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GRADE 12 2022

Consumer studies

HOUSING
SELF STUDY GUIDE
BOOKLET 3

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INTRODUCTION

The declaration of COVID-19 as a global pandemic by the World Health Organisation in 2020, led to the disruption of effective teaching and learning in all schools across South Africa.

Many learners, across all grades, spent less time in class due to the phased-in reopening of schools, as well as rotational attendance and alternative timetables that were implemented across provinces, to comply with social distancing rules. This led to severe teaching and learning time losses. Consequently, the majority of schools were not able to complete all the relevant content prescribed in Grade 10-12 in accordance with the Curriculum and Assessment Policy Statement.

In order to mitigate and intervene against the negative impact of COVID-19, as part of the Recovery Learning Plan for Grades 10-12, the Department of Basic Education (DBE) worked in collaboration with Subject Specialists from various Provincial Education Departments (PEDs) to develop this Self-Study Guide for learners in Grade 12.

The content in this study guide is critical towards laying a strong foundation to improve your performance in this subject.

The main aims of this study guide is to:

- Assist learners to improve their performance, by revising and consolidating their understanding of the topic;
- Close existing content gaps in this topic; and
- Improve and strengthen understanding of the content prescribed for this topic.

This study-guide is meant as a self-study guide for learners and therefore should be used as a revision resource to consolidate learning at the end of a particular topic taught in class.

Learners are encouraged to complete the exercises and activities to test their understanding and to expose themselves to high quality assessment.

This study guide can also be used by study groups and peer learning groups, to prepare for the final NSC examination in this subject.

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2. HOW TO USE THIS GUIDE

	Key concepts This icon will draw your attention to the key concepts we are using in this study guide
	Notes/ Summaries This icon will draw your attention to the notes & summaries which you need to study
	Activities This icon refers to the activities that you must complete to test your understanding of the content you studied
	Tips This icon refers to tips we are sharing with you to better understand the content or activities
	Answers This icon refers to the section with possible answers for the activities and how best to have answered the activities
	Exam practise questions This icon refers to questions from past examination papers you can additionally use to prepare for the topic
	Terminology The meaning of these terms is provided in the glossary
	Advantages This is good/positive qualities
	Disadvantages This is bad/negative qualities
GR 10	**GR 10 CONTENT TO BE COVERED**
GR 11	**GR 11 CONTENT TO BE COVERED**
GR 12	**GR 12 CONTENT TO BE COVERED**
	OVERVIEW

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3. HOUSING AND INTERIOR
3.1 NOTES/SUMMARIES/KEY CONCEPTS & ACTIVITIES

HOUSING AND INTERIOR

GR 10

Factors influencing housing decisions
Housing needs (refer to Maslow's hierarchy of needs) within the socio-economic and cultural context of different South Africans

***

Suitability for the stage of the family cycle (young adult, young married couple, developing family, contracting family, empty nest)

GR 12

Different housing acquisition options
Renting, building, buying (full title, sectional title).
Advantages and disadvantages of the different options.

***

Financial and contractual responsibilities for the three housing options.
Building contract, offer of purchase, home loans, interest rates, insurance.

***

Buying household appliances.
Washing machine, fridge, freezer, stove, microwave-oven.
The financial and contractual responsibilities of buying furniture and household appliances

