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GUIDE FOR OWNER BUILDER EXEMPTION APPLICANTS

Dear Owner Builder Exemption Applicant,

Thank you for approaching the NHBRC in connection with a query on Owner builder exemption and related requirements. It is a prescribed requirement that you as an Owner Builder follow processes to establish whether you will be exempted (not covered) by the NHBRC Warranty Scheme Cover.

Please ensure that you are aware of the benefits of using a Home Builder who is registered with the NHBRC.

1. UNDERSTANDING THE NHBRC WARRANTY SCHEME

- 1.1. The first and most important step is complying with the Housing Consumers Protection Measures Act. All Home Builders must be registered with the NHBRC and all new homes must be enrolled, at least 15 days prior to construction. Enrolment is not only required by South African law but also allows the NHBRC to conduct quality inspections on all new homes during various stages of construction.
- 1.2. When enrolled, the NHBRC provides the housing consumer with warranty cover for:
 - 1.2.1. Rectification of roof leaks identified within one-year from date of occupation; and
 - 1.2.2. Rectification of major structural defects identified within five-years from date of occupation
- 1.3. In the event that a Home Builder is unable or unwilling to rectify reported defects, the NHBRC can rectify the defects once the housing consumer has completed the complaint and conciliation process.
- 1.4. The NHBRC will also assist the housing consumer in getting the Home Builder to resolve minor workmanship defects (snag list items) identified within the first 3 months, following first occupation.
- 1.5. A housing consumer can refer a complaint to the NHBRC in the following cases:-
 - 1.5.1. The Home Builder does not respond within prescribed periods;
 - 1.5.2. The Home Builder fails to honour their obligations or;
 - 1.5.3. There is an unresolved dispute between the housing consumer and the Home Builder regarding the extent of the Home Builder's liability.

- 1.6. To lodge a complaint, housing consumers can do the following: -
 - 1.6.1. Phone the NHBRC's toll-free number 0800 200 824;
 - 1.6.2. Complete the complaint form; or
 - 1.6.3. Contact the nearest NHBRC Customer Service Centre.

- 1.7. The NHBRC Warranty Scheme does not cover the following: -
 - 1.7.1. Boarding houses, hostels, institutional facilities such as hospitals, prisons, orphanages and other welfare accommodation, time share accommodation, hotels or any residential structure which is constructed with less than 75 percent of the floor area designed for residential purposes;
 - 1.7.2. Alterations / Additions; and
 - 1.7.3. Any fence, pre-cast fencing, temporary structure, swimming pool, tennis court, lift, mechanical ventilation or air conditioning system, household appliance, stable or workshop.

To obtain more information please visit www.nhbrc.org.za

2. OWNER BUILDER EXEMPTION APPLICATION

- 2.1. In terms of the Owner Builder Exemption Application, the applicant must be the registered owner of the property as per the title deed or deed of transfer. The definition of Owner Builder as per Section 1 (definitions) of the Act is as follows;

An "Owner Builder" means a person who builds a home for occupation by himself or herself; or a person who is not a registered home builder and who contemplates the building of his or her home.

- 2.2. The purpose of an Owner Builder exemption is for the applicant to occupy the home to be constructed on the property.
- 2.3. Owner Builder exemption will be considered in respect of the primary residence or a home where the applicant will be ordinarily residing.
- 2.4. Only a natural person can qualify as an Owner Builder, any form of a juristic person including a trust and a trustee or beneficiary of a trust do not qualify for Owner Builder exemption.
- 2.5. A person who is appointed in a technical designation, or member, or director of a registered Home Builder may, in his capacity as a natural person, apply for Owner Builder exemption in respect of a home which is to be constructed on his / her property for purposes of occupation by himself or herself.
- 2.6. An Owner Builder is not required to register as a Home Builder for purposes of application for exemption.

- 2.7. The Applicant (Owner Builder) or the person assisting the Applicant (Power of Attorney) who will be overseeing the work will be required to complete a technical assessment so that their technical capability to construct or supervise the construction of a home can be ascertained.
- 2.8. On acceptance of the application, the NHBRC office in the region where the Applicant is intending to build a home, shall conduct a site inspection to determine the following: -
 - 2.8.1. Whether or not construction has commenced; and
 - 2.8.2. Where construction has commenced and whether or not the existing construction complies with the Technical Requirements of the NHBRC.

3. **OWNER BUILDER APPLICATION FORM (3 pages)** (attached) (dated 30 November 2018)

- 3.1. An **Owner Builder application form**. This form is to be completed in full and signed by the applicant. (must be signed by a Commissioner of Oath and date stamped) - to be completed in full and signed by applicant(s), if the applicant is married in community of property or out of community of property with accrual, the Owner Builder's application form must also be signed by his or her spouse, the spouse is to complete and sign the application form.
- 3.2. Ensure that the application is accompanied by the supporting documents referred to; and
- 3.3. Ensure that the application is complete as incomplete applications will not be considered for exemption.

4. **SUPPORTING DOCUMENTS**

An original copy of the Owner Builder Application Form and supporting documents must be hand delivered to the NHBRC office in the region where the Applicant is intending to build a home and the following documents must accompany the application form.

