



# Absa Employee Value Proposition home loan offering for UCT



# Home Loan solutions for your employees.



## Conditional Cash-Back Rewards

Aimed at employees of a corporate, where Absa holds an agreement to provide banking products/offers to their employees.

- A benefit equal to **0.2%** annual interest for a **36 month** period, calculated on the monthly outstanding home loan balance\*.
- The payment will be made into the nominated participant's **Absa Rewards** account.



## Ordinary Home Loan

Employees with a joint or single monthly income more than **R25 400**.

- Up to **100%** homeloan
- Use **MultiPlan** to structure your loan to suit your individual needs
- **Fixed and variable rates** to help you afford your new home.
- Immediate access to any extra payments you've made into your bond with **FlexiReserve**



## Buy-to-Let Home Loan

For residential property investors, offering property management and protection solutions.

- We include **future rental income** in your affordability assessment, even without a lease agreement. This solution is for **seasoned investors** with two or more residential properties in their portfolio.
- **TPN** – tenant management software, leasing documents and suburb investment reports. **25% discount** on costs.



## MyHome Home Loan\*

For first time home buyers with a joint or single monthly income of **R25 400 or less**.

- Up to **100%** Loan-to-Value
- **50%** discount on Absa Panel Attorney bond registration costs
- **Zero** initiation fee, the customer saves **R6037.50** (including VAT)
- A **free** professional Borrower Education Programme, which will help you with budgeting, learning the ins-and-outs of homeownership and other useful information.



## Finance Linked Individual Subsidy Programme (FLISP)

A government housing subsidy programme for **first-time buyers**.

- For people with a single or joint gross monthly household income of between **R3 501** to **R22 000**
- Successful applicants can qualify for a subsidy of between **R27 960** and **R121 626**



## Young Professionals Home Loan

A home loan for **young professionals** to secure their first home if under the age of **35** and have a **4 year qualification (NQF8)**.

- Up to **105%** bond on a purchase price of up to **R 1.5 million**. An extra **5%** towards transfer & bond registration costs.
- **30%** discount on attorney bond registration costs
- An attorney that comes to you to sign your documents



## Great Escape Home Loan\*

For existing home owners, allows you to **switch** your current home loan to Absa.

- **Zero** initiation fee, the customer saves **R6037.50** (including VAT)
- A negotiated discount of **30%** on Absa Panel Attorney bond registration costs (VAT incl)\*
- Over and above the **30%** discount, Absa will cover an additional maximum of up to **R30 000** (VAT incl) of your bond registration costs\*

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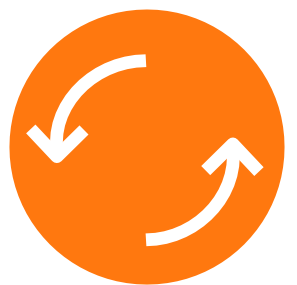
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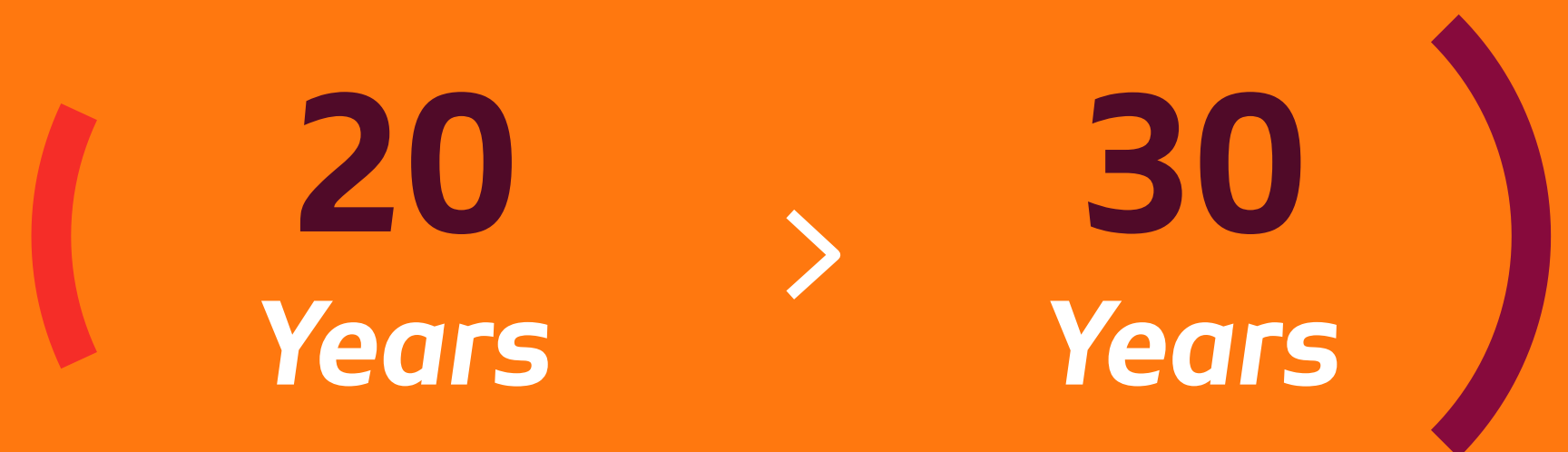




