BUYING YOUR FIRST HOME WITH A GOVERNMENT SUBSIDY

Note: If you earn over R22k p.m. (the subsidy threshold) or aren’t personally in the market for a house in the “affordable housing” bracket, please think of forwarding this article to someone who might be – perhaps a relative, friend, colleague or employee. You could be helping them take that important first step onto the property ladder!

Unless you already own your own house, our current buyer’s market – while it lasts – could be your golden opportunity to find one at a reasonable price. But affordability isn’t what it used to be, and you should take advantage of any help you can get.

That’s where FLISP, government’s “Finance Linked Individual Subsidy Programme”, comes into the picture – if you qualify.

How does it help you?

The subsidy allows you to bring down your home loan instalment to an affordable level, by reducing your bond amount or increasing the cash component of the purchase price. You can buy new or old residential property, or you can build on a vacant plot.

The size of the subsidy granted to you will depend on your earnings, with a maximum of R121,626

Do you qualify?

To qualify you need to meet these requirements -

1. You must be a South African citizen with a valid ID or a permanent resident with a valid permit

1. You must be over 18, and married/co-habiting or single with financial dependants

1. You cannot have previously benefited from a Government Housing Subsidy Scheme

1. You must have a home loan approval

1. You must earn between R3,501 and R22,000 per month.