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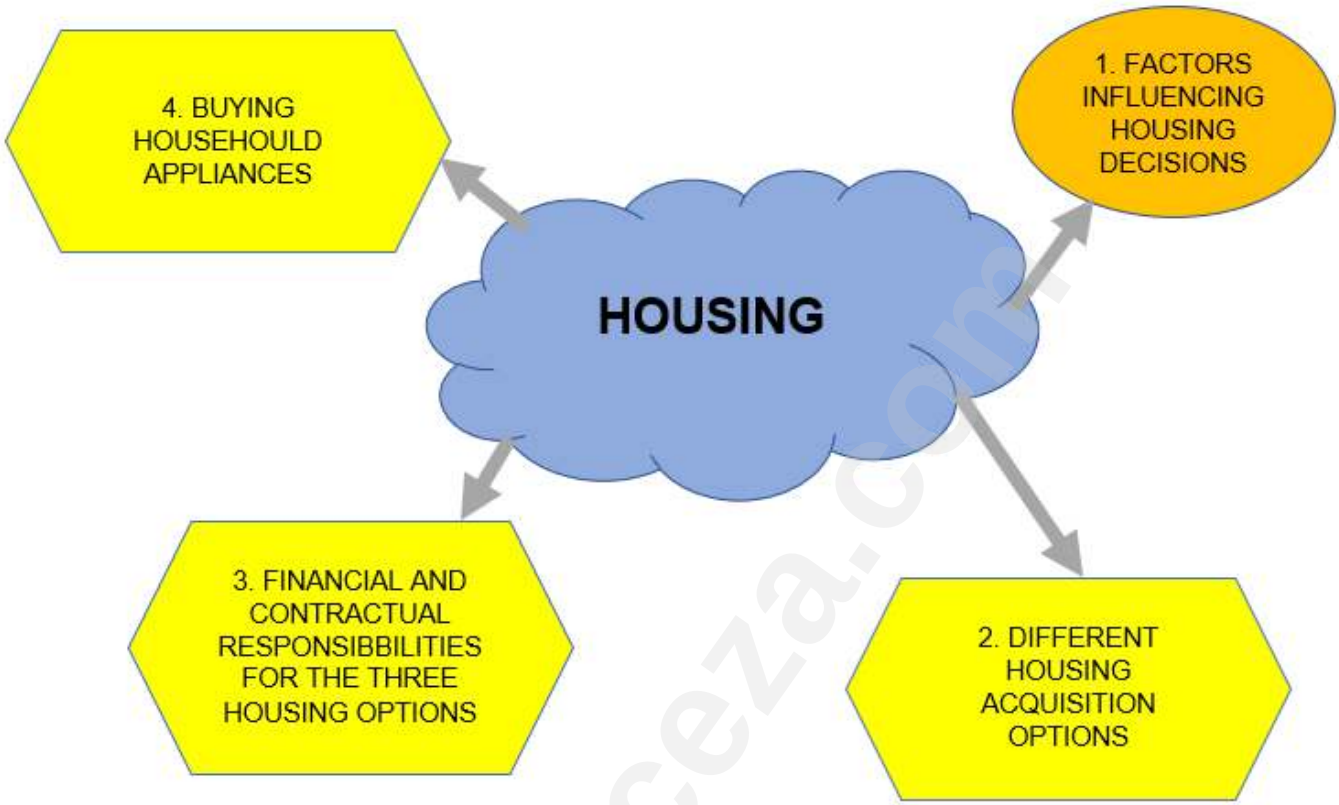

Follow your dreams…

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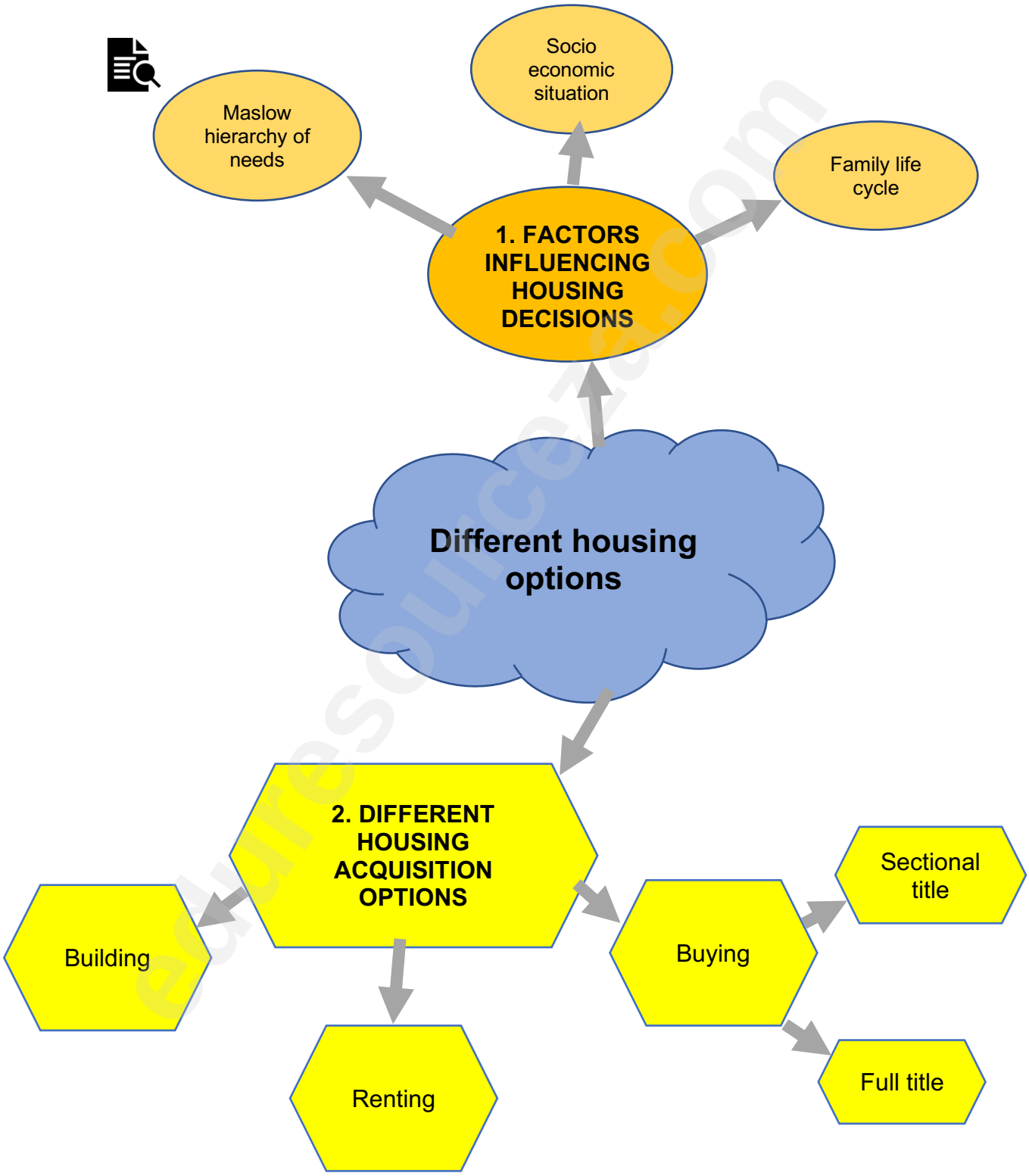
3.1.1 DIFFERENT HOUSING OPTIONS