# Introduction

*When you find the perfect house, flat, townhouse, or piece of land on which to build your own dream home, you'll need a home loan to pay for it.*

Whether it's your first home, a second home or an investment home; we have the loan that'll suit your needs and budget. Most people choose a 20-year repayment term, but there's an option to extend the term to a maximum of 30 years.



Interest is calculated on the daily outstanding balance and then capitalised/debited monthly on the repayment due day. Repayments must be paid into the loan account on the date as agreed in the home loan agreement. Unless another date is selected, the due date will default to the first of the month. Although the home loan is granted at a variable rate, once the loan is fully paid out, you can apply for a fixed-rate option. We've also got you covered with a range of insurance products (home, life, and personal effects cover), value-added extras, and so much more.





# Group Housing Schemes

***This is an ordinary home loan with cash-based rewards.***

- This offering is specifically aimed at employees of a corporate, where Absa holds an agreement to service their staff with banking products/offers.
- As an Absa Group Scheme customer, your employees will enjoy benefits such as the Conditional Cash Back Rewards, provided that certain qualifying criteria are met.
- A benefit equal to 0.2% annual interest, calculated on the monthly outstanding home loan balance, will be added, on the last day of each month, to the balance of the nominated participant's Absa Rewards account. Your employees can choose how they'd like to redeem their Rewards.
- Certain specific value propositions and campaign offers may not be taken in conjunction with the Group Scheme Conditional Cash Back Rewards offering.



The benefit will be available to your employees for a period of 36 months from the day on which we pay out the mortgage loan amount under the primary loan agreement.

An example of the approximate monthly benefit illustration (amortising based on a prime rate of 10% and a 240-month term):

<b>1</b>	<b>2</b>	<b>3</b>
<b>R105.49pm on R650 000</b>	<b>R154.19pm on R950 000</b>	<b>R178.53pm on R1.1 million</b>
<b>outstanding balance</b>	<b>outstanding balance</b>	<b>outstanding balance</b>



**36**  
*month  
period*

# Group Housing

## *Continued*

- > If your employees enter into a Further Advance or ReAdvance agreement during this period, the cash benefit will be calculated on the increased outstanding balance for the remainder of the 36-month period since original registration.

### **Benefit criteria:**

The benefit will be subject to the nominee/loan participants complying with the **following conditions (qualifying criteria):**

The employee must have a valid Homeowner's Comprehensive (HOC) Insurance policy on the home from either Absa or an insurer of the customer's choice (vacant land and sectional title properties are excluded from this condition).

**Receive the Home Loan statement electronically via eStatements.**

**The nominee is an active Absa Rewards member and all accounts linked to the Rewards account are in good standing and up to date (including compliance regarding FICA/KYC).**

The borrower/s will be required to complete a Concession Rewards Nominee Form (Absa 6549) at the attorney when signing the home loan documents. In order to receive the benefit, the nominated person will be required to be an Absa Rewards member. Please note the nominated participant must meet the qualifying criteria for the Conditional Cash Back Rewards offering.

