Momentum Pension-backed

Home Loans

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corporate

We understand that your employees dreams don't wait for retirement.

Whether it's buying their first home, upgrading for growing families, investing in solar panels or reliable backup water systems, homeownership isn't just about where they live – it's about how they live. That's were Momentum Pension-Backed Home Loans (PBHL) come in.

Through our partnership with Pension and Provident Funds, your employees can access a pension-backed home loan.

This is a built-in employee benefit that allows them to use a portion of their retirement savings as collateral for a home loan, without reducing the value of their nest egg. Pension-backed home loan is administered by Momentum Lending through Momentum Group, one of South Africa's most trusted financial services providers.

The facility is a smarter, more flexible way to help your employees bring their home goals to life, today. A pension-backed home loan is a better alternative to traditional lending because it does away with:

- **01** Higher credit score requirements
- **02** Large deposits
- **03** Complex approval processes
- **04** High interest rates

To qualify, employees need to be permanently employed for at least 6 months. They must meet the required affordability and credit criteria, have no existing pension-backed home loan with another provider within the fund, and, not be under debt review.

**Momentum Lending reserves final approval discretion.*

Why choose PBHL with Momentum Lending for your employees?

Competetive rates

They have access to interest rates below prime, helping your people save more in the long run.

Settle early, stress-free

Employees can pay off their loans sooner with no penalties.

Apply for more after 6 months

After six successful repayments, members can access a second loan, if the affordability criteria is met.

No extra property costs

There are no bond registration or valuation fees, meaning more of the loan goes into their home, not into admin.

Stable budgets

If interest rates change, monthly repayments don't. Instead, we adjust the loan term–so employees' take-home pay stays consistent.

We support their financial journey

If an employee doesn't qualify now, we don't walk away. With access to Financial Coaches, they receive the tools to strengthen their financial health and then try again.

Why choose PBHL by Momentum Lending for you as an employer?

Stronger Employee Value Proposition (EVP)

PBHL shows your employees that you're invested in their growth–not just for the future, but for their lives right now. It's a benefit that can drive satisfaction, loyalty and retention.

Minimal admin for you

Loan repayments are seamlessly incorporated into the employers payroll process and managed fully by Momentum Lending and the employer.

Trusted by employers and fund members across South Africa

Momentum PBHL supports over 23,000 members.

How it works in 5 easy steps

Step 1

Employer signs an agreement with Momentum.

Step 2

Employee completes the application form and submits it together with the required supporting documents.

Step 3

Momentum performs the necessary credit and affordability checks, and validates loan usage.

Step 4

Momentum approves the loan and then requests the fund to load a guarantee against the loan on the members retirement fund.

Step 5

Once approved, the loan is paid directly into the bank account of the relevant recipient.

If an employee's life changes, we have a plan for them

Scenario 01

Changing jobs and leaving the fund (resignation, retrenchment, dismissal)

Yes → Loan may be switched should the new fund have a PBHL provider and be willing to accommodate a loan switch. An employee has the option of early settlement with no additional penalties. Outstanding loan is settled from the employee's retirement fund.

Scenario 02

Reaching retirement?

Yes → Employee can settle the debt or loan balance will be deducted from retirement fund before annuity is purchased.

Scenario 03

Can't keep up with repayments?

Yes → They can request repayment adjustment. → Loan term is extended to reduce monthly instalments.

How much can employees borrow from Momentum Lending?

Loan feature	Details
Minimum loan amount	R30 000 (may be lower depending on the fund)
Maximum loan amount	Up to 60% of total retirement savings (retirement, vested, and savings components) - may change depending on fund rules
Loan term	12–240 months (based on retirement age)

**Note: Employees are encouraged to check their retirement fund benefit statement to see their fund balance and consult a financial advisor before taking up the pension backed home loan product. After 6 months of repayments, employees may apply for top up to an existing loan, subject to affordability and available retirement savings.*

Service cost overview

Fee type	Amount	Details
Monthly Administration Fee (Momentum Lending)	Subject to fund agreement	Covers loan servicing and management.
Once-Off Initiation Fee	Subject to fund agreement	Payable at approval; can be added to the loan amount.

Note: All processes comply with National Credit Act

Whether they're buying, building, or upgrading, they're not just saving for tomorrow, but also putting their retirement fund to work today.

Client engagement

Members will receive quarterly home loan statements and rate change communications.

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Contact us

Talk to a Momentum Pension-backed home loans specialist

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