

# FundsAtWork

## Housing loan guarantee

Whether it's a flat or house, our home is very important. Not only is it our shelter and protection, but it's the place we get together with friends and family, raise our children, dream our dreams and make special memories. For many people, buying a home is also the biggest investment they will ever make. Sadly many South Africans struggle to get the loan they need to buy their dream home.

At FundsAtWork, we understand how important owning a home is. We offer housing loan guarantees to our FundsAtWork Pension and Provident Fund members to get the finance they need to buy a home or land to build a house, improve an existing home or pay off another housing loan.

The loans are provided by First National Bank (FNB) and Standard Bank.

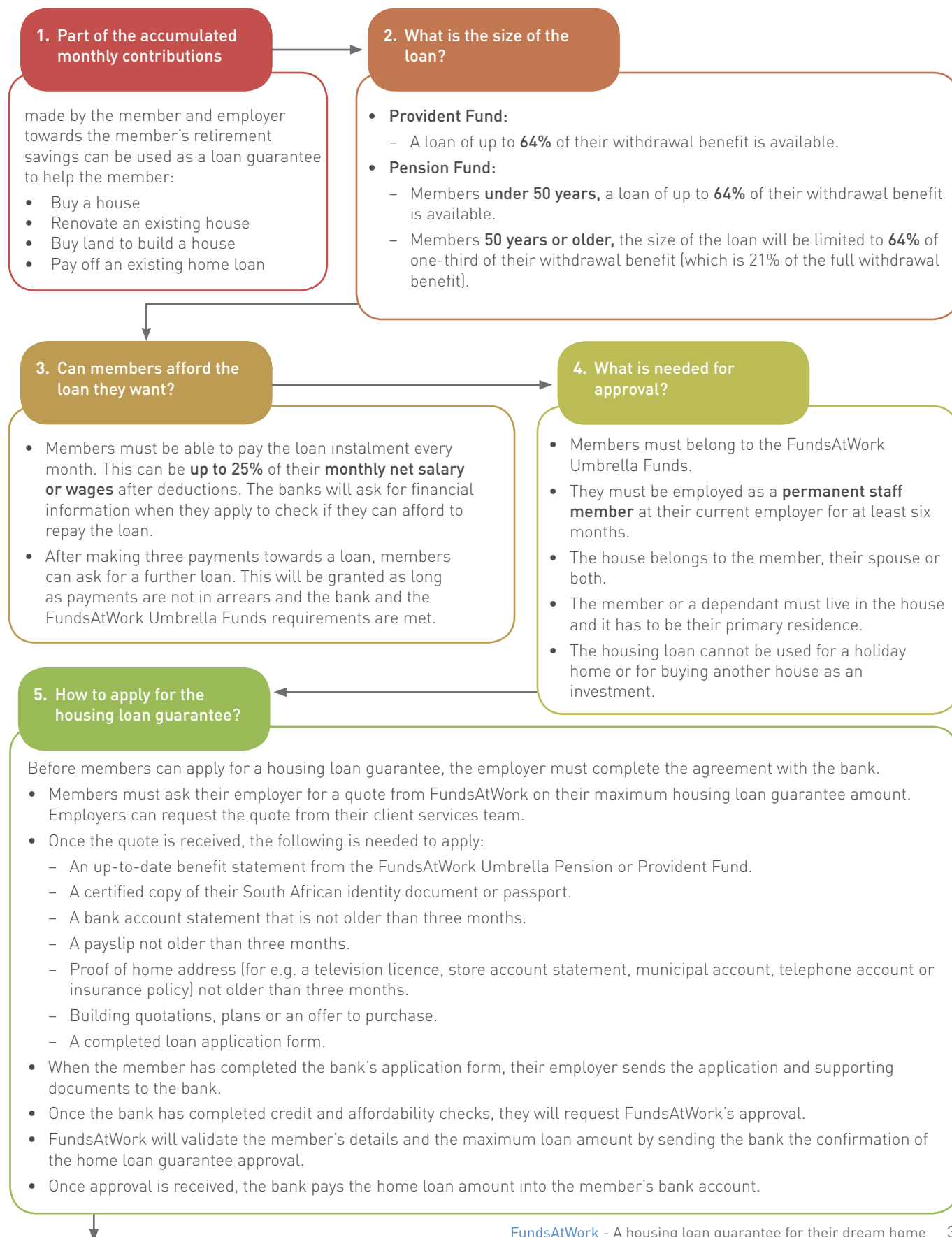
## The benefits of a **home loan guarantee**:

