

HOUSING SUBSIDY SCHEME

(1) MAIN QUALIFICATION CRITERIA

- Beneficiaries must have a household income of not more than R3 500 per month.
- must have not owned a fixed residential property previously.
- married or single with dependents
- lawful resident of South Africa
- competent to contract
- where beneficiaries have only received serviced sites under previous dispensation and hold ownership rights to such sites, they qualify for a consolidation subsidy.

The following table illustrates the subsidy amounts :

INCOME CATEGORY	SUBSIDY AMOUNT
R0-R1 500	R20 300,00
R1 501- R2 500	R12 700,00
R 2 501- R3 500	R 7 000,00
Old age, disabled and indigent	R22 800,00
Consolidation sub: up to R1 500	R10 900,00
Consolidation sub: Old aged, disabled and indigent	R13 400,00
Institutional sub: R0 - R3 500 pm	R20 300,00

Beneficiaries who fall outside of the R0 - R1 500 category have to pay the difference between the maximum subsidy plus the contribution to have a product price of R22 779.

<p>Project-linked subsidy</p>	<p>What is a project linked subsidy?</p> <p>It enables beneficiaries to buy homes in community or municipal driven projects approved by the Department.</p> <p>Who qualifies? Applicants must meet all general qualification criteria.</p> <p>How to access subsidy Communities form a development committee and approach their municipality or the respective regional office to package the project for them.</p>
<p>Individual Subsidy</p>	<p>What is the Individual Subsidy? It enables beneficiaries to buy existing homes individually or homes in projects not approved by Provincial Housing Department.</p> <p>Who qualifies? Applicants must meet the general qualification criteria.</p> <p>How to access subsidy Beneficiaries may access this type of subsidy through the bank or reputable company that they work for and must submit the application on their behalf.</p>
<p>Consolidation Subsidy</p>	<p>What is the Consolidation Subsidy?</p> <p>It enables beneficiaries who have only received serviced sites under the previous dispensation and who hold ownership rights to such site, to provide or upgrade a topstructure.</p> <p>Who qualifies? Applicants must meet the general qualification criteria, but the first time home ownership requirement is waived.</p> <p>How to access subsidy Communities form a development committee and approach their municipality or the respective regional office to package the project for them.</p>
<p>Institutional Subsidy</p>	<p>What is the Institutional Subsidy?</p> <p>It provides subsidised accommodation through</p>

	<p>institutions to persons who qualify for individual ownership subsidies, on the basis of secure tenure such as rental, installment sale, shareblock, etc.</p> <p>Provides assistance to persons who do not wish to buy property.</p> <p>Who qualifies?</p> <p>Applicants must meet the general qualification criteria.</p> <p>How to access subsidy</p> <p>The community or institution must form a Section 21 Company and apply through the municipality for this kind of subsidy. If the area which they reside in does not have a municipality they may approach the Provincial/Regional office.</p>
<p>Relocation Subsidy</p>	<p>What is the Relocation Subsidy?</p> <p>It enables defaulting borrowers of mortgage loans, who were three months in arrears with their installments before 31 August 1997, and whose loans cannot be rehabilitated, may apply for financial assistance to buy back their homes or relocate to another property.</p> <p>Who qualifies?</p> <p>Applicants must meet the general qualification criteria, except that they need not be a first time home owner.</p> <p>How to access subsidy</p> <p>Applications may be made through Servcon. The address for Servcon is as follows : P O Box 4767, DURBAN, 4000.</p>
<p>People's Housing Process</p>	<p>What is the People's Housing Process?</p> <p>It provides support to people who want to build their homes themselves to access consolidation, project-linked, institutional and rural housing subsidies as well as other support measures.</p> <p>Who qualifies?</p> <p>Applicants</p>

	<p>nts must meet the general qualification criteria.</p> <p>How to access</p> <p>In order to participate in the People’s Housing Process, a Support Organisation must be established. Beneficiaries can either form themselves into a Support Organisation or they must identify a potential Support Organisation and enter into a contract with it. They must then approach the municipality or the Provincial/Regional office to make a project application on their behalf.</p>
<p>Rural Subsidy</p>	<p>What is the Rural Subsidy?</p> <p>These are available to those communities who are living in the tribal areas, and who could not previously access government housing funds</p> <p>Who qualifies?</p> <p style="text-align: right;">Applica</p> <p>nts must meet the general qualification criteria.</p> <p>How to access a subsidy</p> <p>The Inkosi and his Indunas must be consulted to ensure that their authority is not undermined. The Inkosi and his Indunas form themselves into an Institution. The Institution must be a legal entity and a Public or Private Company must be formed. A section 21 Company is the most appropriate institution to use in this regard. The Inkosi and his Indunas serve as directors of the Institution. (Section 21 Company). The Institution must work through and closely with the municipallity or the District Council under whose jurisdiction the land falls. The municipality or District Council must assist the community to establish an Institution and make the application. Approval for the project must firstly be obtainable from the Ingonyama Trust.</p>
<p>Aids Policy</p>	<p>What is the Aids Policy?</p> <p>Funds are available to provide accomodation for victims of Aids.</p> <p>Who qualifies?</p> <p>Not available to individuals but organisations who care for Aids victims or Aids orphans.</p> <p>How to access</p> <p>The Institution must form a Section 21</p>

	Company and approach the municipalities to make an application on their behalf.
<p>Transitional Policy</p>	<p>What is Transitional Policy? This is a temporary accomodation for destitute and impoverished homeless people in the inner city areas.</p> <p>Who qualifies? Not available to individuals, but organisations who care for destitutes and impoverished homeless people.</p> <p>How to access Transitional Policy The Institution must form a Section 21 Company and approach the municipality to make an application on their behalf.</p>