

12 July 2024

TO: ALL FIRST HOME FINANCE PROGRAMME PARTNERS AND APPLICANTS

Re: REQUIREMENT TO ENROL FIRST HOME FINANCE SUBSIDISED HOMES WITH THE NHBRC

Purpose:

To inform all contractors and beneficiaries of the requirement to enrol First Home Finance subsidised homes with the NHBRC before the building process commences. The communication applies to both existing contractor partners and those who want to participate in assisting First Home Finance beneficiaries to build their first homes.

Rationale

As we implement First Home Finance Programme, we have identified the risk of non-compliance with the First Home Finance Programme requirements that all First Home Finance subsidised homes must be:

- Built by the NHBRC registered contractors, and
- Houses are enrolled with the NHBRC before building starts.

Requirement for Subsidised House Enrolment with the NHBRC

This requirement is intended to ensure that housing consumers are legally protected and enjoy decent quality of their homes for a long period. In instances where defects are detected within a period of five years, the NHBRC through the warranty fund will assist beneficiaries with repairs of a home. If a house has defects and was not enrolled with the NHBRC, the beneficiary will not be assisted.

Contractors and beneficiaries must note that costs to enrol a house with the NHBRC can be paid from the approved subsidy amount and proof of enrolment will be required to disburse further funds from the subsidy amount in line with the building contract between the contractor and the beneficiary.

This requirement applies to all First Home Finance subsidised homes, whether a subsidised house is built in a rural area on the back of Permission to Occupy (PTO) or in urban area.

We encourage all contractors or builders including those operating in rural areas, who are not registered with the NHBRC to visit the NHBRC website (www.nhbrc.org.za) or call **0800 200 824** (toll free). The website provides details of the NHBRC provincial offices that you may contact.

We look forward to your support in ensuring that we implement the Programme in full compliance with Programme requirements and importantly, ensure that we protect housing consumers benefitting from First Home Finance Programme.

Yours faithfully



Jabulani Fakazi
Grant Facilitation Executive