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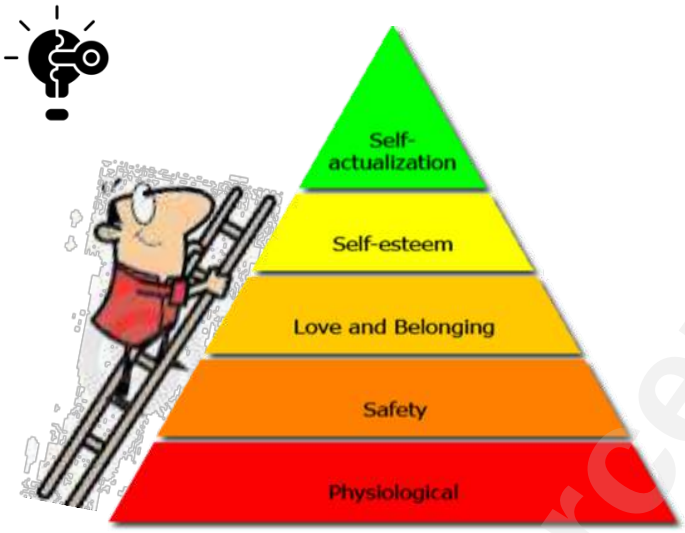
GRADE 10

Factors influencing housing decisions

Housing means a dwelling place. At its most basic it is meant to meet the first level of the Maslow's hierarchy of needs.

Maslow's Hierarchy of needs and housing



https://www.businessadministrationinformation.com
(Accessed 31/01/2022)

Shelter is a basic need on the Maslow's hierarchy of needs.

Consumers desire to achieve a comfortable place to live.

Priorities in consumers' lives compete for the limited resources available thus impact the choice of housing.

Housing options are available for consumers to choose to live in, but they must think whether to build, buy or rent.

The **socio-economic** situation of an individual impacts on the **affordability** to the choice of housing one may obtain.

https://bit.ly/3tvg6p3

The economic situation impacts what type of housing a consumer can afford.

Consumers have to set their priorities to what they can afford.

The socio-economic status influence whether they choose to buy, build or rent.

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The **family life cycle** phase may have an impact on the choice of **housing**.		
Phase in life family cycle	**Housing needs**	**Rent, build, buy**
Young Adult	Saving money for a house in the future. Needs less space – fewer possessions. Might need to relocate frequently.	Whichever housing is chosen there are financial and contractual responsibilities to be considered. The stage in the family life cycle impacts on whether they will buy, rent or build their home.
Young married couple	Smaller house Needs space to entertain friends. Live close to work, if possible.	
Developing family	Having children. Need location close to schools. Require more indoor and outdoor space and privacy.	
Contracting family	Needs a smaller home. Children are moving out and take their possessions with them.	
Empty nest stage	Safety, comfort, and health priorities. Need space for their children and their families when they visit.	
Aged	Independent or in need of care and assistance.	

https://bit.ly/3MpTor6

This knowledge on the family life cycle and socio-economic context will help your understanding of Grade 12 exam questions in Housing.

