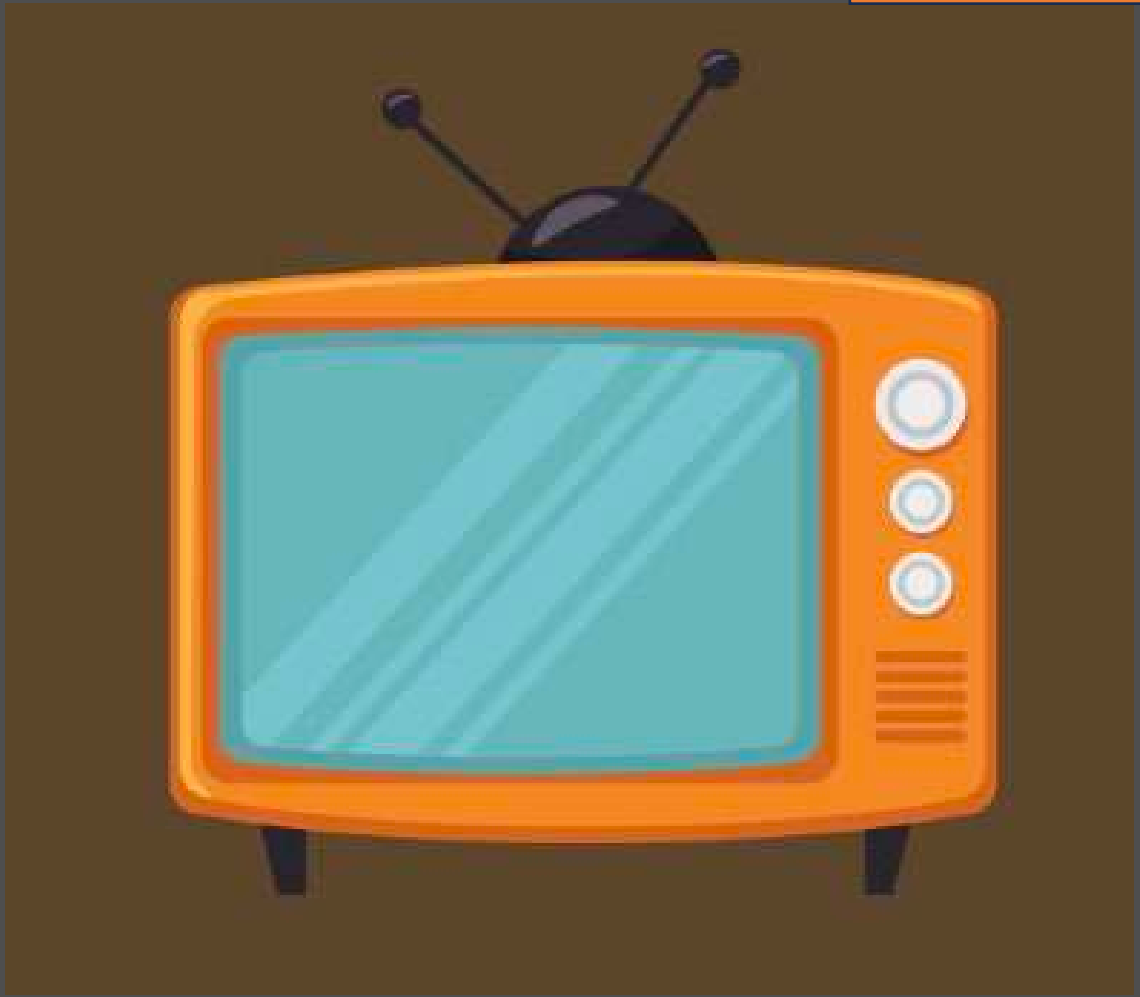
The path to sustainable home ownership

1982

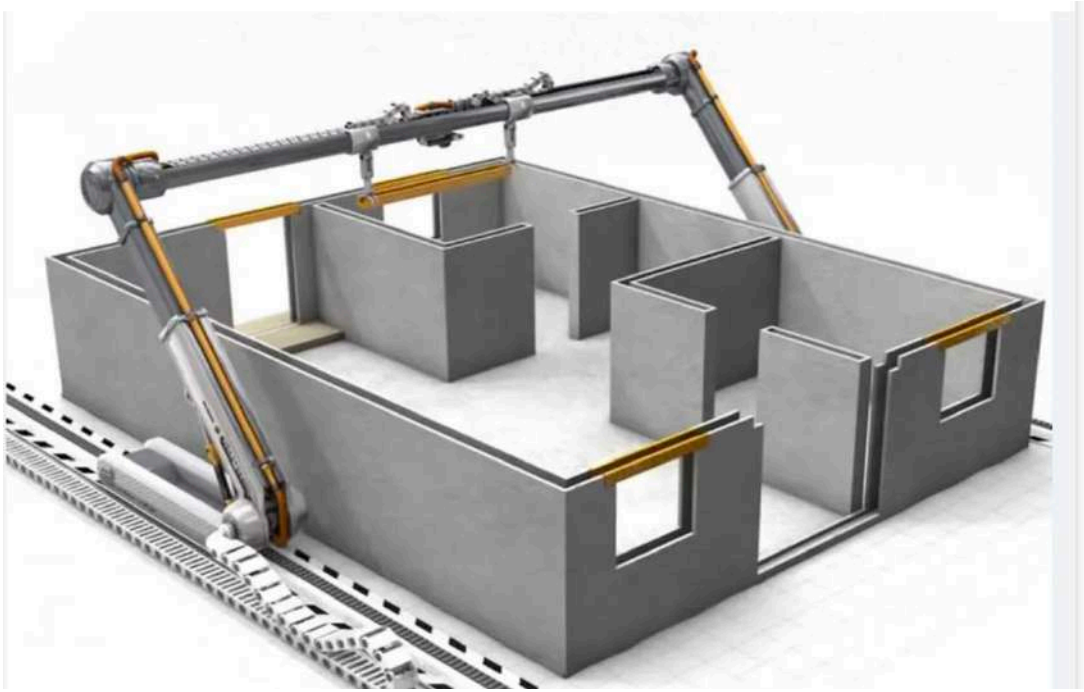


WHAT CHANGED

?