- **No bond registration costs and no property assessment fees.**
- **A quick and efficient** application process.
- **Preferential interest rates.**
  - FNB interest rates depend on the size of the loan and are lower than the prime lending rate.
  - Standard Bank offers loans at the prime lending rate on all loan amounts.
- Monthly loan repayments are **easy and hassle-free**, simply deducted from the member's salary or wages by their employer.
- **Access to a further loan** after the member has paid the first loan for three months, as long as there is enough money in their retirement savings account, their repayments are up to date and the bank's requirements are met.
- Members are **kept informed** with home loan statements issued four times a year by the banks.
- Members can also get an up-to-date benefit statement any time by visiting [www.momentum.co.za](http://www.momentum.co.za) or by calling the FundsAtWork client contact centre on **0860 65 75 85**.

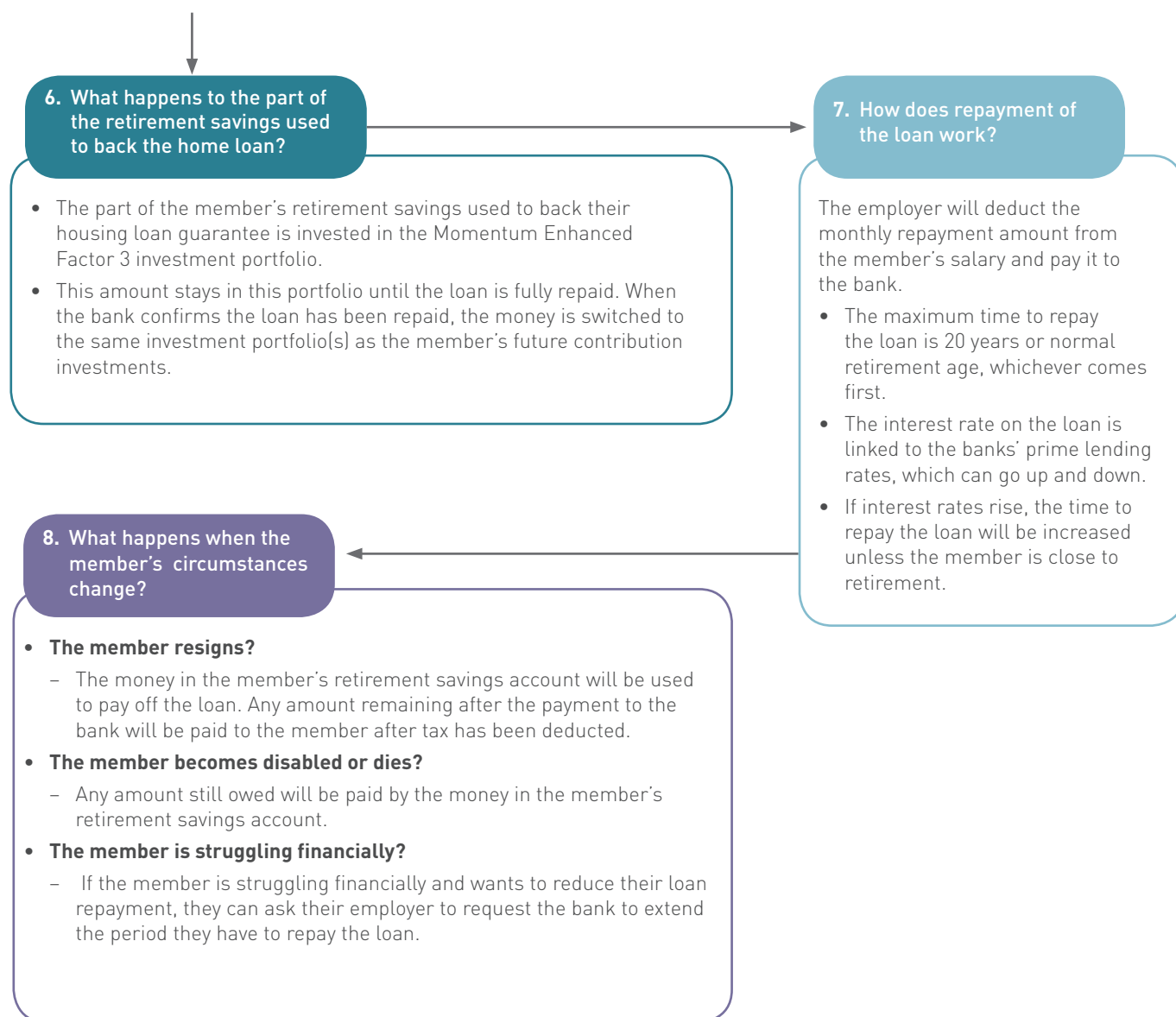




# How does the housing loan guarantee work?



# How does the housing loan guarantee work? (continued)



# This comparison may help members to choose a bank.

Members can only choose a bank if their employer has an agreement with both FNB and Standard Bank. If there is no agreement between the employer and both banks, the member must use the bank their employer has an agreement with.

