



CORPORATE COMMUNICATIONS AND ICT

3366 Besemmer Str Telkom Building
Industrial Site Mahikeng, 2745
Private Bag X 2145, Mmabatho, 2735
Tel: +27 (18) 388 4824/5

NWDC Cnr, University & Provident Drive
Private Bag X 2145, Mmabatho, 2735
Tel: +27 (18) 388 4913

2nd Floor West Wing, University Drive
Garona Building
Private Bag X 2145, Mmabatho, 2735
Tel: +27 (18) 388 4824/5

Media Statement

Date : 28 February 2023

Government launches revised housing scheme for the missing middle

The National Housing Finance Corporation (NHFC) one of the entities of the Department of Human Settlements, has unveiled First Home Finance a programme that seeks to help all qualifying beneficiaries who intend to buy or build their first homes or property. Depending on a monthly household income government can fund a beneficiary up to R130 000. Eligible beneficiaries should earn between R3,501 and R22,000 per month.

First Home Finance replaces Financed Linked Individually Subsidy Programme (FLISP) and Help-Me-Buy-A-Home. The qualification criteria for First Home Finance have been revised to accommodate and assist with funding all qualifying South Africans who want to acquire their first homes. The revised programme also caters for beneficiaries who are not approved for home loans but intend to among other options, build their own houses in rural areas and cities' serviced sites. The First Home Finance can assist beneficiaries that raise financial resources through various means such as cooperative and community-based saving schemes e.g., stokfels to apply for government financial assistance.

Unveiling First Home Finance on Friday, 24 February 2023 at the Sky City Housing Development, in Ekurhuleni, the Minister of Human Settlements Mmamoloko Kubayi challenged developers to increase affordable housing stock for the gap market and the previously excluded. "If properly implemented, First Home Finance has a potential to significantly re-engineer the housing market by expanding to the previously excluded individuals/households. The housing gap market is on the increase and the supply both in terms of stock and finance has neither been sufficient nor accessible", said Kubayi.

Minister Kubayi cited an MOU signed between the Department of Public Service and Administration and NHFC which seeks to assist government employees through First Home Finance to access home loans from financial institutions. "The First Home Finance scheme gives a property-ownership opportunity to those that our mainstream financial system has excluded-with no chance of ever owning such properties", said Minister Kubayi.

It is estimated that over 200 000 public servants are eligible to acquire their first properties through First Home Finance. These are the people who earn too much to qualify for fully subsidized government housing (BNG/RDP) and earn little to qualify for mortgage finance.

To simplify the application process, the NHFC has also launched a new portal. This will enable the applicants to do applications in the comfort of their homes and at their leisure. Moreover, the new portal will also help applicants to track the progress of their applications.

To apply for First Home Finance, potential beneficiaries are urged to visit www.nhfc.co.za where they will be directed to the application portal or enquiries can also be directed to firsthomefinanceenquiries@nhfc.co.za or call 010 825 2199.

Enquiries:

Nozipho Zulu, Head of Communication on 078 457 9376 or Delca Maluleke, NHFC
Communications and Marketing General Manager on 082 469 8016

Issued by the Department of Human Settlements

Ruth Mompoti Building

260 Justice Mahomed Street, Sunnyside, Pretoria, 0001.

77777



Let's Grow North West Together