

Need a home? We've got the key

Smart Bond



First National Bank - a division of FirstRand Bank Limited.
An Authorised Financial Services and Credit Provider (NCRCP20).

Voted the top retail bank in the Sunday Times Top Brands Survey 2009



**NATIONAL
SUPPORTER**



How can we help you?

The key to home ownership

At First National Bank we believe that a home is where a family feels warm and secure. It is where you experience special moments and cherish wonderful memories together. FNB understands that each home is unique - hence we offer you our exciting Smart Bond (your key to home ownership!).

If you want to buy an existing home, build a home of your dreams or feel that you are paying too much on your current home loan, Smart Bond will unlock the door to an affordable home loan solution.

Who can apply for Smart Bond?

Individuals earning a monthly household income of R15 000 or below

See the illustration of criteria on page 3.

How much would you qualify for?

It is important to make sure that you will be able to afford the monthly bond instalments when it is added to your current monthly expenses and other debt instalments. To determine how much you may afford to pay towards the bond instalments, simply deduct all your monthly expenses from your total monthly income. The amount left is an indication of how much you could spend on a monthly bond instalment and associated costs. The minimum bond amount we offer is R20 000 and the bond may be repaid over a period of 5 to 20 years.

Illustration of income qualifying criteria:

Application A	Application B	Application C	Application D
<ul style="list-style-type: none"> • Single applicant • Applicant earns a monthly income of R14 900 <p>Decision - with this income of R14 900 the applicant will be eligible to apply for a Smart Bond</p>	<ul style="list-style-type: none"> • Two individuals • Applicant earns a monthly income of R8 000 • Co-applicant (Spouse / Partner) also earns a monthly income of R7 000 <p>Decision - with their combined monthly income of R15 000 the applicants are eligible to apply for a Smart Bond</p>	<ul style="list-style-type: none"> • Two individuals • Applicant earns a monthly income of R7 000 • Co-applicant (Spouse / Partner) also earns a monthly income of R7 500 <p>Decision - with their combined monthly income of R14 500, the applicants are eligible to apply for a Smart Bond</p>	<ul style="list-style-type: none"> • Two individuals • Applicant earns a monthly income of R10 000 • Co-applicant (Spouse / Partner) also earns a monthly income of R6 000 <p>Decision - with their combined monthly income of R16 000, the applicants are NOT eligible* to apply for Smart Bond - due to the combined income exceeding the required monthly income of R15 000</p>

*This type of application would under normal circumstances be referred to FNB HomeLoans



What interest rate would apply?

The interest rate you would qualify for will be determined by your credit history.

Interest rate types offered:

- **Variable Interest Rate** - this interest rate fluctuates as and when the prime lending rate changes.
- **Fixed Interest Rate** - with Smart Bond you have an opportunity to apply for a 5 - year fixed interest rate option.

Smart Bond - Features & Benefits:

- **No deposit required** - we offer a full home finance solution.
- **Smart Bond Loan Cover** - this cover protects you in the event of a shortfall resulting from a forced sale. In addition, this cover has a retrenchment benefit which will pay up to six months of the bond instalments in case you are retrenched (due to operational reasons).
- **Comprehensive Home-ownership Programme** - is an educational programme provided to first time home buyers whose bonds have been approved by the bank.
- **Term** - the loan amount may be repaid over a period of 5 to 20 years.

Terms and Conditions apply.



Value Added Products

Smart Bond Re-advance

A “Re-advance” is the amount that you have already paid back on the original registered bond amount (i.e. a “Re-advance” is a difference between the bond amount owing and the bond amount registered). The amount applied for may not exceed the original registered bond amount. Should you meet the bank’s terms and conditions, the amount approved will then be paid to you.

Example - Smart Bond Re-advance

You apply for R30 000 to paint your house.

For instance your:

- Bonded property has an estimated value of R300 000
- Outstanding balance on the bond is R102 000 and
- Bond originally registered is R150 000

Registered bond	R150 000
Current balance	R102 000
Funds available (R150 000 Less R102 000)	R48 000
Re-advance applied for	R30 000

The amount of R30 000 would be available without a need to register a further bond. Should you meet the terms & conditions, the amount approved would then be paid to you.



Smart Bond Further Loan

A Further Loan is an additional bond that is registered when you require additional funds (bond finance). These funds will be made available once all the required documents have been signed and the terms and conditions have been met.

Example - Smart Bond Further Loan

Let us assume you apply for R100 000 to add a room to your house, with the following bond status:

- Bonded property has an estimated property value of R300 000
- Outstanding balance on the bond is R102 000 and
- Bond originally registered is R150 000

Registered bond	R150 000
Current balance	R102 000
Funds available (R150 000 Less R102 000)	R48 000
Amount applied for:	R100 000
Further Loan (R100 000 Less R48 000)	R52 000

Therefore, should you meet all the terms and conditions applicable, an additional bond (Further Loan) of R52 000 would need to be registered in order for you to access the required amount (R100 000).

To qualify:

- You need to be a South African citizen, formally or self employed
- Your salary/income must be paid into a bank account
- You must not have judgments and/or defaults of more than R1000 in the last 12 months
- Your property must be acceptable for lending purposes
- Your bond instalments must be paid via a debit order or payroll deduction facility

- You should still be able to afford your bond instalments including the following:
 - Current expenses and other monthly debt instalments
 - The new expenses relating to the new home you are buying

To apply please provide the following:

- A copy of your valid Identity Document*
- Your latest salary advice/pay slip*
- 3-month bank statement (if not banking with FNB)
- 12-month bank statement (if you are self-employed) and not banking with FNB
- Details of the property you are buying

* For you and your co-applicant (where applicable).

To apply or for more information please call
0860 644 644 or visit your nearest FNB branch.
You can also visit www.fnb.co.za