Why do we have a backlog in housing delivery?

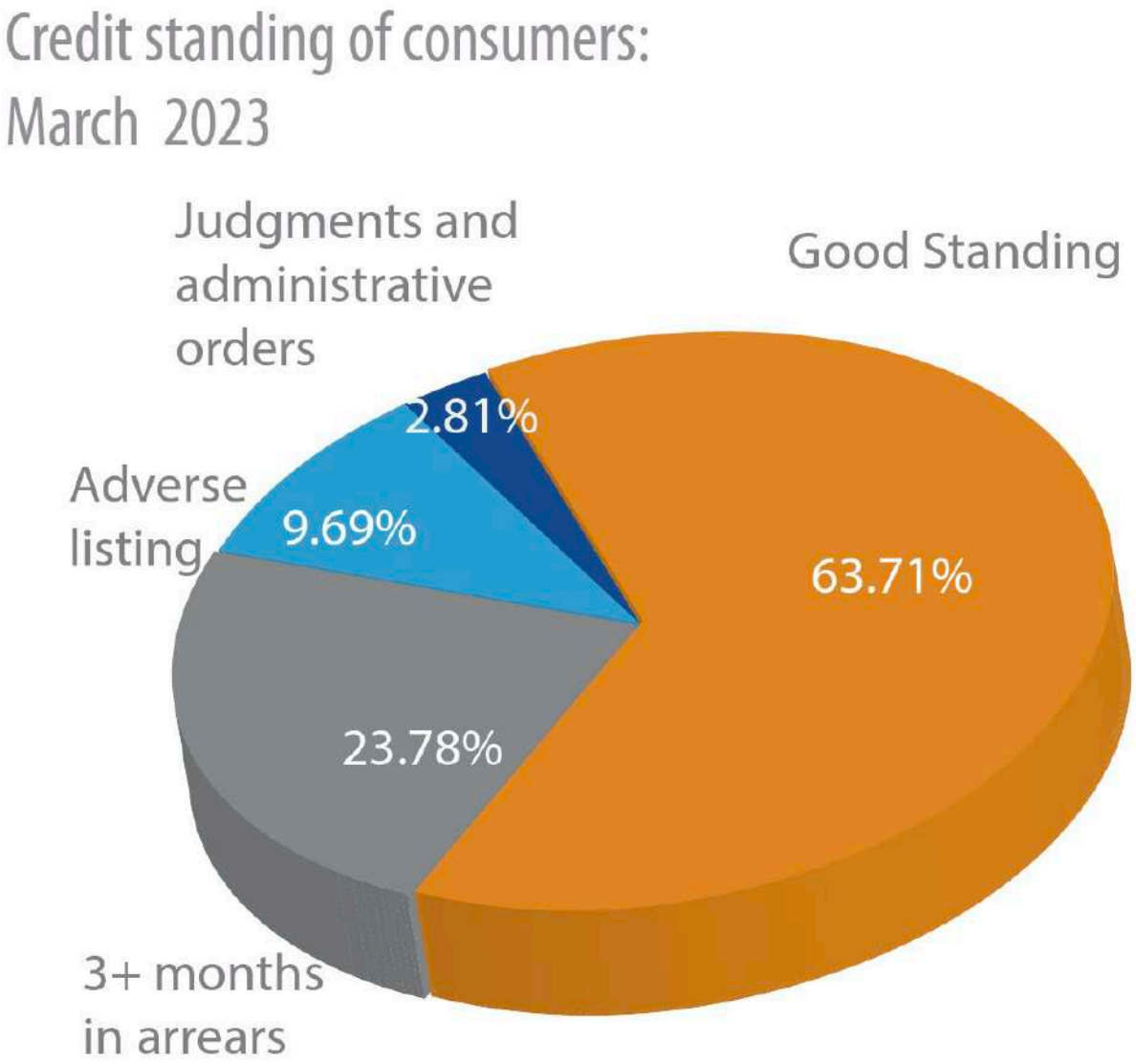
Due to slow delivery methods?



Or perhaps too many “un-bankable” first time homeowners?