Terminology (See glossary for descriptions.)

Factors influencing housing dicisions			
Affordability	Socio-economic	Family life cycle	Housing

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HOUSING ACQUISITION OPTIONS - BUILDING, RENTING, BUYING

https://www.google.com/url?sa=i&url=http%3A%2F%2Fclipart

COMPARISON OF THE HOUSING ACQUISITION OPTIONS			
	BUYING	BUILDING	RENTING
Lifestyle	Flexibility – the property can be redeveloped.	Can be designed to the owner's needs.	Restricted – no flexibility to improve the property.
Cost	Fluctuates depending on interest rates. Cost more than renting initially.	Fluctuates depending on interest rates. May cost more than buying.	Rental increases with **inflation.**
Investment	Increasing value. Generates wealth. May be able to borrow against its value.	Increasing value. Generates wealth. May be able to borrow against its value.	No investment benefit to **tenant.**
Maintenance	Maintenance of house, garden, pool.	Low maintenance of the building initially because house is new. High cost to establish new garden.	Maintenance is owner's responsibility.

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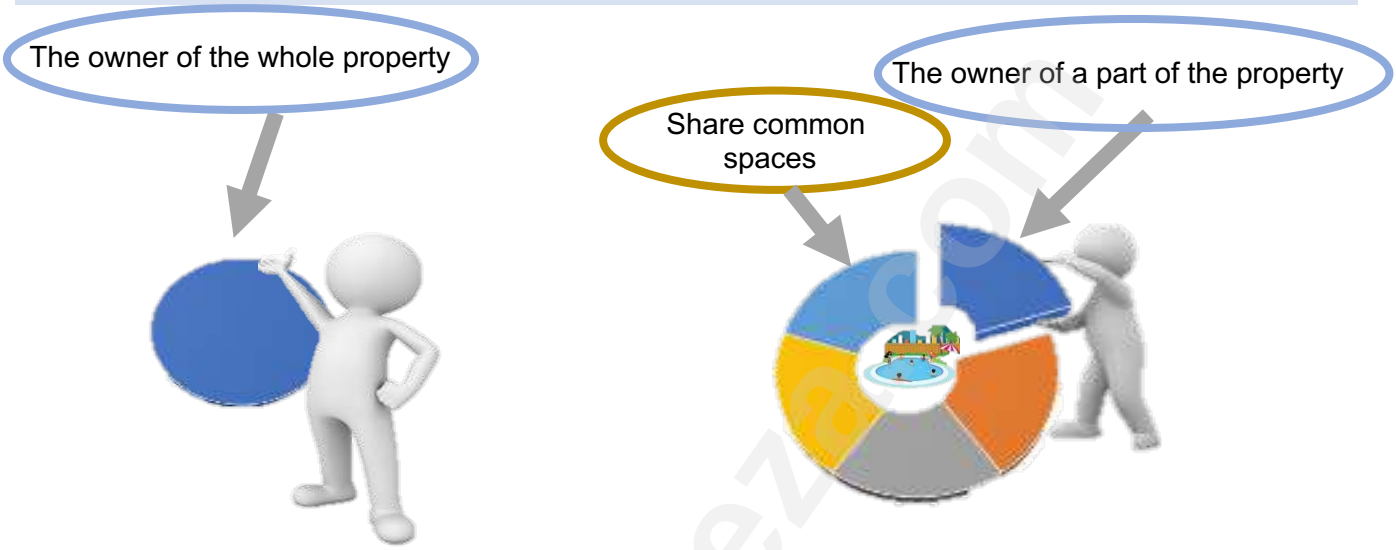
BUYING

FULL TITLE OWNERSHIP	SECTIONAL TITLE OWNERSHIP



Full title ownership (Free hold title)

This form of ownership means that a person is the **legal owner** of the entire property. The property consists of the land and the structure built on it.

The owner is responsible for paying all the **rates** for services such as water, sewerage, refuse removal and electricity. The owner is responsible to maintain the whole property.

