

FINANCE LINKED INDIVIDUAL SUBSIDY PROGRAMME (FLISP)

1. Definition

The Financial Linked Individual Subsidy Programme (FLISP) provides financial assistance to qualifying households by providing a once off down payment to those who have secured mortgage finance to acquire a residential property for the first time. It is aimed at reducing the initial mortgage loan amount to render the monthly loan repayment instalment affordable over the loan payment term. Households that are within the income range of R3 501 and R22 000 and are South Africans qualify for assistance.

2. Application of the Programme

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.

NB: An application must have a Home Loan 'Approval in Principle' from an accredited RSA financial institution for consideration.

3. Programme Principles

- Available to qualifying beneficiaries able to access mortgage loan finance to acquire residential property or access property through a development (constructing houses, etc);
- Approval of subsidy is subject to the approval of a mortgage loan;
- Households will only be able to access one subsidy;
- FLISP subsidy is offered on a once-off basis;
- FLISP beneficiaries will not benefit from other housing subsidies;
- Subsidy only available to first time home owners;
- Qualifying beneficiaries are households earning between R3 501 to R22 000;
- Subsidy may be utilised to meet deposit requirements imposed by financial institutions; and
- Depending on income level a qualifying beneficiary will qualify for a subsidy of between R27 960.00 to R121 626.00

4. Qualification Criteria

A beneficiary should:

- Earn between R3 501 to R22 000 gross income;
- Be a South African citizen with a valid Identity document;
- 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; and
- Be single with financial dependents.

5. Application Procedures

The accredited developer assists qualifying beneficiaries to apply for a home loan through a participating financial institution/bank;

The bank in its own right will assess the home loan application and either approve in principle, (subject to the approval of a FLISP subsidy) or decline;

If approved, accredited developer/individual submits application to the department;

No administration should be charged by either developer or lender for processing an application;

The Department will only finance approved applications; and

If not approved, reasons for the non-approval will be conveyed to the lender.

6. Required Documents

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

- RSA 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; and
- Building Contract and Approved Building Plan (where applicable).

7. FLISP Subsidy Salary Bands

| Step Number | Lower | Higher | Amount |
|-------------|---------|---------|-----------|
| 1 | R 3 501 | R 3 700 | R 121 626 |
| 2 | R 3 701 | R 3 900 | R 120 585 |
| 3 | R 3 901 | R 4 100 | R 119 545 |
| 4 | R 4 101 | R 4 300 | R 118 504 |
| 5 | R 4 301 | R 4 500 | R 117 463 |
| 6 | R 4 501 | R 4 700 | R 116 422 |
| 7 | R 4 701 | R 4 900 | R 115 382 |
| 8 | R 4 901 | R 5 100 | R 114 341 |
| 9 | R 5 101 | R 5 300 | R 113 300 |
| 10 | R 5 301 | R 5 500 | R 112 259 |
| 11 | R 5 501 | R 5 700 | R 111 219 |
| 12 | R 5 701 | R 5 900 | R 110 178 |
| 13 | R 5 901 | R 6 100 | R 109 137 |
| 14 | R 6 101 | R 6 300 | R 108 097 |
| 15 | R 6 301 | R 6 500 | R 107 056 |
| 16 | R 6 501 | R 6 700 | R 106 015 |
| 17 | R 6 701 | R 6 900 | R 104 974 |
| 18 | R 6 901 | R 7 100 | R 103 934 |
| 19 | R 7 101 | R 7 300 | R 102 893 |
| 20 | R 7 301 | R 7 500 | R 101 852 |

| Step Number | Lower | Higher | Amount |
|-------------|----------|----------|-----------|
| 21 | R 7 501 | R 7 700 | R 100 811 |
| 22 | R 7 701 | R 7 900 | R 99 771 |
| 23 | R 7 901 | R 8 100 | R 98 730 |
| 24 | R 8 101 | R 8 300 | R 97 689 |
| 25 | R 8 301 | R 8 500 | R 96 648 |
| 26 | R 8 501 | R 8 700 | R 95 608 |
| 27 | R 8 701 | R 8 900 | R 94 567 |
| 28 | R 8 901 | R 9 100 | R 93 526 |
| 29 | R 9 101 | R 9 300 | R 92 486 |
| 30 | R 9 301 | R 9 500 | R 91 445 |
| 31 | R 9 501 | R 9 700 | R 90 404 |
| 32 | R 9 701 | R 9 900 | R 89 363 |
| 33 | R 9 901 | R 10 100 | R 88 323 |
| 34 | R 10 101 | R 10 300 | R 87 282 |
| 35 | R 10 301 | R 10 500 | R 86 241 |
| 36 | R 10 501 | R 10 700 | R 85 200 |
| 37 | R 10 701 | R 10 900 | R 84 160 |
| 38 | R 10 901 | R 11 100 | R 83 119 |
| 39 | R 11 101 | R 11 300 | R 82 078 |
| 40 | R 11 301 | R 11 500 | R 81 038 |