South Africa

27 Million credit active consumers



NCR
National Credit Regulator

Number of home loans

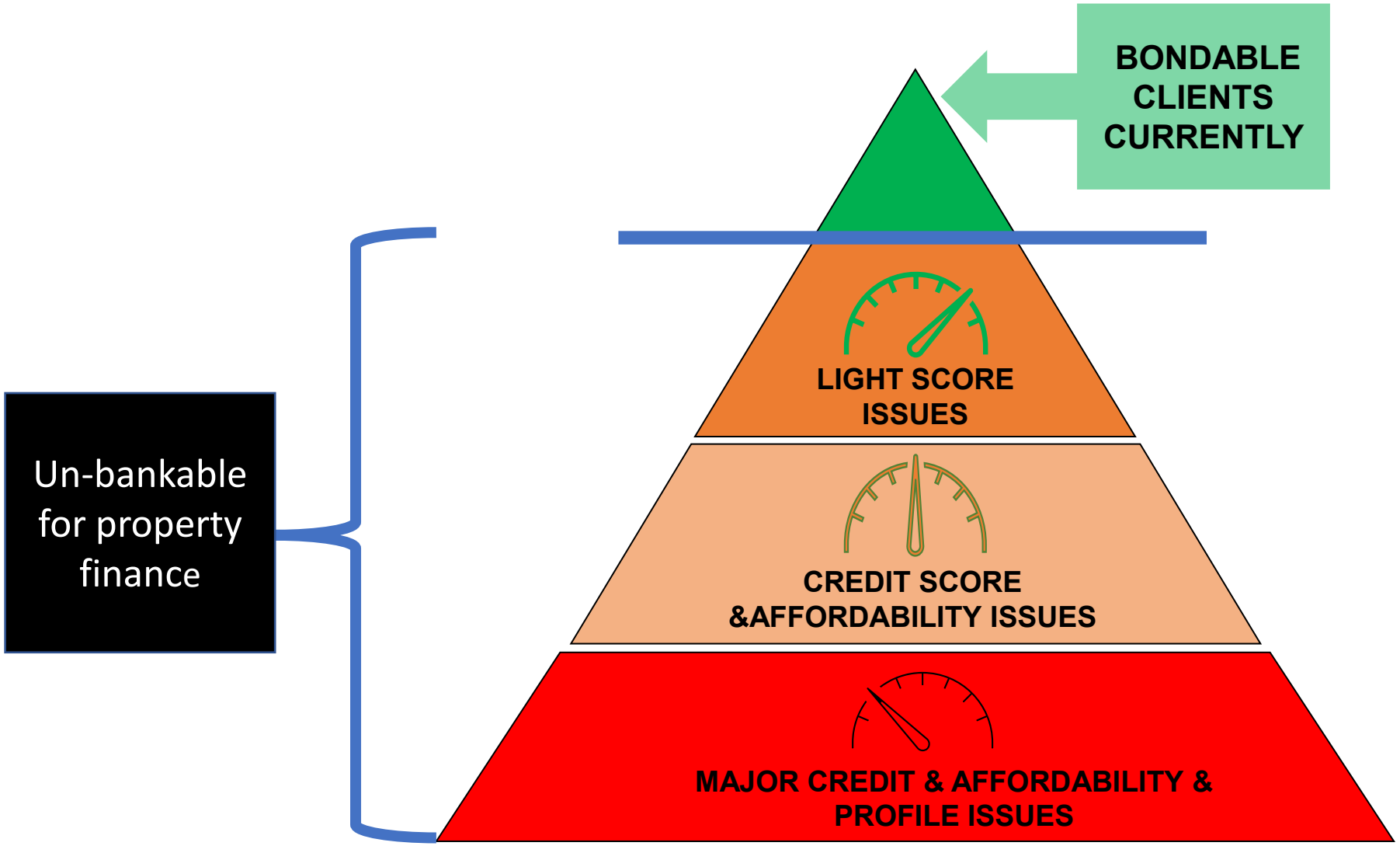
First Quarter | March 2023
Consumer Credit Market Report

Table 2.3: Mortgages granted – gross monthly income of individuals (number of agreements)

Level of income	2022-Q1	2022-Q2	2022-Q3	2022-Q4	2023-Q1
≤R10K	192	313	229	191	155
% share of credit granted	0.44%	0.68%	0.47%	0.42%	0.44%
R10.1K-R15K	619	2,864	576	584	417
% share of credit granted	1.42%	6.26%	1.17%	1.28%	1.18%
>R15K	42,639	42,575	48,247	44,820	34,798
% share of credit granted	98.13%	93.06%	98.36%	98.30%	98.38%
Total number of mortgages	**43,450**	**45,752**	**49,052**	**45,595**	**35,370**

Under 2%

SERVICING ONLY THE TIP OF THE ICEBERG:



RSA 301 509 property transfers in 2022

Clear that one
cannot
have

“one type of property finance”

AFRICA is a one-of-a-kind of a Continent

What changed in raising

Property Finance 1982 – 2023?

HOW DO WE CHANGE IT?