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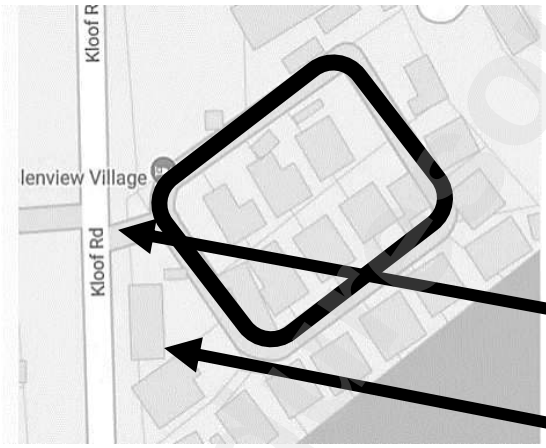
FULL TITLE OWNERSHIP	
ADVANTAGES	**DISADVANTAGES**
✓ More privacy (in- and outside). ✓ Owns all place around the house. ✓ Can expand the house in the future. ✓ Less noise from the neighbours. ✓ Can personalize development of the garden.	✓ Must pay for all maintenance costs. ✓ Entirely responsible for the maintenance of garden. ✓ Less secure than living in units located in complexes. ✓ Cannot just lock up and go away - garden needs care.

Sectional title ownership

This is a form of **ownership** where one is the legal owner of a section of the building and shares in the undivided lot of land it stands on.

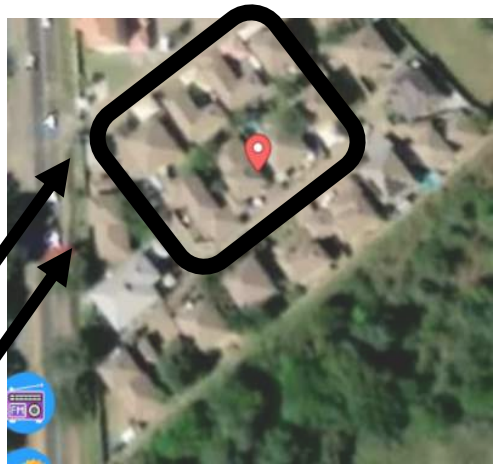
- **Transfer fees** must be paid by the buyer before they become the owner of a unit.
- Each owner in the sectional title property is a member of the **body corporate** of the block.
- Some of the owners are selected as the **trustees.**
- The body corporate is also responsible for the election of trustees who are responsible for the day-to-day running of the property.



Google maps

Security gate with guard on duty

Common area: Club house with gym.



Google earth

FUNCTION OF THE BODY CORPORATE

Common areas of the property include entrances, hallways, stairs and community gardens. The common property is owned jointly by each property owner in the sectional title lock/building. The common property does not form part of the individual property.

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REASONS FOR PAYING LEVIES FOR THE SECTIONAL TITLE OWNERSHIP

- To run the property, money is raised through monthly **levies** paid by all the owners.
- Levies are used to:
  - employ staff,
  - maintain the buildings,
  - pay rates (calculated by the value of each owner's property)
  - insurance on communal property e.g. swimming pool and lapa.

SECTIONAL TITLE OWNERSHIP

ADVANTAGES	DISADVANTAGES
✓ Lower responsibility for maintenance. ✓ Safer in numbers within a complex due to closer distance between neighbours. ✓ May have common areas such as swimming pool and playgrounds.	✓ Each owner must pay a monthly levy to trustees for maintenance. ✓ Options to make changes on the outside are restricted. ✓ Noisy neighbours can be a nuisance. ✓ Little outdoor privacy.

COMPARISON BETWEEN THE TWO TYPES OF OWNERSHIP

SIMILARITIES	DIFFERENCES	
	Full Title Ownership	**Sectional Title Ownership**
Both buyers are the legal owners of their property. Both can use the unit as security for a bank loan. Both are sound investment because the value of the property increases over time. The bond repayment could be a large part of the owner's monthly income.	The owner can make changes to his / her property without notifying anyone.	The owners must ask permission from the Body Corporate to make changes on anything on the outside.
	No need to notify anyone when you want to sell your property.	Must inform the Body Corporate if they want to sell the property.
	Maintenance of the property is the owner's responsibility.	Maintenance of the property is the responsibility of the Body Corporate.
	Safety and security is the owner's responsibility.	Safety and security is the responsibility of the Body Corporate.

Please note: Points which compare differences must be opposite each other.

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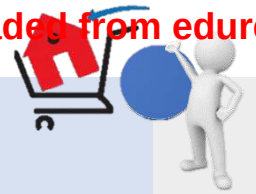

ADVANTAGES OF BUYING	DISADVANTAGES OF BUYING
Full title • Buyer is the legal owner of the property. • Can make changes to the property. • Sense of security and independence – security for a loan. • Sound investment – value increases over time. • No approval required to make changes.	**Full title** • Responsible for maintenance and repairs. • Responsible for safety and security. • Must pay the rates and taxes to the local municipality. • **Bond payment** could be a large part of your monthly income. • Difficult to sell should the owner need to move unexpectedly.