**Certain specific value propositions and campaign offers may not be taken in conjunction with the Group Scheme Conditional Cash Back Rewards offering.**



# Ordinary home loan

*For people with a joint or single monthly income of more than R25 400.*



- Up to 100% home loan.
- Use MultiPlan to structure your loan to suit your individual needs.
- Fixed and variable rates to help you afford your new home.
- Immediate access to any extra payments you've made into your bond with FlexiReserve.
- As an Absa Group Scheme customer, earn Absa Rewards equal to 0.2% annual interest for a 36-month period, calculated on the monthly outstanding home loan balance.





# MyHome

[www.absa.co.za/myhome](http://www.absa.co.za/myhome)

If you earn a joint or single monthly income of R25 400 a month or less, you can make owning your own home a reality. That's because, when you apply for a MyHome Home Loan, you'll get up to 100% financing and professional help every step of the way.

## You also qualify for:

- Up to **100%** LTV (Loan-to-Value).
- **50%** discount on attorney bond registration costs, through a ring-fenced panel of bond registration attorneys.
- **100%** discount on the bank initiation fee; saving you R6 037.50 (including VAT).

( 100  
50  
100 % )



- Absa provides a financial planning consultation with a qualified adviser, to consider the following for you: a Will, a Life Policy, Packaged Insurance for your motor and home, and Retirement Planning. Send an email to [virtualadviser@absa.co.za](mailto:virtualadviser@absa.co.za) and an adviser will call you back.
- A free professional Borrower Education Training Programme, which will help you with budgeting, learning the ins-and-outs of homeownership and other useful information.
- Life Policy (compulsory): this insurance is taken against the bondholder/s, and in the event of death the outstanding balance on the home loan account is settled. Employees can cede an existing policy or avail an Absa policy.
- You may also qualify for the Finance Linked Individual Subsidy Programme (FLISP), a government housing subsidy programme aimed at customers who earn between R3 501 and R22 000 and who are first-time home buyers. The FLISP benefit ranges from R27 960 (income R22 000) to R121 626 (income R3 501).



# Finance Linked Individual Subsidy Program (FLISP)

- FLISP is an initiative driven by the Department of Human Settlements to assist qualifying households who have secured a mortgage bond to acquire a residential property for the first time.
- The objective of the program is to use as a deposit for a property to be purchased or reduce the initial home loan amount to render monthly installments affordable over the loan repayment term.

## FLISP Summary:

- Once off subsidy from R27 960 to a maximum of R121 626
- First time Housing Subsidy Scheme beneficiary
- RSA Citizen / Permanent Resident
- Over 18yrs & competent to legal contract
- Have an approval in principle for a Home Loan

## FLISP applicants must meet the following criteria:

Income between R3501 to R22 000

- this means single with dependants that are not employed and living with income earner, children and parents that are dependant.
  - Joint with children and/or dependants not employed and living with the income earner.
- Never have benefited from a Government Housing Subsidy scheme before.

Once off subsidy from R27 960 to a maximum of R121 626

First time Housing Subsidy Scheme beneficiary

RSA Citizen / Permanent Resident

Over 18yrs & competent to legal contract

Have an approval in principle for a Home Loan

## Provided by Department of Human Settlements to:

- Buy an existing or new residential property
- Buy a vacant serviced residential stand; or
- Build a residential property
- Note, separate application process to be followed

## Subsidy "Snapshot" example:

From	To	Subsidy	From	To	Subsidy
R3, 501	R3, 700	R121, 626	R9, 301	R9, 500	R91, 445
R3, 701	R3, 900	R120, 585	R9, 501	R9, 700	R90, 404
R3, 901	R4, 100	R119, 545	R9, 701	R9, 900	R89, 363
R4, 101	R4, 300	R118, 504	R9, 901	R10, 100	R88, 323
R4, 301	R4, 500	R117, 463	R10, 101	R10, 300	R87, 282
R4, 501	R4, 700	R116, 422	R10, 301	R10, 500	R86, 241
R4, 701	R4, 900	R115, 382	R10, 501	R10, 700	R85, 200
R4, 901	R5, 100	R114, 341	R10, 701	R10, 900	R84, 160
R5, 101	R5, 300	R113, 300	R10, 901	R11, 100	R83, 119
R5, 301	R5, 500	R112, 259	R11, 101	R11, 300	R82, 078
R5, 501	R5, 700	R111, 219	R11, 301	R11, 500	R81, 038
R5, 701	R5, 900	R110, 178	R11, 501	R11, 700	R79, 997