| Step Number | Lower | Higher | Amount |
|-------------|----------|----------|----------|
| 41 | R 11 501 | R 11 700 | R 79 997 |
| 42 | R 11 701 | R 11 900 | R 78 956 |
| 43 | R 11 901 | R 12 100 | R 77 915 |
| 44 | R 12 101 | R 12 300 | R 76 875 |
| 45 | R 12 301 | R 12 500 | R 75 834 |
| 46 | R 12 501 | R 12 700 | R 74 793 |
| 47 | R 12 701 | R 12 900 | R 73 752 |
| 48 | R 12 901 | R 13 100 | R 72 712 |
| 49 | R 13 101 | R 13 300 | R 71 671 |
| 50 | R 13 301 | R 13 500 | R 70 630 |
| 51 | R 13 501 | R 13 700 | R 69 590 |
| 52 | R 13 701 | R 13 900 | R 68 549 |
| 53 | R 13 901 | R 14 100 | R 67 508 |
| 54 | R 14 101 | R 14 300 | R 66 467 |
| 55 | R 14 301 | R 14 500 | R 65 427 |
| 56 | R 14 501 | R 14 700 | R 64 386 |
| 57 | R 14 701 | R 14 900 | R 63 345 |
| 58 | R 14 901 | R 15 000 | R 62 304 |
| 59 | R 15 001 | R 15 200 | R 61 264 |
| 60 | R 15 201 | R 15 400 | R 60 223 |

| Step Number | Lower | Higher | Amount |
|-------------|----------|----------|----------|
| 61 | R 15 401 | R 15 600 | R 59 182 |
| 62 | R 15 601 | R 15 800 | R 58 141 |
| 63 | R 15 801 | R 16 000 | R 57 101 |
| 64 | R 16 001 | R 16 200 | R 56 060 |
| 65 | R 16 201 | R 16 400 | R 55 019 |
| 66 | R 16 401 | R 16 600 | R 53 979 |
| 67 | R 16 601 | R 16 800 | R 52 938 |
| 68 | R 16 801 | R 17 000 | R 51 897 |
| 69 | R 17 001 | R 17 200 | R 50 856 |
| 70 | R 17 201 | R 17 400 | R 49 816 |
| 71 | R 17 401 | R 17 600 | R 48 774 |
| 72 | R 17 601 | R 18 000 | R 47 734 |
| 73 | R 18 001 | R 18 200 | R 46 693 |
| 74 | R 18 201 | R 18 400 | R 45 653 |
| 75 | R 18 401 | R 18 600 | R 44 612 |
| 76 | R 18 601 | R 19 000 | R 43 571 |
| 77 | R 19 001 | R 19 200 | R 42 531 |
| 78 | R 19 201 | R 19 400 | R 41 490 |
| 79 | R 19 401 | R 19 600 | R 40 449 |
| 80 | R 19 601 | R 19 800 | R 39 408 |

| Step Number | Lower | Higher | Amount |
|-------------|----------|----------|----------|
| 81 | R 19 801 | R 20 000 | R 38 367 |
| 82 | R 20 001 | R 20 200 | R 37 327 |
| 83 | R 20 201 | R 20 400 | R 36 286 |
| 84 | R 20 401 | R 20 600 | R 35 245 |
| 85 | R 20 601 | R 20 800 | R 34 205 |
| 86 | R 20 801 | R 21 000 | R 33 164 |
| 87 | R 21 001 | R 21 200 | R 32 123 |
| 88 | R 21 201 | R 21 400 | R 31 082 |
| 89 | R 21 401 | R 21 600 | R 30 042 |
| 90 | R 21 601 | R 21 800 | R 29 001 |
| 91 | R 21 801 | R 22 000 | R 27 960 |
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NB: The more a beneficiary earns the less the subsidy and visa versa.

Contact Details

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