ADVANTAGES OF BUYING	DISADVANTAGES OF BUYING
Sectional Title • Can make changes to the interior of the house. • In complex, safer than a free standing house. • Can use common areas. • Less administration – body corporate handles administrative matters.	**Sectional Title** • Must pay a levy each month. • Levy usually increases every year. • Must share common areas. • Permission needed to change the exterior of the property.

BUILDING

ADVANTAGES OF BUILDING A HOUSE	DISADVANTAGE OF BUILDING A HOUSE
• Design the house to suit the owner's needs and taste. • Latest design and technology can be included. • Create environment friendly house. • Complete according the owner's. schedule. If not enough funds, work can be paused or stopped.	• Risk of faulty construction and design. • If building is delayed – it causes stress and discomfort. • Can be a time-consuming process. • Quality control is very important. • It is expensive to start a new garden.

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RENTING

ADVANTAGES OF RENTING

- Pays a fixed amount over a specific period.
- Does not pay land or **property tax.**
- Not responsible for the maintenance of the property.
- Can run a business from the unit- with permission from landlord.
- Easy to move after giving due notice.

DISADVANTAGES OF RENTING

- After paying for years still does not own the property.
- Tenant's assets do not increase.
- **Rent** increases each year.
- Cannot use property as a security for a loan.
- Cannot make any changes to the property.

COMPARING RENTING TO BUYING

RENTING	BUYING
• Less expensive/ more affordable initially.	• Initially more expensive.
• Doesn't give a sense of financial independence and security. Once the rental contract ends, tenant is at risk of being asked to leave.	• Gives a sense of independence cannot be asked to move out.
• Tenant cannot use the rented property as security for a loan.	• Property owner can use the property as security for a loan.
• Most of the maintenance remains the landlord's responsibility.	• Owner is responsible for maintenance and repairs.
• Tenant can move whenever lease expires or after giving due notice.	• To move, owner can sell the property, or can keep it as an investment and rent to tenants.

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Terminology (See glossary for descriptions.)

Housing acquisition options			
Ownership	Bond payment	Full title ownership	Levy
Transfer fees	Property tax	Sectional title ownership	Rates
Trustees	Inflation	Investment	Body corporate

ACTIVITIES: DIFFERENT HOUSING ACQUISITIONS OPTIONS

1. Choose the document which proves ownership of a property.

1.1 **(1)**

A Deed of sale
B Mortgage bond
C Sectional title
D Title deed

1.2 Read the following scenario and answer question 1.1.2 and 1.1.3 **(1)**

> Financial hard times have fallen on home owners. .A good number of mortgage payments are being missed. These past 18 months have seen many South Africans in financial distress. *Adapted from Finweek 2021/10/30 News24*

The financial strain experienced by homeowners is likely the result of …

A retrenchments levels.
B reduced salaries.
C fluctuating interest rates.
D high transfer duties.

1.3 Identify the group of people whose housing payments will not be affected. **(1)**

A Landlords
B Tenants
C Estate agents
D Bank manager

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1.4 Choose the person who rents **(1)**

A Landlord

B Conveyance lawyer

C Builder

D Tenant

1.5 The landlord and tenant make an agreement known as… **(1)**

A Bond.

B Subsidy.

C Lease.

D Deed.

1.6 Rental property is…. **(1)**

A Leased to tenants.

B Mortgaged to tenants.

C Sold to tenants.

D Bonded to tenants.

1.7 The monthly payment made by the homeowner for the house **(1)**

A Lease payment

B Bond payment

C Property rates

D Transfer fees

1.8 The other name for identifying a landlord. **(1)**

A Buyer

B Renter

C Lessor

D Lessee

1.9 The levy paid by a sectional-title homeowner is used for … **(1)**

A Security and painting of the barrier walls.

B Water for each unit and general maintenance.

C Body cooperate salaries and property insurance.

D Household insurance and maintenance of gardens.

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1.10 A service that is provided by municipalities to homeowners include: **(1)**

A Postal services

B Painting homes

C Fixing burst geysers

D Water and sanitation

2 From the list below, select FIVE responsibilities of a landlord. Write down just the letters of the correct statements: **(5)**

A. Improve the property.
B. Give notice to the landlord in writing when he /she plans to move out.
C. Keep the units clean.
D. Must maintain the property.
E. Repair damage to the property, if caused by the tenant.
F. Pay monthly mortgage bond instalments.
G. Must pay monthly rent.
H. Pay monthly service charges.
I. Must pay owners insurance.
J. Plant new trees in the open areas.