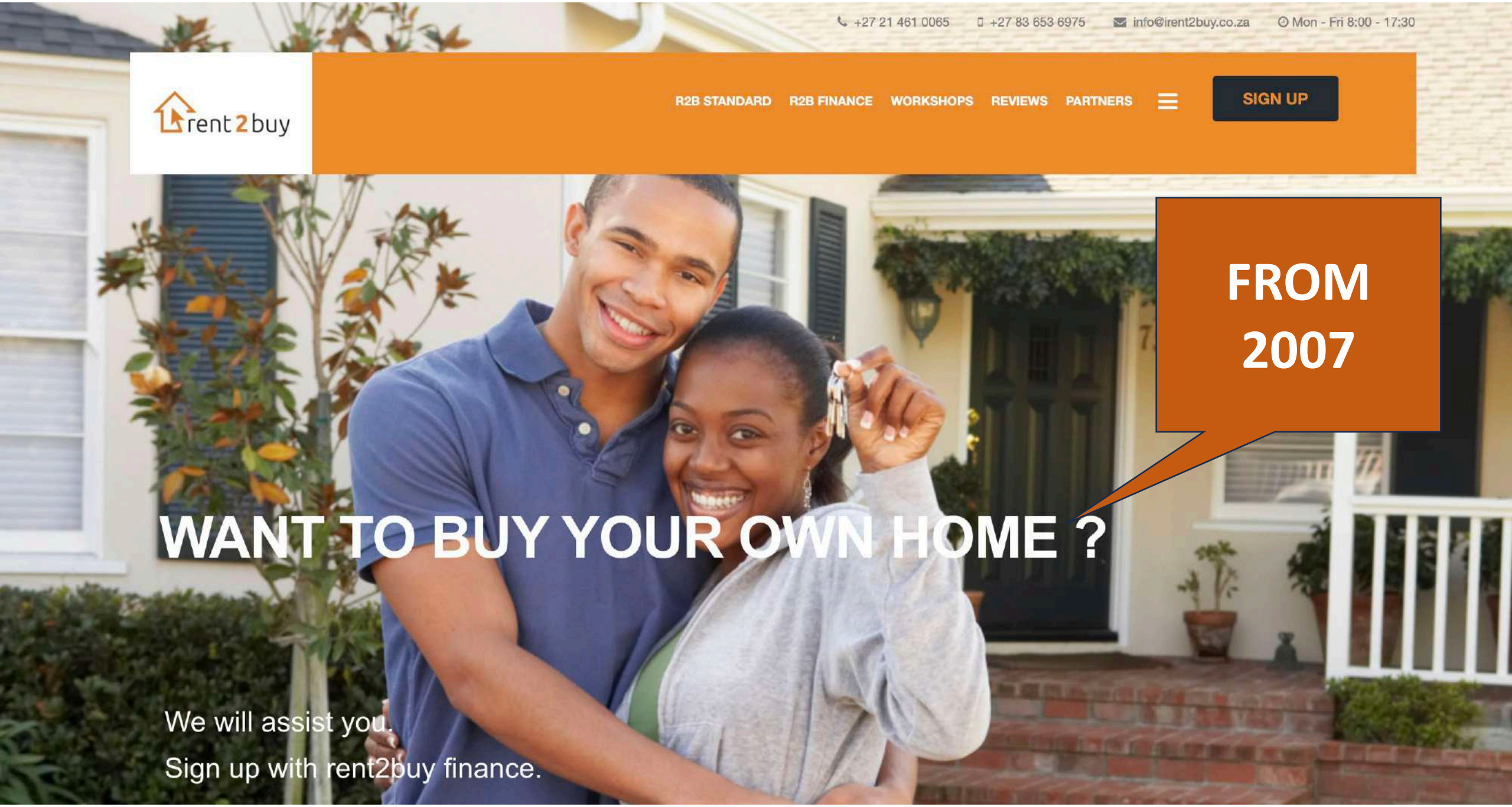
Innovative Alternative Housing Solutions

- Provide solutions that are Africa Centric

PROBLEMS

- Lack of credit track records
- Thin or bad credit profiles
- Lack of formal banking
- Lack of access to property finance
- No deposit available

THIS IS HOW IT ALL STARTED


+27 21 461 0065
+27 83 653 6975
info@irent2buy.co.za
Mon - Fri 8:00 - 17:30
rent2buy
R2B STANDARD
R2B FINANCE
WORKSHOPS
REVIEWS
PARTNERS
SIGN UP
FROM 2007
WANT TO BUY YOUR OWN HOME ?
We will assist you.
Sign up with rent2buy finance.

How Many Buyers are Bank/Bond-able?

ONLINE STATS – LEADING CLIENT REGISTRATIONS & CONVERSIONS

	Jun-22			Jul-22		
Stage	Units	Conversion Previous Stage	Conversion from Registration	Units	Conversion Previous Stage	Conversion from Registration
Registration	9 044			10 393		
ID Verified	7 439	82,25%	82,25%	8 499	81,78%	81,78%
Credit Check	7 331	98,55%	81,06%	8 107	95,39%	78,00%
Credit Score Above Cut Off	3 757	51,25%	41,54%	4 122	50,84%	39,66%
Start Affordability	2 560	68,14%	28,31%	2 629	63,78%	25,30%
Complete Affordability	1 598	62,42%	17,67%	1 614	61,39%	15,53%
Certificate Issued	1 595	99,81%	17,64%	1 614	100,00%	15,53%

