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To: All First Home Finance Subsidy Origination Partners

FIRST HOME FINANCE – PROGRAMME IMPLEMENTATION

1. Purpose

The purpose of this communicate is twofold:

- 1.1 To alert and inform all NHFC First Home Finance subsidy origination partners about the Programme Policy position on fees as stipulated in the National Housing Code.
- 1.2 To request subsidy origination partners to desist from using their brand names and/logos on the official First Home Finance Application form.

2. Background

First Home Finance is a once-off Housing Subsidy Instrument developed by the Department of Human Settlements to assist households in the monthly income bracket of R3 501 up to R22 000 with affordable first-time home ownership. These households generally find it hard to qualify for affordable housing finance, for a variety of reasons.

3. First Home Finance Programme Policy Statement on Fees

The Programme is regulated under **The National Housing Code, Part 3, Financial Interventions**, and reference is hereby made to Section 7 ‘Programme Implementation and Fund Administration’, sub section 7.11. which reads, in part, **“No lender or any other party may charge an administration fee specifically for First Home Finance applications.”**

All First Home Finance origination partners assisting applicants, without exception, must adhere to the Policy and not charge applicants any fee, regardless of fee description on their part, for accessing First Home Finance subsidy.

Failure to adhere to this Policy directive will result in the NHFC permanently terminating the working relationship and barring the non-compliant partner from any future participation in the Programme.

4. Co-Branding of First Home Finance Subsidy Application Forms

We have noted that some subsidy origination partners have adopted the approach to include their logos or branding on the First Home Finance Application Form. We request that all partners desist from tampering with the official First Home Finance Application form. This form is part of the subsidy application process that is audited by the Auditor General of South Africa. The branding of the form with official Programme logo and NHFC logo is in accordance with the appointment of the NHFC as a national implementing agent. Accordingly, no other brand name or logo is allowed on this official application form.

Kind regards,



Jabulani Fakazi
Grant Facilitation Executive