3 Read the statement below and answer the questions that follow.

> "This property is ideal for young people who are starting up in life with demanding jobs. Young people travel a lot and are not ready to buy property yet. The units are semi-fitted as well. They need the security of knowing they have a place to come back to. This is a very good place for them" said Rosemary who was advertising the property.

3.1 In what family life cycle stage are the people being talked about. **(1)**

3.2 Identify the type of agreement Rosemary would have when young people take up her offer. **(1)**

3.3 Suggest giving sound reasons what type of property Rosemary is advertising. **(5)**

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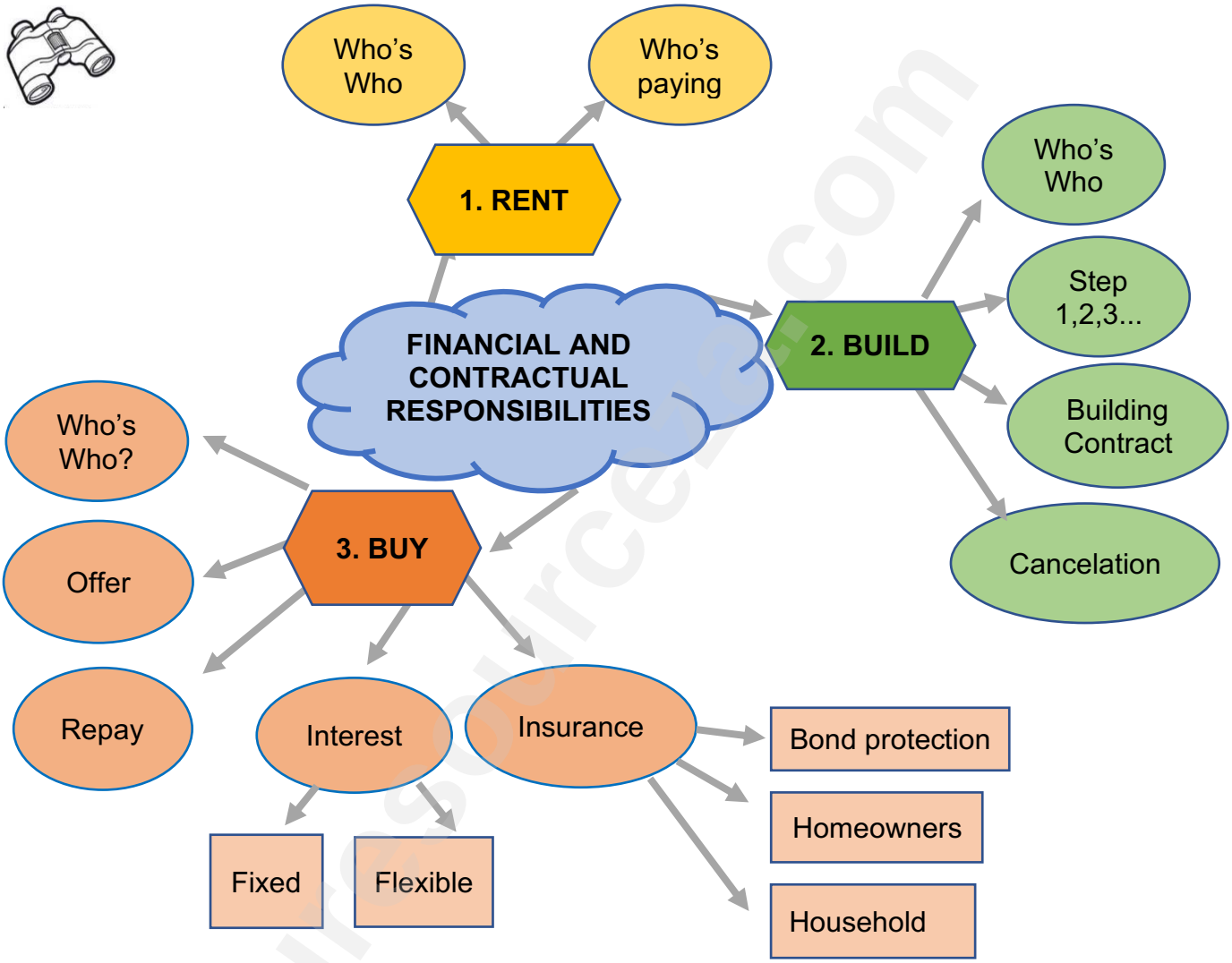
3.1.2 FINANCIAL AND CONTRACTUAL RESPONSIBILITIES

Financial and contractual responsibilities for the three housing options



RENTING	BUILDING	BUYING
Pays for the privilege to stay in somebody else's property. *olu-kproperties.co.za*	Buy land and material and construct the house. *Coin.pinterest.com*	Buy an existing house, new, from a developer or lived in from the previous owner. *wdrfree.com*

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GRADE 12

RENTING A HOUSE

WHO'S WHO?