51 %

49% DECLINES

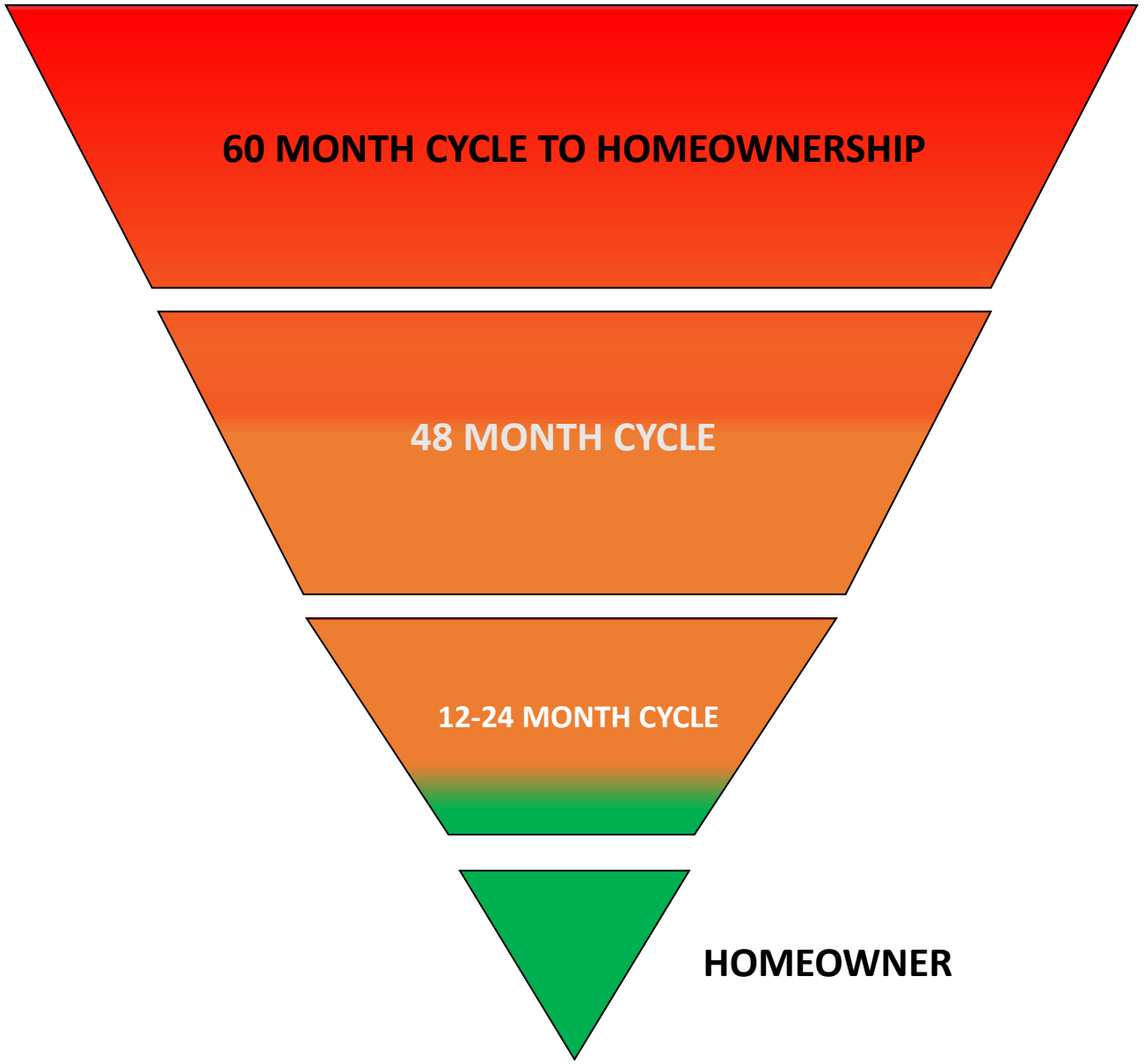
BUDGET & DEBT REPAIR

WHAT WE DO:

Consumer Housing Education

mbf my budget fitness

r2b rent 2 buy



CASE STUDIES

CASE STUDY – PARKTONIAN -170 UNITS

property24

For Sale To Rent Developments Commercial Calculators Advice List Privately meyer@mdwinc.c

< Back to Results | Property for Sale > Gauteng > Johannesburg > Braamfontein > 109611447 < Prev

Photo Grid Photos Map

R 519 950 Bond Costs

1 Bedroom Apartment / Flat for Sale in Braamfontein

120 De Korte Street, Braamfontein, Johannesburg

1 1 1 55 m²

Agent Tools

Listing Statistics

Views

Stay to Own - Buy your own apartment - to live in or as an investment - with no bank finance in Braamfontein at the Parktonian Lifestyle Centre

Stay to Own - Buy your own apartment to live in or as an investment - with no finance from a Bank.

NO HOME LOAN REQUIRED

No need to raise a home loan with a Bank – The Seller will make finance available for approved buyers & investors.

THE OPPORTUNITY

The recently launched Parktonian Lifestyle Ce ving options including a popular Stay to Own deal.

The property is located in central Braam access to the Gautrain.

Approved buyers pay a reasonable occupancy calations p.a. for 15 years. and then have the option to buy the apartme

Monthly payments range from R5 200 - R6 200 plus levies.