# Young Professionals Home Loan

Diligence and perseverance got you to where you are, and you are probably looking forward to accomplishing your next achievement, owning a property. Nothing says you've made it like buying your first home, and an Absa Home Loan for Young Professionals can help you secure it.



- You can get up to 105% bond for a property valued at R1.5million or less.
- Receive a 30% discount on your Absa Panel Attorney Bond Registration costs
- An attorney will visit you to sign your documents.
- Download the Absa Homeowner app to help with finding a dream home or calculate affordability or get a Home Loan Estimator certificate before shopping for a home
- As an Absa Rewards member, you can enjoy even more value and benefits. Visit [absa.co.za/rewards](https://absa.co.za/rewards).
- Access to Financial Planning consultations by simply sending an e-mail to: [Virtualadviser@absa.co.za](mailto:Virtualadviser@absa.co.za) who will offer a consultation or needs analysis on:
  - Savings and Investments
  - Insurance and Risk protection
  - Retirement Planning
  - Wills and Trusts







# International mortgages

*(Non-South African resident wanting to buy SA residential property)*



If you're a non-South African citizen looking to invest in South African property, our International Mortgage Business Unit can assist you.

Our products and services include legislative and foreign exchange information, as well as guidance relating to market conditions and property in the South African market. It is important to keep in mind that you'll need to pay a 50% deposit in accordance with South African law.

( 50% )





# Private Banking Universal Package

*(A private banking customer buying a home and earning more than R62 500pm)*

The Universal Package is a structured solution that provides you with a tailor-made credit facility to support your wealth creation aspirations, while helping you manage your day-to-day banking transactions.

## ***With the Private Banking Universal Package you enjoy:***

- Improved cash flow through the use of various asset types as collateral for financing.
- Structured loan sub-facilities management, allowing you to have different terms and loan statements for each of your sub-facilities, all at the same home loan interest rate.
- Maximised asset leveraging for wealth creation purposes as affordability is improved.
- Overdrafts of up to 10% of your overall facility at the same rate as your overall offer.
- Quick support to access further financing with the Universal Package.



# Switch/Great Escape

[www.absa.co.za/switchhl](http://www.absa.co.za/switchhl)

*If you want to switch your bond to Absa.*

The Great Escape offering is aimed at existing Absa and non-Absa customers holding bonds at other banking institutions to Switch and Save by receiving great cash discounts and attorneys cost benefits.



## *The Great Escape offering includes:*

- The Great Escape proposition applies to existing and non-Absa clients that apply to switch a minimum approved home loan of R500 000 (five hundred thousand rand) or more.
- Zero initiation fee, you save R6 037.
- Over and above the 30% discount, Absa will cover an additional amount of your attorney bond registration costs, up to a maximum of R30 000 (VAT incl) based on the loan amounts approved and paid out. Refer to the Rebate benefits amount table.

## > *Rebate benefit amounts:*

<b>1</b>	<b>2</b>	<b>3</b>
<b>R500 000 - R2 499 999</b>	<b>R2 500 000 - R4 499 999</b>	<b>R4 500 000+</b>
<b>Up to a maximum of R10 000 (incl. VAT)</b>	<b>Up to a maximum of R20 000 (incl. VAT)</b>	<b>Up to a maximum of R30 000 (incl. VAT)</b>



# Re-mortgage

[www.absa.co.za/loyaltyhomeloan](http://www.absa.co.za/loyaltyhomeloan)

This offering is specifically aimed at existing Absa Home Loan customers selling their current bonded property and buying another, which they intend to refinance with Absa. This is generally called a linked transaction.