	FNB	Standard Bank
<b>Costs</b>	<b>FundsAtWork administration fee</b> R17 (excl. VAT) pm <b>FNB administration fee</b> R23.00 (incl. VAT) pm <b>FNB initiation fee</b> A once off fee of R250 is charged on all successful loans that result in a credit agreement.	<b>FundsAtWork administration fee</b> R17 (excl. VAT) pm <b>Standard Bank administration fee</b> R20.50 (incl. VAT) pm <b>Standard Bank initiation fee</b> A once off fee of R450 is charged on all successful loans that result in a credit agreement.
<b>Interest rate</b>	Loan amounts up to R50 000 - *Prime less 0.5% Loan amounts over R50 000 - Prime less 0.75%  *Prime refers to the prime interest rate, which is what banks charge their most secure, creditworthy customers who take out loans.	All loan amounts - *Prime less 1.00%  *Prime refers to the prime interest rate, which is what banks charge their most secure, creditworthy customers who take out loans.
<b>Loan limits</b>	<b>Minimum loan term</b> 12 months <b>Maximum loan term</b> 240 months or the number of months up to the member's retirement age <b>Minimum loan amount</b> R5 000 <b>Minimum monthly loan repayment</b> R100 <b>Maximum loan amount on the FundsAtWork Umbrella Provident Fund</b> 64% of the withdrawal benefit at time of application <b>Maximum loan amount on the FundsAtWork Umbrella Pension Fund</b> <ul style="list-style-type: none"> <li>64% of the member's withdrawal benefit at time of application if the member is younger than 50 years</li> <li>64% of a 1/3rd of the member's withdrawal benefit (or 21% of the full withdrawal benefit) at time of application if the member is 50 years or older</li> </ul> In addition to the above limits, FNB will consider the amount that the member can afford to pay every month, which can be up to 25% of monthly salary or wages after deductions.  All loans are subject to the National Credit Act for approval and affordability	<b>Minimum loan term</b> 24 months <b>Maximum loan term</b> 240 months or the number of months up to the member's retirement age <b>Minimum loan amount</b> R5 000 <b>Minimum monthly loan repayment</b> R200 <b>Maximum loan amount on the FundsAtWork Umbrella Provident Fund</b> 64% of the withdrawal benefit at time of application <b>Maximum loan amount on the FundsAtWork Umbrella Pension Fund</b> <ul style="list-style-type: none"> <li>64% of the member's withdrawal benefit at time of application if the member is younger than 50 years</li> <li>64% of a 1/3rd of the member's withdrawal benefit (or 21% of the full withdrawal benefit) at time of application if the member is 50 years or older</li> </ul> In addition to the above limits, Standard Bank will consider the amount that the member can afford to pay every month, which can be up to 25% of monthly salary or wages after deductions.  All loans are subject to the National Credit Act for approval and affordability
<b>General</b>	<b>A loan with FNB includes:</b> <ul style="list-style-type: none"> <li>Pension Backed statements every 2nd month</li> <li>A dedicated call centre for queries</li> <li>Financial Literacy training</li> <li>A FNB loan writer to explain the financials of the loan to the member.</li> <li>No penalties on early settlement.</li> <li>20 business days pre-agreement sent to client, which gives the client the option to accept or reject loan agreement within the period</li> <li>Client to receive a outcome of members' application within 5 business days provided all the necessary supporting documentation has been received.</li> </ul>	<b>A loan with Standard Banks includes:</b> <ul style="list-style-type: none"> <li>Quarterly home loan statements</li> <li>A dedicated call centre for queries</li> <li>Financial education</li> <li>A clear explanation of the cost of credit during a face-to-face meeting between the member and loan writer</li> <li>No penalties on early settlement of the loan</li> <li>A 5-day pre-agreement quotation, which gives the member the option of cancelling the loan agreement within 5 working days</li> <li>Processing of the loan application within 15 business days, provided all the necessary information/ documentation is supplied</li> </ul>
All processes related to the delivery of these services are National Credit Act compliant.		



## Service provider **contact information**

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

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