CONDITIONS

For owner occupiers a deposit of R10 000 is required.

Investors will be required to pay a R36 000 deposit

The maximum number of occupants are two persons and no children under 15 allowed.

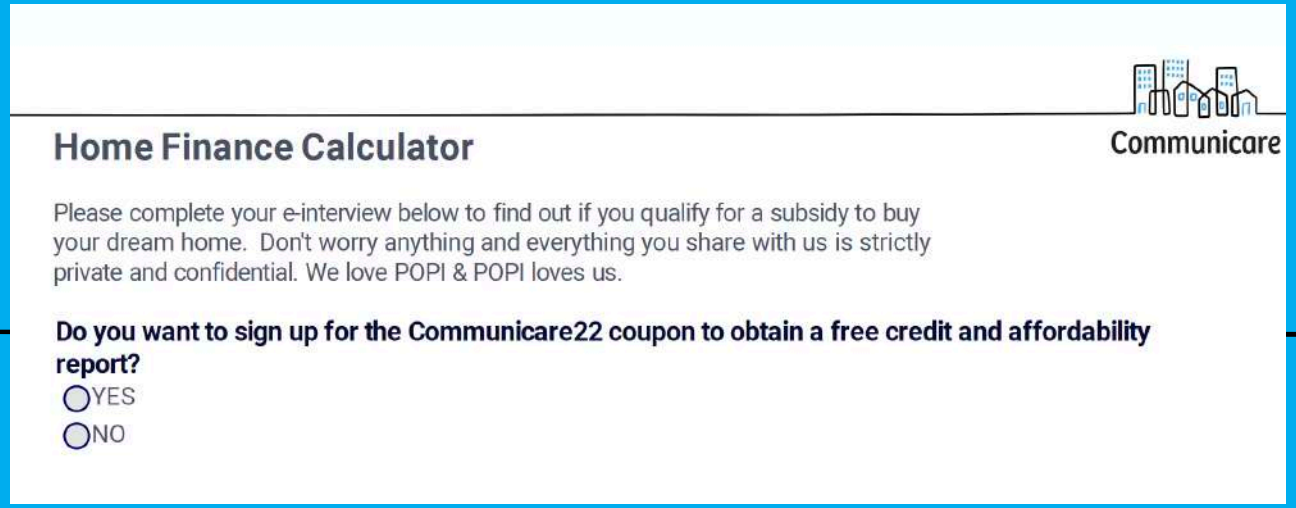
15 YEARS

PROCESS FLOW FOR RENT2BUY

Prepared by

Meyer de Waal

August 2022



Communicare

Home Finance Calculator

Please complete your e-interview below to find out if you qualify for a subsidy to buy your dream home. Don't worry anything and everything you share with us is strictly private and confidential. We love POPI & POPI loves us.

Do you want to sign up for the Communicare22 coupon to obtain a free credit and affordability report?

- YES
- NO

Communicare

MILL PARK

Western Cape Government
FOR YOU

Kaap Agulhas Munisipaliteit
Cape Agulhas Municipality
U Masipala Wasecape Agulhas

ASLA

r2b
rent 2 buy

Western Cape Government

FOR YOU

Department of Human Settlements

Deferred Ownership in the Mill Park Project

Cape Agulhas Municipality

LAND | FINANCE | CONSTRUCTION | PLAN | BUYER

Mill Park Project – Bredasdorp Western Cape

Western Cape Government
FOR YOU

+

ASLA

KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

mdw
Attorneys, Notaries and Conveyancers
Cape Town | Bloubergstrand

mbf
my budget fitness

MILL PARK

Mill Park Development | Sign Up | Properties | Home Loan | Rent To Own

Mill Park
Rent To Own

RENT TO OWN:

NOW 3 YEARS

WHAT IS RENT TO OWN?

Rent To Own enables the first time buyer to enter into a lease agreement and rent the house and at the same time receive an option to buy the house two years later.

The purchase price will be "frozen" for the two-year period, which means that the price will not escalate during the lease term

50% of the rental is saved towards a Deposit Builder

https://www.millpark.co.za/

MILL PARK

Mill Park Development | Sign Up | Properties | Home Loan | Rent To Own

MILL PARK

Mill Park Development | Sign Up | Properties | Home Loan | Rent To Own

RENT TO OWN:

WHAT IS RENT TO OWN?

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WHAT WILL I PAY PER MONTH?

The Rent To Own tenant buyer will pay rental per month that is similar to a home loan repayment to get used to the obligations of a home owner, plus rates and taxes, as if in the shoes a property owner.

WHAT THEN?

If the Rent To Own buyer is then able to obtain a home loan before the expiry of the 24-month rental term, the full deposit saved will be deducted from the purchase price.

A deposit reduces the home loan amount required and usually enables a buyer to negotiate a lower home loan interest rate.

YOU CAN EVEN USE FLISP:

The Rent To Own concept is now also recognized as structure for a Flisp subsidy under the National Housing Code that came into effect in 1 April 2022.

