

## **5. What is the subsidy amount that one can qualify for?**

- Depending on the income level a qualifying beneficiary will qualify for a subsidy of between R10 000 to R87 000 for a property to be financed to the tune of and not exceeding R300 000 purchase price

## **6. How do I apply for FLISP?**

**1<sup>st</sup> and foremost you must be in the market looking for a house and should be able to secure a home loan as it is a requirement to access the FLISP subsidy**

- You may contact any of the approved developers in your Province who will assist you to apply for FLISP and the contact details will be on our website or you may call the NHFC call centre.
- The information will be updated from time to time as new developments are approved.
- The developer will explain the qualification criteria and assists you to complete the application form. The qualification criteria is as follows:

A beneficiary should:

- earn between R3501 to R15 000.
  - be a South African citizen with a valid Identity document. Or be permanently resident with a permanent residence permit;
  - not have qualified for a government housing subsidy before
  - not have owned a fixed residential property before
  - be competent to contract - over 18 years or legally married or legally divorced and of sound mind
  - be married or cohabiting
  - be single with financial dependents
- The developer will also assist you in applying for a home loan from any of the approved lenders or Banks.

**6. What is the subsidy amount that one can qualify for?**

- Depending on the income level a qualifying beneficiary will qualify for a subsidy of between R10 000 to R87 000 for a property to be financed to the tune of and not exceeding R300 000 purchase price

**7. When will I get feedback on my application?**

- You will get feedback from the National Housing Finance Corporation (NHFC) through SMS, e-mail or telephone to confirm receipt of your application and to communicate the outcome of your application within 10 days of submitting your application.

**8. Where should I go to apply for a home loan?**

- The developer will also assist you to apply for a home loan through a participating bank.
- The bank in its own right will assess the home loan application and either approve or decline the application.

**9. What if the bank declines my application?**

- If the home loan application is declined by the bank then you will not be able to access the housing subsidy (FLISP).

**10. What will happen once the bank has approved my application?**

- If the bank has approved the home loan application and your FLISP application has met all the qualifying criteria, you will be eligible for the subsidy.

- **For more information please contact:**
- The National Housing Finance Corporation Soc Ltd
- Call centre: 0860 011 011
- E-mail : [flisp@nhfc.co.za](mailto:flisp@nhfc.co.za)
- Website : [www.nhfc.co.za](http://www.nhfc.co.za)