



# **FINANCE LINKED INDIVIDUAL SUBSIDY PROGRAMME (FLISP)**

**FLISP reduces** the initial mortgage loan amount rendering the monthly loan repayment instalments affordable over the loan repayment term; and/or **augments** shortfall between the qualifying loan amount and the total house price

FLISP part of Output 4 (improving property markets) of Outcome 8

FLISP to impact Affordable/Gap Market delivery, significantly, as MDI & Fixed Rate Instrument

i. **FLISP REDUCES** the initial mortgage loan amount to render the monthly loan repayment instalments affordable; *(payment made to home loan account)*

Property Price	R300 000	} estimations
Bank HL Approval	R300 000	
<b>Less FLISP as a deposit</b>	<b>R 50 000</b>	
<b>EVENTUAL HOME LOAN AMOUNT</b>	<b>R250 000</b>	

ii. **FLISP AUGMENTS** shortfall between the qualifying loan amount and the total product price; *(payment made to transfer attorneys)*

Property Price	R300 000	} estimations
Bank HL Approval	R250 000	
<b>FLISP as HL top up</b>	<b>R 50 000</b>	
<b>EVENTUAL HOME LOAN AMOUNT</b>	<b>R250 000</b>	



Qualifying applicants may use FLISP for one of the following:-

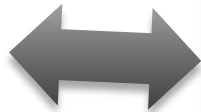
- buy an existing, new or old, residential property;
- buy a vacant serviced residential-stand, linked to an NHBRC registered homebuilder contract; or
- build a residential property on a self-owned serviced residential stand, through an NHBRC registered homebuilder

FLISP application must have a Home Loan '*Approval in Principle*' from an accredited RSA financial institution for consideration

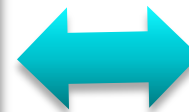
First time home-owners with household monthly income in the R3 501 - R15 000 category



Civil & Public Servants



Self-Employed General Public



Private Sector Workers

FLISP financed property priced at R300 000 maximum

#### Some Characteristics of the Target Market

- 42% have a matric or higher education
- 30% own the house in which they live
- 60% do not contribute to a pension
- 59% have dealings with a bank

### Qualifying Criteria:

FLISP Applicants must meet the following qualifying criteria:-

- South African citizen with a valid ID; or permanent residents with a valid permit
- over 18 years and competent to legally contract
- never have benefitted from a Government Housing Subsidy Scheme before
- have a Home Loan 'Approval in Principle' from an accredited South African financial institution
- first time home buyer, earning from R3 501 to R15 000 per month

FLISP is for residential properties in formal towns where transfer of ownership and registration of mortgage bond is recordable in the Deeds Office