SIGN UP HERE

TECHNOLOGY

Register

r2b
rent 2 buy

MDW INC

de Waal

Email

Email required

278 0843449761

Password

I agree to the Terms of Services and Privacy Policy

Register

Already a member? Login

Or Signup using

Credit Profile & Affordability

Affordability

Bond Amount	R1 296 880 - R1 274 476
Bond Duration	
Quote Expiry	25 Oct 2022
Total Income	R25 795.41
Total Income after Tax	
Total Expenses	R3 229.17
Current Debt Payments	R10 193
Net Affordability	R7 877.83
Cash Utilization	87.48%
Money Summary	Download

GOOD INCOME

Financial

View the financial breakdown of this lead including Credit Report and 3 Months Bank verified statements

Current Report: 25 Sep 2022

Credit Report

BAD SCORE

Score	Metric	Date	Report
532	Bad	25 Sep 2022	Download

State	Completed
Total Debt	R12 939
Total Payments	R10 193
Total in Arrears	R10 689
Enquiries	7
Judgements	1
Negative Information	1

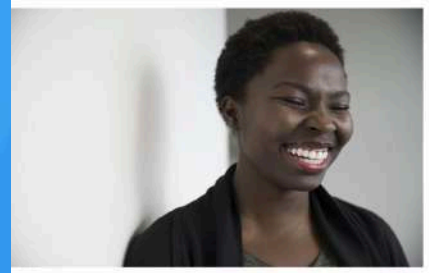
Welcome to r2b rent 2 buy 4me

The following 4 steps lies ahead towards your Home Ownership Journey, here is what can you expect:

SMART VOUCHERS ISSUED:

FIRST HOME FINANCE

FLISP
Finance Linked Individual Subsidy Programme
VOUCHER



PROVISIONAL VOUCHER FOR: {Name} {LastName}
ISSUED ON: {DateCreate}

Now First Home Finance

The Finance Linked Individual Subsidy Programme (FLISP) programme is a housing subsidy for first-time home buyers to assist with purchasing a home.

This Voucher gives the holder access to assistance to apply for the subsidy to the amount below. This voucher is a provisional voucher based on information provided by the user.

YOU POTENTIALLY QUALIFY FOR A SUBSIDY TO THE AMOUNT OF:

R120 000.00

Congratulations on successfully completing your ooba Bond Indicator.
Now you know your buying power!

Certificate issued to		Certificate number	
Name:	name of client	Certificate No:	1....1486
ID No:		Date:	03-February-2023

90%

90% of ALL ooba home loan applications with an ooba Bond Indicator are approved by banks. Let ooba home loans give you the advantage!

The ooba Bond Indicator does not include the property transfer and bond registration costs.

Bond indicator	R 618,680		
Lending Rate Calculated at Prime	10.25%	Loan Term	20 years

The home loan amount that you may qualify for will vary should your home loan be approved at an interest rate below or above the current prime lending rate. The ooba Bond Indicator does not include the property transfer and bond registration costs. Indicative home loan amounts at a rate of 0.25% below and 0.5% above prime are shown:

10.0%	R 629,337	10.75%	R 598,213

Disclaimer – Whilst every effort has been made to ensure the accuracy of this document, ooba (Pty) Ltd and its subsidiaries accept no liability in respect of any errors contained herein.

THE VALUE OF A SUBSIDY

How I saved R120k on my bond to become a first-time home owner

11 Nov 2020

Mary Xaba, a domestic worker from Ivory Park in Johannesburg, will have her own property registered in her name this December. This is her interesting journey to becoming a homeowner.

Share

Print

Top Articles

FICA compliance | Free webinar to impr...

Accountable Institutions need to remain compliant with increasingly stringent anti-money laundering controls and reporting mechanisms to the Finance Intelligence Centre.

Mill Park – Main Structure

PURCHASE PRICE
R499 500.00

36 MONTH RENT TO OWN
SAVINGS

LESS FIRST HOME
FINANCE SUBSIDY

Mill Park – Property Finances

= home loan repayment
X 11.75% x 30 years

- Purchase price R499 500.00

R4 400.00
Pm rental

- Less 36-month savings
  - (R2 200.00 pm x 36) - R79 200.00
  - First Home Finance Subsidy - R101 174.00

Price Check

- Income required R319 126.00

Income required

R11 600.00 pm

R499 500 home loan = **R18 000 pm**

Price Check

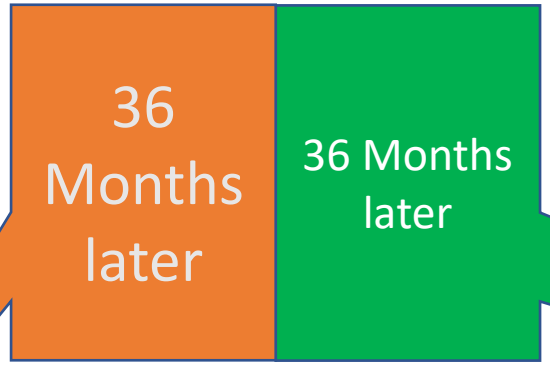
Mill Park

RENT TO OWN

36 MONTHS LATER

HOME LOAN REPAYMENT

36 MONTHS LATER



PRINCIPAL	499500
RATE	11,75
YEARS	20,000

YEAR	O/BAL	REPAY	CAPITAL	INTEREST
1	499500	64957	6615	58343
2	492885	64957	7435	57522
3	485450	64957	8358	56600
4	477092	64957	9394	55563
5	467698	64957	10560	54398
6	457138	64957	11869	53088