Certified copies must not be older than three months (date stamped).

- 4.1. **Owner Builder Application form** (3-page document) which must be fully completed and then signed by applicant/s (must be signed and stamped by a Commissioner of Oath and date stamped)
- 4.2. A **motivational Affidavit** (must be signed and stamped by a Commissioner of Oath and date stamped) done by the Applicant (s) affidavit (if married in community of property, the spouse is to sign the documents pertaining to the application) and the following information must be included in the affidavit:
 - 4.2.1. Applicant(s) contact details (contact numbers and email).
 - 4.2.2. Erf number and details as per the deed of transfer and the physical address of the property on which exemption is being applied for.
 - 4.2.3. Applicant to declare all properties registered under his / her name, and provide information pertaining to usage, etc. for each property. This is required as it will

- have to tally up with the details from the Deed Search that will be conducted by the NHBRC.
- 4.2.4. In terms of the property in which exemption is being sort, please confirm who will be occupying the home;
 - 4.2.5. If the applicant will be assisted by another person (Home Builder) to construct the home, please confirm the name(s) of the person(s) assisting. Please ensure that a copy of the persons' ID and a copy of the terms and conditions of the agreement are supplied. Please refer to point 4.7 in this document on Power of attorney (POA).
 - 4.2.6. In terms of point 13 on the Owner Builder application form and affidavit, if the answer is NO, please give explanation to this question.
 - 4.2.7. In terms of point 15 of the Owner Builder application form and affidavit, if YES has been marked, please supply details of property in respect of which an exemption was applied for, the date of the application and the outcome of the application.
- 4.3. **Identity document** of applicant(s) (must be certified as a true copy and date stamped): a clear copy must be submitted (no unreadable documents will be accepted). If it is the new ID card type, please can it be enlarged for clarity purposes. If married in community of property, the spouse must also supply their Identity document copy (must be certified as a true copy and date stamped)
- 4.4. If married in community of property or out of community of property with accrual, the following documents must be submitted.
- 4.4.1. A copy of the **marriage certificate** of the couple; (must be certified as a true copy and date stamped);
 - 4.4.2. If married out of community of property, a copy of the pre-nuptial or ante-nuptial contract registered at the Deeds Office must be submitted; (must be certified as a true copy and date stamped).
- 4.5. **Title deed / Deed of transfer**, is essential for purposes of verifying ownership. It must be a stamped (by Deeds Office) copy of full document. Should there be more than one owner on the Deed of Transfer then that person is to complete the Owner Builder application form and sign an affidavit too.
- 4.6. **Power of attorney (POA)** (must be signed by a Commissioner of Oath and date stamped), this is required when an owner of a property gives full permission to another person to submit the application for exemption to build the house on their behalf.
- 4.6.1. A copy of the ID of person that has been given power of attorney must be supplied (must be certified as a true copy and date stamped).
 - 4.6.2. Please note that the POA has to complete and pass the Technical Assessment Test.
 - 4.6.3. The Owner Builder Application Form must be completed and signed for by the person(s) who are the owner(s) of the property (as per Deed of Transfer).
- 4.7. If construction has commenced at the time of the application the following documents must be submitted (please note that it is recommended that no construction has commenced prior to receiving written feedback from NHBRC on the outcome of your application):-

- 4.7.1. A Competent Person's report;
- 4.7.2. A confirmation of site soil classification as per the Home Building Manual of the NHBRC;
- 4.7.3. Applicable certificates for completed stages of construction; and
- 4.7.4. Any additional information or documents relating to the Technical Requirements of the NHBRC must be submitted.

5. SUBMISSION OF APPLICATION

- 5.1. The original fully completed and signed application form and affidavit together with the supporting documents are to be hand delivered to the local NHBRC office where the Applicant intends to build his or her home.
- 5.2. The Applicant to make their own copies of all the documents being submitted and shall ensure that the Owner Builder application form is stamped by the NHBRC. The stamp must clearly reflect the details of the office where the documents were submitted and the date of submission thereof as proof of submission of the application.
- 5.3. The NHBRC office where the application was submitted must acknowledge receipt of the application via email within two (2) working days of receipt thereof, failing which, the Applicant must make enquiries about the status of his or her application at the office where same was submitted.
- 5.4. The Applicant must obtain and verify the most recent location and contact details of these offices from the national office of the NHBRC before submitting his or her application as the location and contact details of these offices may change from time to time.

6. GENERAL

- 6.1. The NHBRC Executive Committee makes the final decision on an Owner Builder application, and meets regularly. There are strict deadline dates that have to be met in order for us to submit any application to the Committee.
- 6.2. Technical Evaluation Committee meetings are held monthly at NHBRC Head Office to confirm that the applications comply and are ready to be submitted to Exco. Once an application is in order, an email will be sent from Head Office to the applicant confirming that their application will be put forward to the Committee.
- 6.3. The decision made by Exco will be communicated to all applicants within 14 (fourteen) working days via email from NHBRC Head Office after the meeting.

Should you have any further queries, please contact your local NHBRC Office.

Thank you