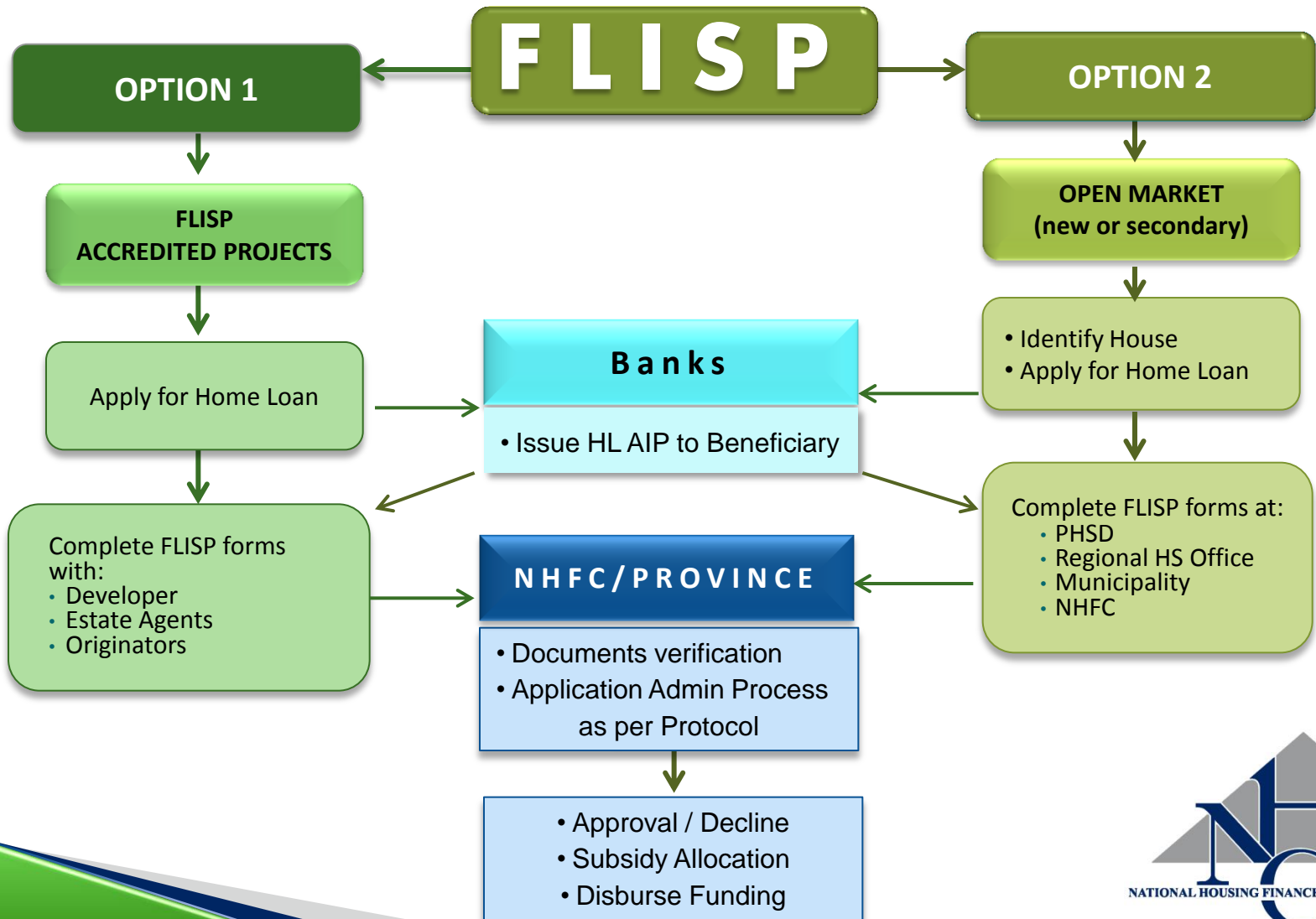
### Required Documents:

The following **CERTIFIED COPIES** are required as Supporting Documents at FLISP application:-

- RSA Bar Coded ID / Bar Coded Permanent Residence Permit
- Birth Certificates / RSA IDs of all financial dependents (where applicable)
- Proof of Foster Children Guardianship (where applicable)
- Marriage Certificate, Civil Union Certificate or Cohabiting Affidavit proof of Partnership\*
- Divorce Settlement (where applicable)
- Spouse's Death Certificate (where applicable)
- Proof of Monthly Income
- Home Loan Approval in Principle/Grant Letter from an accredited Lender
- Agreement of Sale for the residential property
- Building Contract and Approved Building Plan (where applicable)