- 36-month savings
  - (R2 200.00 pm x 36)
    - R79 200.00

  Reduction of purchase price

Mill Park : Number of transactions : First 29 sales

Home Loans	Rent To Own	Cash
9	18	2
~~9~~ = 8	19	

Buyers previously shut out from a home ownership opportunity

RENT TO OWN Final Result

Seller

SALE

OPTION AGREEMENT

BUYER

36 month R2B Lease

Sale Agreement

Home loan

KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

ASLA

Western Cape Government
FOR YOU

FIRST HOME FINANCE

RTO Combined with a My Budget Fitness Personal Trainer

Rent To Own ensures:

- Proof and track record of affordability
- Improved credit profile
- Savings towards a deposit

Consumer Housing Education

Home Ownership Education

4ME

Budget Tool to manage budget and track expenses

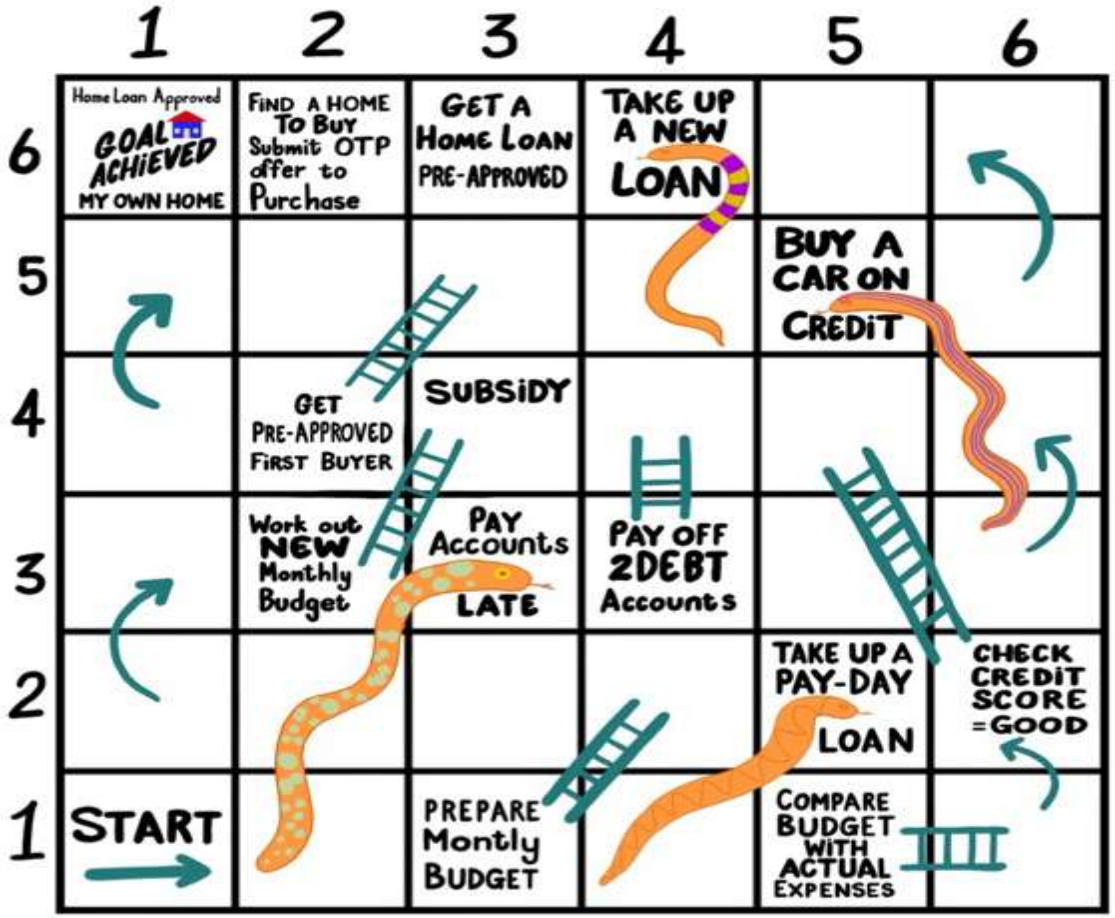
r2b
rent 2 buy

mbf
my budget fitness

Personal Trainer

Credit & budget improvement

HOME OWNERSHIP SNAKES and LADDERS



THE FINAL RESULT- HANDOVER OF HOUSES @ MILL PARK

SPES BONA

ASLA

NEW PROJECT – HOT OFF THE PRESS

000001

YOU ARE

BID NUMBE

DESCRIPTIC
(CONVEYAN
(GARDEN R

The success

Republic of South Africa

South African Government

278 UNITS
MOSSEL BAY

HOME ABOUT

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Western Cape Human Settlements on Mountain View Housing Project

5 Apr 2022

Mountain View Housing Project to create over 1000 housing opportunities

Mossel Bay
MUNICIPALITY

4me
MY BUDGET FITNESS

Cr

START

Decision Engine

Almost Ready

MILL
PARK

PILOT PROJE

Mossel Bay
MUNICIPALITY

Meyer de Waal

The path to sustainable home ownership

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+27 83 653 6975