National Homebuilders Registration Council (NHBRC)

What is the NHBRC?

- The National Homebuilders Registration Council (NHBRC) is a Juristic Statutory body created by the Housing Consumer Protection Measured Act.
- It is a housing consumer protection body.

What is the role of the Assessor?

- Assess the property using the plan, schedule of finishes and building contract.
- Structure the retention amount and number of progress payments (normally 4 progress payments).
- Monitor building progress period.

What is the role of the Builder?

- Register as a builder with the
- Conclude a building contract with the client.
- Build according to the contract and plans.
- Enrol the property for development with the NHBRC.
- Pay the required enrolment fee. This fee is included in the contract.
- Obtain Electrical/Occupancy certificates

NHBRC Why are new homes enrolled?

A housing consumer (home-owner) will have the insurance certificate that the builder registered with the NHBRC has agreed to abide by the rules and regulations laid down by the NHBRC.

This means that a homebuilder has agreed to build the enrolled house to a minimum quality standard that has been set out in the NHBRC home building manual.

Timeous enrolment of homes ensures that a new home is protected by the warranty scheme providing a 5-year warranty against major structural defects, 90 days defect liability warranty cover and 12 months roof warranty

What is the role of the NHBRC

- Its aim is to maintain and improve the quality of all newly constructed houses
- The NHBRC implements and regulates quality standards in the home building industry.
- The NHBRC is responsible for establishing a warranty fund to provide assistance to housing consumers whose homebuilders fail to meet certain obligations.

NHBRC

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What is the role of the Client?

- Inform builder and the bank of any problems, concerns and delays.
- Sign process payments (19-13B) (B68) Nedbank form, only once the client is satisfied with the work done by the builder.
- Client to obtain expert advice if necessary and should not rely on the bank's assessor only.
- Maintain the interim payment interest generated on amounts paid out.
- Sign debit orders, stop orders, salary stop orders or other payment instructions to pay the monthly instalment. These can be processed via a current or savings account.
- Submit the electrical compliance certificate and the certificate of occupancy to the Home Loans Building Loans Team. (Client obtains these from the Builder or the Municipality)
- Client is liable for any shortfall and this is payable prior to processing of any progress payment.

Contract amount less amount placed on retention = Shortfall (Client to pay!)

Building Loan Process & Documentation

- The completed building loan application form duly completed by the client, plus the following documents have to be submitted to your Siyeza Team for consideration of finance:
 - Building Plan
 - **Building Contract**
 - Schedule of finishes
 - Builder's NHBRC registration certificate
 - Builder's NHBRC property enrolment certificate (R25 000 fine for non-compliance)
 - Minimum specs and Waiver of Lien
 - All Risk Insurance cover ensuring materials on site are covered until completion.

What is the role of the Bank?

- Provide finance to the client.
- Submit fully completed application and all minimum supporting documents to the Siyeza Teams.
- Retain funds to complete the building project.
- Pay the builder on instruction from the client.

NHBRC What is involved in house inspection?

Every new house constructed must be inspected. If a house is enrolled prior to construction, the NHBRC is afforded the opportunity to carry out all necessary inspections.

The number of inspections conducted for each house is depended on the size and complexity of the house design. The following inspections are carried out:

- **Foundations**
- Roof height
- Practical completion
- Storm water
- Carpentry
- Waterproofing