# FLISP

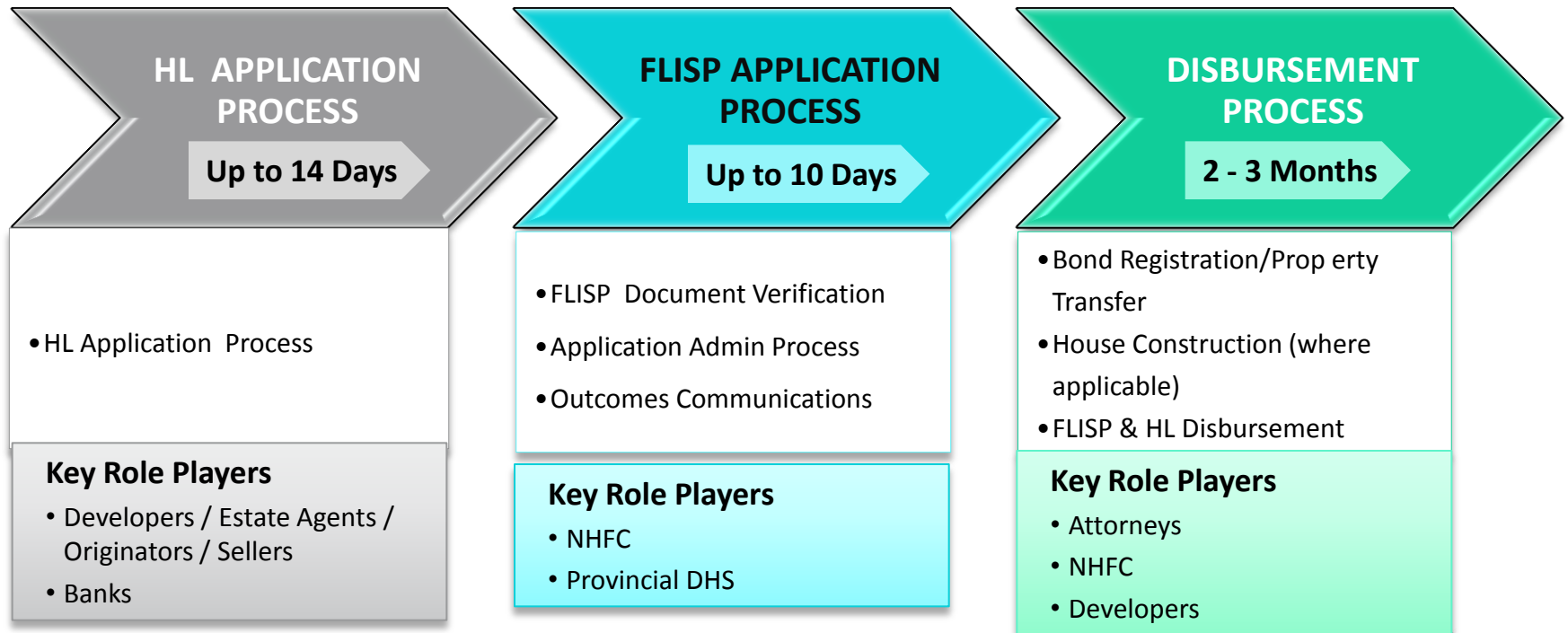
## Access Strategy



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Depending on the applicant's monthly income, the FLISP subsidy amount they qualify for may range from R10 000 to R87 000; the tables below indicate the FLISP low and high bands:

FLISP SUBSIDY BANDS			
No	Lower	Higher	Amount
1	R3 501	R3 600	R87 000
2	R3 601	R3 700	R86 325
3	R3 701	R3 800	R85 650
4	R3 801	R3 900	R84 975
5	R3 901	R4 000	R84 300
6	R4 001	R4 100	R83 625
7	R4 101	R4 200	R82 950
8	R4 201	R4 300	R82 275
9	R4 301	R4 400	R81 600
10	R4 401	R4 500	R80 925
11	R4 501	R4 600	R80 250
12	R4 601	R4 700	R79 575
13	R4 701	R4 800	R78 900
14	R4 801	R4 900	R78 225
15	R4 901	R5 000	R77 550
16	R5 001	R5 100	R76 875
17	R5 101	R5 200	R76 200
18	R 5 201	R5 300	R75 525
19	R5 301	R5 400	R74 850
20	R5 401	R5 500	R74 175

FLISP SUBSIDY BANDS cont....			
No	Lower	Higher	Amount
21	R5 501	R5 600	R73 500
22	R5 601	R5 700	R72 825
23	R5 701	R5 800	R72 150
24	R5 801	R5 900	R71 475
25	R5 901	R6 000	R70 800
31	R6 501	R6 600	R66 750
32	R6 601	R6 700	R66 075
33	R6 701	R6 800	R65 400
34	R6 801	R6 900	R64 725
35	R6 901	R7 000	R64 050
36	R7 001	R7 100	R63 375
37	R7 101	R7 200	R62 700
38	R7 201	R7 300	R62 025
39	R7 301	R7 400	R61 350
40	R7 401	R7 500	R60 675
41	R7 501	R7 600	R60 000
42	R7 601	R7 700	R59 325
43	R7 701	R7 800	R58 650
44	R7 801	R7 900	R57 975
45	R7 901	R8 000	R57 300