**0.5%**  
**cash back**



## The loyalty offering includes:

1. 25% reduction on NCA initiation fees
  2. 0.50% Cash Back on the value of the new home loan approved (capped at a maximum of R6 000) and paid into your bank account
- A pro rata rebate on the early termination fee when you cancel your existing loan.
  - Absa provides a financial planning consultation with a qualified adviser, to consider the following for you a Will, a Life Policy, Packaged Insurance for your motor and home, and Retirement Planning. Send an email to [virtualadviser@absa.co.za](mailto:virtualadviser@absa.co.za) and an adviser will call you back.





# Buy-to-Let

[www.absa.co.za/btl](http://www.absa.co.za/btl)

Buy-to-Let is a home loan solution designed specifically for residential property investors, offering property management and protection solutions to support you on your wealth creation journey through property investment.



- This proposition introduces Future Rental Income which can be included in the affordability assessment of a Buy-to-Let applicant purchasing residential investment properties for letting purposes.
- The Future Rental Income solution is designed specifically for residential property investors who already own two or more residential properties, either bonded or un-bonded, with Absa or another bank.



# Invest/create wealth

## Buy-to-Let proposition

**Future rental income:** this allows your future rental income to be included in your affordability assessment, even if you don't have a lease agreement. This solution is for seasoned investors with two or more residential properties in their portfolio.

**Financial planning:** from help with rebalancing your portfolio, conducting a full financial needs analysis, reviewing your will and retirement planning, to tailor-made insurance solutions, our financial advisers will ensure you get the advice and service that every investor needs.

**TPN Tenant Management Services:** TPN offers a range of tenant and property management solutions and tools at 25% discounted rates. An excellent option for landlords who manage their own properties.

**Law For You:** With Absa Law For You, you will enjoy the advantage of legal services on call whenever you need and with up to R200 000 litigation cover a year.

**Future  
Rental Income**



# Build

## Building loan

A building loan allows you to design and build your home just the way you want it. It lets you finance both the vacant land and your building project on one account.

**Progress payments:** as the building progresses, payments are made to the developer/builder/nominated payee through progress payments. For your peace of mind and to ensure that you're happy with the building work, you'll need to authorise any payments to the builder. This allows you to keep complete control over one of the most exciting projects of your life – building your dream home. You must familiarise yourself with the state and progress of the building work on-site before authorising such payments.



- The final payment is only made once the work is completed in full and an Occupation Certificate is issued by the local municipality.
- Your repayments only start nine (9) months after your bond has been registered or the building has been completed, whichever comes first.
- Interim interest is charged on the loan balance, starting from the date of your first progress payment, and calculated up to the date of your final progress payment.

Up to  
**100%**  
Building loan





# Build



## *Traditional building loan*

If you want to build a home and you earn more than R25 400pm as a single or joint household monthly income, you can get up to a 90% home loan granted.

**90%**  
home loan granted

## *MyHome Building Loan*

If you are building a home and earning less than R25 400pm as a single or joint household monthly income, you can get up to a 100% home loan granted with certain developers.

**100%**  
home loan granted







# Features of a home loan

## ReAdvance



- A ReAdvance is when you apply for an advance on your existing loan, taking the outstanding balance back to the original loan amount granted. Because you're not increasing the original loan amount granted, you won't be required to register any further bonds on the property.
- ReAdvance funds can be used for any purpose, from home improvements and education, to dream holidays. This is convenient finance, especially when structured on MultiPlan to suit





# Features of a home loan

## *Further Advance*



- A Further Advance is when you apply for a second bond or increase the current loan amount granted on your home loan. In this instance there must be sufficient value in the property to allow for the registration of a bond to cover the increased loan amount. Further Advance funds can be used for any purpose, from home improvements and education to dream holidays. This is convenient finance, especially when structured on MultiPlan to suit your individual needs. When taking up a Further Advance, there'll be attorney costs and bond registration costs to register the bond as security to cover the increased loan amount.



# Features of a home loan

## *MultiPlan*

With MultiPlan you can structure your home loan into multiple loans, to suit your individual needs, each with its own designation, for example, home improvements, a second-hand car, furniture or education expenses. This option allows you to save on interest by financing secondary loans over a shorter term.

## *FlexiReserve*

FlexiReserve allows you to access all payments that were made over and above the minimum payment due – either monthly or as lump sum payments.

