

## Subsidy Basics

### What is a Housing Subsidy?

A Government Housing Subsidy is a once off grant by Government to qualifying beneficiaries for housing purposes. The grant is not paid in cash to beneficiaries. The grant is either paid to a seller of a house, or in new developments, the grant is used to construct a house that complies with the minimum technical norms and standards, which is then registered in the name of the beneficiary in the Deeds Office.

Housing grants are also used to finance the provision of rental accommodation. Rental housing units are provided by approved housing institutions who also manage and maintain the units.

### Do I Qualify for a Housing Subsidy?

Applicants for the Housing Subsidy must satisfy the following qualifying criteria:

- **Citizenship:** An applicant must be a citizen of the Republic of South Africa, or be in the possession of a Permanent Resident Permit.
- **Competent to Contract:** An applicant must be legally competent to contract (i.e. over 18 years of age, or married or divorced and of sound mind).
- **Not yet benefited from Government Funding:** An applicant or his or her spouse may not have received previous housing benefits from the Government. In the event of a divorce involving a person who previously derived benefits, the terms of the divorce order will determine such person's eligibility for further benefits.
- **First time property owner:** An applicant or his/her spouse may not have owned and/or currently own a house. Except for the following cases:
  - Disabled persons
  - Persons who:
    - own a vacant stand that was obtained through the Land Restitution Programme;
    - have acquired a residential property for the first time without Government assistance and the house/dwelling on the property, if

any, does not comply with the Norms and Standards in respect of Permanent Residential Structures.

**In addition to the above requirements, any applicant must also satisfy the following general criteria:**

- **Married or Financial Dependants:** An applicant must be married or constantly be living together with a spouse. A single person with proven financial dependants (such as parents or parents-in-law, grandparents or grandparents-in-law, children, grand children, adopted children, foster children) may also apply.
- **Monthly Household Income:** An applicant's gross monthly household income must not exceed R3 500. Adequate proof of income must be submitted.
- **Beneficiaries of the Land Restitution Programme:** Beneficiaries of the Land Restitution Programme, should they satisfy the other qualification criteria, may apply for housing subsidies
- **Persons classified as military veterans as confirmed by the SANDF:** Military veterans who are single without financial dependants may also apply for housing subsidies.
- **Persons classified as aged:** Aged persons who are single without financial dependants may also apply for housing subsidies. Aged persons are classified as male and female persons who have attained the minimum age applicable to Government's old age social grant scheme.
- **Persons classified as disabled:** Persons who are classified as disabled, whether single, married or co-habiting or single with financial dependants, may apply for housing subsidies. If a person who has already received state funding for housing and/or who already owns or owned a house, is or becomes disabled, or if his or her dependent(s) is/are or become disabled, such a person may receive an additional variation on the subsidy amount to finance special additions to provide independent living conditions.

### **I am disabled, what now?**

Disabled beneficiaries may receive special additions to their houses to enable them independent living in normal residential areas. These additions have been tailored to accommodate the variety of special housing needs. Such special additions to houses entail concrete aprons and ramps to facilitate access to houses, special grab rails in

bathrooms, kick plates to doors, visible doorbells and special access arrangements to toilets.

Beneficiaries with disabilities whom apply for approval to receive an additional subsidy must provide proof of the relevant disability that warrants the special assistance measure, must be confirmed in the form of a certificate by a registered medical practitioner as well as proof of income. Beneficiaries that currently receive a State welfare grant, in respect of the disabled category as administered by the Department of Social Development, will be required to provide proof of their income from a welfare grant together with the medical certificate, as indicated.

### **How much subsidy do I qualify for?**

### **How do I apply for a Housing Subsidy?**

No housing subsidy will be approved unless the applicant correctly completes the application form and submits the required documents of proof.

The following documents, where applicable, must accompany the application form:

- A Certified Copies of:
  - the page/s of the bar-coded R.S.A. identity document containing photograph of applicant and that of his/her spouse and all financial dependants forming part of the household;
  - Birth certificates, bearing the thirteen digit identity number for children who do not have bar coded identity documents;
  - a divorce settlement (if applicable, to prove custody of children);
  - a marriage certificate (if applicable);
  - Affidavits for unions solemnised in terms of SA Civil Law and accompanied by sworn statements to prove the authenticity of the relationship to the applicants, where applicable;
  - court orders or, orders issued by the Commissioner of Child Welfare to prove guardianship for foster children (if applicable);
  - a spouse's death certificate (if applicable); and
  - most recent pay slip (applicant and spouse).
- Agreement of Sale (if applicable).

- Building Contract and Approved Building Plan (if applicable).
- Sale of Land and House Building Support agreement in respect of Enhanced People's Housing Process (EPHP) (if applicable).
- Proof of Disability (if applicable).
- Proof of loan granted by lender (if applicable).

**Where to submit an application**

Application forms must be submitted to the housing section of your local municipality or to the Provincial Department responsible for Human Settlements in your province.