

## WHY EDUCATE MYSELF TO BUY A HOME?

It is difficult to obtain a home loan.

Since the National Credit Act was introduced in 2007 the banks have tightened their lending criteria and more that 55 % of home loans applications are declined.

In May 2013 the National Credit Regulator issued a Code of Conduct to money lenders requiring them to conduct more comprehensive "affordability analysis" of borrowers and urged the private sector to participate in providing education to borrowers. My Budget Fitness and Setsmol (the latter having provided Borrowers Education over the past 10 years to clients of ABSA, FNB and Standard Bank) are perfectly equipped to provide this training.

The financial institutions look for:

- A good credit rating
- Regular payment profile
- An "affordability test", as implemented under the National Credit Act (NCA)
- Availability of 1/3 of income,

as the "yardstick" to determine whether or not to approve a loan.

Many home owners buy a property without previous background of home ownership and also fail to do a real self-investigation with regards to their own "affordability analysis". Several prospective home owners approach a bank for a home loan, only to find out that their home loan has been declined due to a negative credit rating, a bad payment profile or even a debt judgment against their name, of which they were unaware.

### **Welcome to the 6 Month Home Ownership Course**

We will take to through 6 steps over a period of 6 months and provide education and tips all along the way, which aims to prepare you to one day:

- create your own budget
- capture your own budget on our unique budget tool
- obtain your own credit record and establish your own credit profile
- repair mistakes on your credit record (which often appear)
- improve your credit rating

- reduce debt to improve your affordability
  - Example: every R500.00 saved on debt repayments "buys" you an additional R50 000.00 in value of property
- work out how much you can afford to buy for
- identify the right property in the best area
- understand how to negotiate the best deal
- select the best estate agent
- make sure that you do not "over-pay" for the property
- how to do a proper due diligence on the property you are about to buy
- how to introduce cost savings systems like solar energy systems as part of the sale process to your home
- understand your rights;
  - the legal documents – e.g. deed of sale - before you sign it
  - the home loan application and how to negotiate the best home loan terms
  - Once you have taken occupation and discover defects – determine when the CPA applies?

### **How much will it cost?**

**Answer - R500.00 for the full 6 months**

### **How do I start?**

**Answer - Pay the R500.00 into our attorneys' trust account**

TRUST ACCOUNT: OOSTHUIZEN MEYER DE WAAL INC.;  
TRUST ACCOUNT NO: 07 218 0587; STANDARD BANK LTD;  
BRANCH: PAARL; BRANCH CODE: 050 210; SWIFT: SB ZAZAJJ

**Fax proof of payment to 08 6616 3890 of email to [admin@budgetfitness.co.za](mailto:admin@budgetfitness.co.za) and we will activate your 6 Month Course.**

**FAQ: will I have to wait the full 6 months before I can buy my home? ANSWER: No, we will assist you and make sure you make the best choice for your budget and credit profile and switch your course to a 12 month New Home Owner Course, valued at R500.00, at no extra cost.**

- **Educate yourself on how to buy your own home with our**

## **6 MONTH COURSE**



- **With E-Learning you can do it from the comfort of your own laptop, personal computer, tablet or mobile home**



- **Classroom based workshops included –if required**



**Contact us:** Cape Town 021- 461 0065

Gauteng: 011-835 4042

**Email:** [meyer@budgetfitness.co.za](mailto:meyer@budgetfitness.co.za)

[admin@budgetfitness.co.za](mailto:admin@budgetfitness.co.za)

[www.budgetfitness.co.za](http://www.budgetfitness.co.za)



**PERSONAL DETAILS:**

FULL NAMES: \_\_\_\_\_

ID NO/PASSPORT: \_\_\_\_\_

SPOUSE NAMES: \_\_\_\_\_

SPOUSE ID NO. \_\_\_\_\_

RESIDENTIAL ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

CELL NUMBER: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

CITY & AREA I WANT TO BUY IN \_\_\_\_\_

INTENDED PURCHASE PRICE THAT I MIGHT

BE ABLE TO AFFORD R \_\_\_\_\_

**I HEREBY GIVE CONSENT THAT MY BUDGET FITNESS CAN OBTAIN A CREDIT REPORT ON MY NAME TO ESTABLISH MY CREDIT RATING**

PLEASE CONTACT ME  
\_\_\_\_\_

SIGNATURE

DATE: \_\_\_\_\_

FAX TO: 08 6616 3890

OR EMAIL TO: [info@budgetfitness.co.za](mailto:info@budgetfitness.co.za)

**YOUR OWN BUDGET:**

Expenses:

	Own	Spouse	Debit Order
Allowance: Children	R	R	
Allowance: Spouse	R	R	
Car Finance	R	R	
Car Maintenance	R	R	
Cellphone	R	R	
Telkom	R	R	
Clothing	R	R	
Domestic staff/Gardener	R	R	
Education	R	R	
Electricity	R	R	
Entertainment/Leisure	R	R	
Subscriptions	R	R	
Transport	R	R	
Food	R	R	
Garden services	R	R	
Gym membership	R	R	
Hair and Cosmetics	R	R	
House Bond	R	R	
House Rental	R	R	
Insurance	R	R	
Medical Aid	R	R	
Parking	R	R	
Petrol	R	R	
Rates and Taxes	R	R	
Tax	R	R	
Debt repayment	R	R	

**TOTAL EXPENSES** R R

**INCOME - SALARY**

**OTHER INCOME SURPLUS or SHORTFALL**

# HOW TO BUY YOUR OWN HOME



## CONSUMER EDUCATION

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### 6 MONTH COURSE

### E-LEARNING &

### CLASSROOM

### BASED TRAINING

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**LEARN TO BUDGET & GET BUDGET FIT TO APPLY FOR A HOME LOAN & IMPROVE YOUR CREDIT RATING**