These advance monies can be withdrawn either by a transfer through online banking (for those customers with an Absa Transactional Account)

No third-party payments will be allowed from the home loan account.

Withdrawals will be limited to a minimum amount of R1 000 per transaction.





# Features of a home loan

## *Interest-rate options*

You have two rate options to choose from: a variable rate and a fixed rate.



### ***Interest-rate options***

- A variable interest rate is a fluctuating rate, linked to the prime lending rate, as set by Absa from time to time. By default, your Absa Home Loan will have a variable interest rate.

### ***Fixed rate***

- When selecting a fixed-rate option, the rate on your account will remain fixed at the chosen rate for the selected period. When you've selected a fixed-rate option, you may not opt out before the duration of the selected rate. A fixed-rate option is generally selected when you want to have certainty of your monthly payment.

### ***Repayment period***

- Be in control of your finances by paying your home loan via a flexible debit order and have peace of mind knowing your home loan will always be paid on time.
- The repayment period is one of the most important decisions you'll need to make about your home loan. We offer a maximum repayment term of 30 years. Remember, the quicker you pay off your home loan, the less interest you'll pay.
- However, a shorter repayment term will mean higher monthly repayments.



# Value Adds



## *Homeowner's Comprehensive Insurance (HOC)*

Your home is likely to be your biggest investment, which is why it's important to make sure your house is fully covered. HOC provides cover against loss or damage to the structure of your home.

## *Bond calculator*

If you want to find out the registration charges, transfer costs and attorney fees involved in taking out a new home loan, simply use our bond calculator at [absa.co.za](http://absa.co.za) to calculate the actual costs.





# Value Adds

[www.absa.co.za/hle](http://www.absa.co.za/hle)

## *Absa Homeowner App*

The Absa Homeowner App is an innovative tool that's free and available for anyone to use. The app will guide you to the home of your dreams by letting you search for properties for rent or sale in thousands of listings from the biggest property listing provider in South Africa.

- Try the Home Loan Estimator that lets you make an informed decision about what you can afford before you commit, and you'll receive a Home Loan Estimator Certificate.
- Search through thousands of listed properties in your desired area.
- Save and rate the properties you like.
- Contact estate agents directly to arrange a viewing.
- Use the unique calculator for repayments, transfer fees and costs.
- Contact Absa directly to apply, or use the branch locator function to lead you to a friendly home loan adviser.
- Search and view Absa distressed properties and repossessed properties through the Absa Homeowner App.





# Home Loans Collections

**We aspire to keep the nation in their homes, by meeting them in their time of need**

“ Life is unpredictable and tough times could result in a customer struggling to keep up with their home loan repayments. If a customer misses their repayment, they could face legal action and even lose their home.

Home Loans Collections understands that customers may experience financial difficulty, and that's why we have tailored solutions to help them through difficult times.

”



## Customer options when in financial distress

Our customers can proactively contact us to make arrangements for their accounts, through the following options:

### **Payment Arrangements:**

Request to pay their Contractual Monthly Payment, and additional amount towards the arrears on the account.

### **Short and long term Plans**

- As low as 25% of Contractual Monthly Payment (CMP) for 6 months, with a possibility to review
- Option to Restructure the Loan Term to the allowable 360 months product maximum

### **HelpUSell (HUS)**

- We assist a customer in selling their property through our estate agent partners, and offer rebates on the shortfall arising from the sale
- Property will be marketed by Absa's authorized estate agents
- HUS consultants will assist and guide the customer through the sale process

### **Legal forbearance (Restructures)**

- After paying six (6) consecutive installments, qualify for a restructure within allowable 360 months
- After paying six (6) consecutive installments, qualify for 30% reduction in installment if a term extension within allowable 360 months is possible



**0861 222 272**

[HLCare@absa.co.za](mailto:HLCare@absa.co.za)



# Contact

**Workplace Banking Tel:** 0860 556 556

**Workplace Banking Email:** [workplacebanking@absa.co.za](mailto:workplacebanking@absa.co.za)

**Website:** [www.absa.co.za](http://www.absa.co.za)



**Thank you**