## FLISP SUBSIDY BANDS cont....

No	Lower	Higher	Amount
46	R8 001	R8 100	R56 625
47	R8 101	R8 200	R55 950
48	R8 201	R8 300	R55 275
49	R8 301	R8 400	R54 600
50	R8 401	R8 500	R53 925
56	R9 001	R9 100	R49 875
57	R9 101	R9 200	R49 200
58	R9 201	R9 300	R48 525
59	R9 301	R9 400	R47 850
60	R9 401	R9 500	R47 175
61	R9 501	R9 600	R46 500
62	R9 601	R9 700	R45 825
63	R9 701	R9 800	R45 150
64	R9 801	R9 900	R44 475
65	R9 901	R10 000	R43 800
66	R10 001	R10 100	R43 125
67	R10 101	R10 200	R42 450
68	R10 201	R10 300	R41 775
69	R10 301	R10 400	R41 100
70	R10 401	R10 500	R40 425

## FLISP SUBSIDY BANDS cont....

No	Lower	Higher	Amount
71	R10 501	R10 600	R39 750
72	R10 601	R10 700	R39 075
73	R10 701	R10 800	R38 400
74	R10 801	R10 900	R37 725
75	R10 901	R11 000	R37 050
76	R11 001	R11 100	R36 375
77	R11 101	R11 200	R35 700
78	R11 201	R11 300	R35 025
79	R11 301	R11 400	R34 350
80	R11 401	R11 500	R33 675
81	R11 501	R11 600	R33 000
82	R11 601	R11 700	R32 325
83	R11 701	R11 800	R31 650
84	R11 801	R11 900	R30 975
85	R11 901	R12 000	R30 300
86	R12 001	R12 100	R29 625
87	R12 101	R12 200	R28 950
88	R12 201	R12 300	R28 275
89	R12 301	R12 400	R27 600
90	R12 401	R12 500	R26 925

## FLISP SUBSIDY BANDS

No	Lower	Higher	Amount
91	R12 501	R12 600	R26 250
92	R12 601	R12 700	R25 575
93	R12 701	R12 800	R24 900
94	R12 801	R12 900	R24 225
95	R12 901	R13 000	R23 550
101	R13 501	R13 600	R19 500
102	R13 601	R13 700	R18 825
103	R13 701	R13 800	R18 150
104	R13 801	R13 900	R17 475
105	R13 901	R14 000	R16 800
106	R14 001	R14 100	R16 125
107	R14 101	R14 200	R15 450
108	R14 201	R14 300	R14 775
109	R14 301	R14 400	R14 100
110	R14 401	R14 500	R13 425
111	R14 501	R14 600	R12 750
112	R14 601	R14 700	R12 075
113	R14 701	R14 800	R11 400
114	R14 801	R14 900	R10 725
115	R14 901	R15 000	R10 050

For more information on the FLISP subsidy, accredited development projects, nearest contact office and/or FLISP application status contact one of the following FLISP Information Centre

FLISP OFFICES	Tel No.
<b>NHFC</b> Isle of Houghton, Old Trafford 3 11 Boundary Road, Houghton	0860 011 011 <a href="http://www.nhfc.co.za">www.nhfc.co.za</a> <a href="mailto:flisp@nhfc.co.za">flisp@nhfc.co.za</a>
<b>PROVINCIAL HUMAN SETTLEMENT DEPARTMENTS</b>	
<b>GAUTENG</b> Lisbon Building, 9th Floor 37 Sauer St., Johannesburg	011 355 4901
<b>EASTERN CAPE</b> Steve Tshwete Bldg., Chiselhurst, 31 Phillip Frame Rd, East London	043 711 9777/8
<b>FREE STATE</b> 97 Henry Street, Westdene Bloemfontein	051 403 3883
<b>KWAZULU-NATAL</b> Tolaram House 2 Aliwal St., Durban	031 336 5300
<b>NORTH WEST</b> 3366 Bessemer St., Mafikeng	018 391 0420



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# FLISP

THANK YOU

