

# The Property Corporation

45 2nd Road, Van Ryn Small Holdings, Benoni  
Registered with PPRA | [www.thepropertycorporation.com](http://www.thepropertycorporation.com) | 011 894 3301

## Terms and Conditions for FLISP Qualification and R7,000 Monthly Bond Payment

These terms and conditions outline the criteria and responsibilities applicable to homebuyers seeking to qualify for the FLISP subsidy and secure a monthly bond repayment of R7,000 or less.

### 1. Eligibility for FLISP Subsidy

To qualify for the FLISP subsidy, the buyer must meet the following criteria as per the National Housing Finance Corporation (NHFC):

#### 1.1 South African Citizenship or Permanent Residency

The applicant must be a South African citizen or hold permanent residency status.

#### 1.2 Age Requirement

Applicants must be 18 years or older.

#### 1.3 First-Time Homebuyer

The applicant must be a first-time homebuyer and have never benefitted from a government housing subsidy before.

#### 1.4 Household Income Range

The gross household income must be between R3,501 and R22,000 per month.

#### 1.5 Home Loan Approval

The applicant must have received a formal home loan (mortgage) approval from a recognized South African financial institution.

#### 1.6 Legal Dependents

Applicants must have financial dependents (e.g., spouse, children).

### 2. Conditions for R7,000 Monthly Bond Payment

#### 2.1 Bond Application Limitations

To ensure the monthly bond payment does not exceed R7,000, the following financial guidelines must be met:

- The purchase price of the property should not exceed R700,000 to R850,000, subject to interest rate and loan term.
- The buyer must contribute a FLISP subsidy (e.g., R50,000 to R150,000, depending on income) to reduce the loan amount.

#### 2.2 Interest Rate & Term Assumptions

# The Property Corporation

45 2nd Road, Van Ryn Small Holdings, Benoni  
Registered with PPRA | [www.thepropertycorporation.com](http://www.thepropertycorporation.com) | 011 894 3301

The bond repayment is calculated based on:

- A home loan interest rate of prime or lower (subject to credit record),
- A loan term of 20 to 30 years.

## 2.3 Minimum Deposit or Subsidy Application

The buyer agrees to apply the FLISP subsidy toward the deposit or directly to reduce the principal loan amount. Where a subsidy shortfall exists, the buyer may be required to contribute a cash deposit to maintain the R7,000 monthly repayment.

## 2.4 Proof of Affordability

Buyers must submit proof of income, bank statements, credit record, and employment verification to confirm affordability.

## 3. Responsibilities of the Buyer

### 3.1 Application Process

The buyer is responsible for:

- Submitting the FLISP subsidy application timeously,
- Securing a bond approval,
- Signing the offer to purchase,
- Providing all required documentation.

### 3.2 Use of Property

The property must be used as the buyer's primary residence and may not be rented out or sold within the first 8 years, unless approved by the housing authority.

### 3.3 Legal and Transfer Costs

Where applicable, the buyer is responsible for legal and transfer fees not covered by the subsidy.

## 4. Disqualification Conditions

Failure to meet the following may lead to disqualification from the FLISP subsidy and/or loss of the subsidized bond benefit:

- Misrepresentation of income or employment,
- Failure to secure home loan approval,
- Withdrawal from the home purchase after subsidy has been granted,
- Using the subsidy for non-housing purposes.

## 5. Acknowledgment

## **The Property Corporation**

45 2nd Road, Van Ryn Small Holdings, Benoni  
Registered with PPRA | [www.thepropertycorporation.com](http://www.thepropertycorporation.com) | 011 894 3301

By proceeding with the FLISP application and property purchase, the buyer acknowledges and accepts these terms and conditions and agrees to comply with all legal and financial obligations related to the home loan and subsidy.