

BUDIRO HOUSING SCHEME

BASIC REQUIREMENTS

1. All applicants should register on the Council waiting list and should pay \$6.00
2. Beneficiaries can be either first time home owners or multiple home owners.
3. Certified copy of latest proof of earnings / letter from employer confirming Employment status and monthly income.
4. Client should open a CABS account and direct salary and any other income to CABS.
5. Proof of 10% of the value of the property as a cash deposit to reflect in the CABS account.
6. Proof of ability to pay for property transfer fees and bond registration fees (+/- 10% of purchase price inclusive of stamp duty). Funds should be held in CABS account.
7. Cash buyers accepted after registering on the Housing waiting list.
8. Diaspora clients can be beneficiaries as long as they have a CABS account and they register on the housing waiting list.
9. Companies can buy units as staff accommodation.

Three house types are available (subject to availability):

House Type Definitions

- Type B - 47sqm core house comprising of 2 bedrooms, lounge, kitchen, toilet and bathroom.
- Type A – 27sqm Core house comprising of one bedroom, kitchen, toilet and bathroom
- Type A+ - 64.81m² Comprising of the 27sqm core house, plus an additional plinth for 3 rooms

In summary, the house prices, deposits, instalments and income requirements are as detailed in the table below.

	<u>TYPE A</u>	<u>TYPE A+</u>	<u>TYPE B</u>
	<u>2 Rooms</u>	<u>2 room + slab</u>	<u>4 rooms</u>
Current Price excluding VAT	22,002.00	23,871.00	27,185.00
15% VAT	3,300.30	3,580.65	4,077.75
Price including VAT (100% loan)	25,302.30	27,451.65	31,262.75
10% Deposit	2,530.23	2,745.17	3,126.28
Loan Amount (90% loan)	22,772.07	24,706.49	28,136.48
<u>INSTALMENTS INCLUDING HOC & LIFE COVER</u>			
Instalment on 90% loan over 10 yrs	366.00	397.00	453.00
Instalment on 100% loan over 10 yrs	406.00	441.00	503.00
Instalment on 90% loan over 20 yrs	286.00	310.00	354.00
Instalment on 100% loan over 20 yrs	317.00	344.00	393.00
<u>MINIMUM GROSS SALARIES</u>			
Min. monthly gross income - 10 yr mortg. (90% loan)	850.00	922.00	1,050.00
Min. monthly gross income - 10 yr mortg. (100% loan)	945.00	1,025.00	1,167.00
Min. monthly gross income - 20 yr mortg. (90% loan)	652.00	708.00	806.00

Min. monthly gross income - 20 yr mortg. (100% loan)	725.00	785.00	895.00
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Qualification Formulae

- Maximum loan = (Gross Income x 0.40 x 1,000)/**14.92** for high density properties (12% and 10 years)
- Maximum loan = (Gross Income x 0.40 x 1,000)/**11.45** for high density properties (12% and 20 years)
- Monthly repayment = (loan amount x **factor**) / 1,000 **NB:** Excludes insurance

Terms and Conditions

- Interest rate- 12% p.a.
- Tenure- up to 20 years (depending on an individual's remaining age to retirement)
- Minimum stand size-240 square metres
- Maximum stand size- 300 square metres
- Deposit-at least 10% of purchase price
- Mortgage Application fee- \$100.00
- Valuation fee -1.5% of loan amount (to be capitalised on the loan account)
- Insurance- both mortgage life insurance and house owners insurance (premiums are included in the monthly instalment)

Special Mortgage Requirements for Diaspora Clients

In addition to the mortgage checklist provided, diaspora clients are required to provide the following additional documents:

- A notarized affidavit signed by a notary public confirming identity, residence and work status.
- Letter from employer confirming salary, retirement age and contract of employment which should be long enough to cover loan tenor.
- Work permit
- Residence permit
- 6 month bank statement from a bank into which salary is paid
- An active CABS account from which loan repayments will be deducted
- A local address to which CABS will serve documents
- Special power of attorney for person signing the documents on behalf of applicant and their certified national id.

CABS ACCOUNT OPENING PROCESS FOR ZIMBABWEANS IN THE DIASPORA

It is not possible to open the CABS account online.

Account opening forms have to be sent to an individual by courier services. The applicant has to complete and return the original forms by courier as well. On returning the application forms, they have to be accompanied by the following documents:

1. Notarised copy of valid passport
2. Proof of residence in the country of residence
3. Bank stamped reference letter on the bank letterhead
4. One recent passport size photograph (3 months)
5. Proof of income (Payslip or bank statement)