

## **UNLOCK YOUR DREAM HOME WITH THE FIRST HOME FINANCE (FLISP) SUBSIDY. GET GOVERNMENT ASSISTANCE WITH A DEPOSIT FOR YOUR OWN HOME**

“Cash is king” when it comes to buying your first home.

Having a deposit ready not only strengthens your negotiating power but also secures your purchase agreement, giving you a competitive edge.” says Meyer de Waal an attorney at MDW INC in Cape Town and a founding member of the Attorney Realtor Hub.

### **GET YOUR GOVERNMENT BACKED DEPOSIT CERTIFICATE UPFRONT**

First-time buyers can now obtain a pre-qualified deposit certificate directly from the government. This certificate shows the amount you qualify for in advance, making it easier to negotiate with property sellers, estate agents, and attorneys.

This certificate increases your credibility and home buying negotiation power and improves your chances of securing your dream home.

### **CHALLENGES WITH FLISP SUBSIDIES: WHY THIS CERTIFICATE IS A GAME-CHANGER**

"Over the past seven years, while helping first-time buyers with FLISP subsidies - now known as First Home Finance - we often come across estate agents, sellers, and attorneys who were hesitant to accept offers from buyers using these subsidies as they are concerned that the subsidy approval will cause a delay with the property transfer process," says de Waal, who have championed this cause for first time buyers through initiatives like My Budget Fitness, [www.flisp.co.za](http://www.flisp.co.za) and Rent2buy [www.irent2buy.co.za](http://www.irent2buy.co.za) .

However, with the **First Home Finance Pre-Qualification Certificate**, buyers can validate their financial readiness and ability to qualify for a deposit to buy their dream home, which removes the uncertainty and scepticism often associated with subsidy-backed purchases.

### **SPECIAL ASSISTANCE FOR FIRST TIME HOME BUYERS**

The **Attorney Realtor Hub** is a network of 15 conveyancing attorney firms, where you'll receive expert guidance through every step of your property purchase.

The process includes securing the **First Home Finance subsidy**, structuring your finances, negotiating sale terms, and finalizing all the legal aspects of the transaction.

Through this service, you can:

- Apply for the **FLISP** or **First Home Finance subsidy** as a deposit.
- Get help finding a suitable property.
- Negotiate terms of sale and prepare a tailored **purchase agreement**.

- Manage all the legal and financial aspects of the purchase.
- Complete the transfer of ownership and handover.

You'll also get access to a consumer education program designed specifically for first-time buyers, including videos, brochures, and workshops that cover everything you need to know.

### **WHO QUALIFIES FOR THE FIRST HOME FINANCE SUBSIDY?**

Applicants must be first-time buyers and South African citizens who have never owned property before.

They should be over 18 years of age and earn between R3,501 to R22,000 per month (the gross combined income of the household). Additionally, applicants must have a financial dependent.

### **WHAT DEPOSIT AMOUNT CAN YOU GET FROM THE GOVERNMENT?**

The government subsidy amount depends on your income, ranging from **R38,911** to **R169,265**. The lower your income, the higher the subsidy. For example:

- A household earning **R14,500** per month could qualify for a subsidy of **R91,054**.

### **HOW TO QUALIFY FOR THE FIRST HOME FINANCE SUBSIDY?**

Prior to 2022, first-time buyers had to obtain a home loan before applying for the subsidy.

*“That process was most likely another reason why so many estate agents, sellers and attorneys did not want to entertain a buyer who had to obtain two approvals - first a home loan and then a subsidy, to qualify to buy a property,”* says De Waal.

However, as of April 2022, the subsidy is no longer tied to the home loan process. This allows buyers to supplement their subsidy with the following financial resources:

- **Own savings**
- **Unsecured loans**
- **GEHS (Government Employment Housing Scheme)**
- **Stokvel loans**
- **Pension-backed loans**
- **Rent-to-buy agreements**
- **Instalment sale agreements**
- **Serviced stands in IRDP projects**
- **PTO (Permission to Occupy) arrangements**

## **HOW TO CHECK IN ADVANCE IF YOU CAN QUALIFY FOR AS DEPOSIT SUBSIDY & FOR HOW MUCH?**

*“It is now possible to obtain your upfront deposit subsidy approval.*

*One can obtain a deposit subsidy pre-approval letter from the National Housing Finance Corporation.*

*This upfront approval will change the game for first time buyers.*

*The FHF Subsidy Support Team is a dedicated portal to ensure first time buyers get their subsidies are on standby to assist all first-time buyers”, says Francois du Toit who leads the team and specializes in subsidy assistance for first time buyers.*

## **KNOW YOUR PURCHASE POWER IN ADVANCE**

Just as you would not enter a supermarket with an empty wallet and expect to buy groceries, the same principle applies when purchasing your first home.

First establish your total buying power and then start looking for a property to buy, within your budget.

Once you have your deposit subsidy certificate in your hand, you can then add your own savings, or loan obtained and that will be your total property buying budget.

*“Also, budget for attorney transfer and bond registration fees.”*

*“The further good news is that you can also use your First Home Finance subsidy to pay for your legal fees for the property transfer and bond registration, as well as NHBRC enrolment fees,” says Du Toit.*

## **DO YOU NEED TO PAY BACK THE SUBSIDY?**

*“The subsidy is a once-off grant, and no need to pay it back,” explains Anele Matakane of FHF Subsidy Support Team.*

However, a condition will be registered against the title deed of the new owner, stipulating that the property cannot be sold for a period of eight years.

If the property needs to be sold during the 8-year restricted period, the homeowner can apply to the relevant Department of Infrastructure with a full motivation why the property is to be sold.

The Department can then impose conditions with the approval, if such is approved.

## **HOW DO I CHECK IF I QUALIFY FOR THE FIRST HOME FINANCE SUBSIDY?**

[Click here to sign up](#) to check if you qualify, if you earn between R3 501 – R22 000.00 as a first-time home buyer.

Each subscriber will also receive a free A- Z Guide, “How to go about to buy your own first property’.

## **WHAT IF I ALREADY OWN A HOME AND NEVER APPLIED FOR A SUBSIDY?**

The good news is that a late subsidy application can also be considered.

[Click here to sign up](#) to check if one can qualify, if you earn between R3 501 – R22 000.00 as a first-time homeowner.

## **MORE ENQUIRIES**

For more information, send an email to [info@fhfsubsidy.co.za](mailto:info@fhfsubsidy.co.za) or if you need some property advice contact:

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