

Introducing PENSION-BACKED Housing Finance



Also called Transparent Consulting Services' Pension-Backed Housing Finance, provided by Transparent Consulting Services, a division of Transparent Financial Services, in association with SATU.

www.transfin.co.za



TRANSPARENT
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SERVICES

If you are a member of either the *SATU National Provident Fund* or the *Printing Industry Pension Fund* you now have access to housing finance that enables you to buy a home, upgrade or make repairs to your current home.

Why do I need to be a member of one of the two SATU retirement funds?

The housing finance or home loan is secured by the balance of your pension or provident fund.

What can I use the finance for?

Transparent Consulting Services' Pension-Backed Housing Finance provides housing finance over a long term (up to 20 years) at preferential interest rates.

You can use the finance to:

- Purchase a home for you to stay in.
- Renovate or improve your current home.
- Pay for home alterations and additions.

How do the monthly repayments work?

Money is deducted from your salary or wages every month to repay the loan.

What happens to the loan when I retire?

The loan has to be repaid in full before normal retirement age.

In whose name must property be registered?

The property must be owned by you or your spouse.

Who is allowed to live on the property?

The property must be your normal residence or that of your dependants.

Can the funds be used for anything other than for housing purposes?

No. The Pensions Fund Act permits funds to furnish guarantees only as security for loans granted to members for housing purposes.

What are 'Housing Purposes'?

Housing Purposes means any of the following:

- Buying or improving an existing home.
- Building a new home.
- Paying attorney, transferring and registration fees for buying an existing home.

How much will I be allowed to borrow?

The amount you will be able to borrow depends on how much savings you have available in your fund (also known as your withdrawal benefit) as well as how much you can afford to repay every month. In addition, there are specific credit criteria, including the Fund's rules, which determine how much money can be borrowed.

What is the interest rate that will be charged?

A competitive interest rate will be granted based on your credit risk.

What happens if I leave the fund before my retirement age?

The fund will settle the balance of the loan before paying out your fund benefits.

Are there insurance options for death or disability?

Yes. Insurance is compulsory and ensures that you and your funds are protected in the event of an unforeseen event.

Are there insurance options for fire damage?

Yes. Included in the housing finance product is the Lumkani Fire Protection product, which provides a fire alarm for your home as well as limited insurance cover in the event of fire.*

Do normal credit criteria apply to this loan?

Yes. Normal credit policies will be applied before granting the loan.

What happens if the interest rate changes?

If the official interest rate changes, your monthly repayments will be adjusted accordingly.

What happens if I die, resign or retire before my loan is repaid?

In the event of death or disability the outstanding amount should be covered by the insurance policy which is included in your monthly repayment. If you retire, the outstanding balance will be deducted from your Fund benefits.

Will I receive loan statements?

Yes. Statements are sent electronically on a quarterly basis and more frequent communication takes place if there is any significant change that will affect your loan agreement or Instalment, like an interest rate adjustment.



*The Lumkani Fire Protection product is not compulsory if the housing finance product is used to pay for transfer or registration purposes.