Lessor/landlord = owner of property.

Lessee/tenant = person renting a property.

CONTRACTUAL RESPONSIBILITIES

The **lease** is a written legal document that states the rental conditions and the rights and responsibilities of the tenant and the landlord. Payment of **rent** gives **lessee/tenant** the right to live on the premises rented from the **lessor/landlord**.

Both parties must inspect the property before signing the lease. The tenant needs to make a list of the defects before moving in otherwise he/she can be held accountable for the damage.

WHO'S PAYING WHAT?	
Tenant	**Landlord**
A **deposit** is demanded for protection for financial loss of the landlord, usually equal to one month's rent.	Maintenance (structural damage) of the house • Leaking roof • Burst geyser / leaking pipes • Painting
Rent is paid monthly.	
Household **insurance** (insurance for all their belongings)	Homeowners insurance (the building structure).
Water / Electricity / Refuse removal	Property tax (to the municipality)

For first time buyers, it can be a real problem to save enough money for a **deposit to buy**. The answer to this problem is to start small and save everything you can towards a deposit on your own home.

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BUILDING A HOUSE

It is going to be ugly before it is going to get better.

commons.m.wikimedia.org

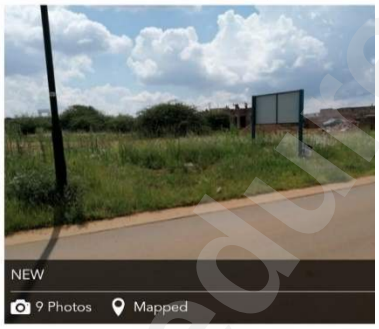
WHO'S WHO?

Real estate agent = sells property. (This process can also be financed through a bank.)

Architect = designs a **plan for the home** according to the owner's needs.

Building contractor = builds the house.

STEP 1



R2,000,000

Buying land in the right location – (newest trend = buying 'plot and plan' from developer)

STEP 2

Choose a **house plan** - must be approved by the municipality.

STEP 3

NATIONAL HOME BUILDERS NHBRC REGISTRATION COUNCIL

Select the contractor or builder that is registered with the National Home Builders Registration Council (**NHBRC)** and sign a **building contract**.

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BUILDING CONTRACT

A legal contract between the builder and the homeowner that stipulates all the details of the agreement.

The following aspects must be included in the building contract:

	MONEY A detailed breakdown of all costs, including building and legal costs must be obtained from the builder before building starts.
	MEASUREMENTS The exact dimensions or size of the house, according to the house plan.
	DATES 2 PAY The dates and way in which payments are to be made.
	DATES 2 FINISH The date by which the building should be completed.
	GUARANTEES A statement of the guarantee ensures that any structural defects, roof leaks, incorrect building work or work completed late, be repaired, or set right by the builder.
	SPECIFICATIONS The specification list attached to the plan, which describes all the materials finishes and fittings to be used in the construction of the house
	CANCELLATIONS The conditions under which the contract can be cancelled.

Remembering technique: Try to compose a song with the keywords:

MONEY, MEASUREMENTS, DATES 2 PAY, DATES 2 FINISH, GUARANTEES, SPECIFICATIONS, CANCELLATIONS.

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CANCELLATION OF THE BUILDING CONTRACT

The building contract must also include a cancellation clause laying down the conditions under which the contract can be cancelled or suspended:

- if the loan application is declined.
- the government subsidy is turned down.
- the agreement with the contractor or builder does not come into effect or falls away.
- the consequences if either you or the builder does not fulfil your part of the agreement.

BUYING A HOUSE

Equityprimerj.com

WHO'S WHO?

Buyer = wants to purchase a suitable home.

Seller = wants to sell his house.

Estate agent = handles communication and contracts between buyer and seller.

The bank (financial institution) = helps with the provision of funds.

Attorney = handles legal aspects.

OFFER TO PURCHASE

- A written offer from the buyer to the seller.
- It contains the purchase price as well as all the terms and conditions for purchasing the property.
- Offer to purchase becomes the sales agreement/**deed of sale** (a contract) once signed by the buyer and the seller.
- The next step is to pay a deposit and register the **bond**.
- The buyer can also use **collateral security** to get a home loan.

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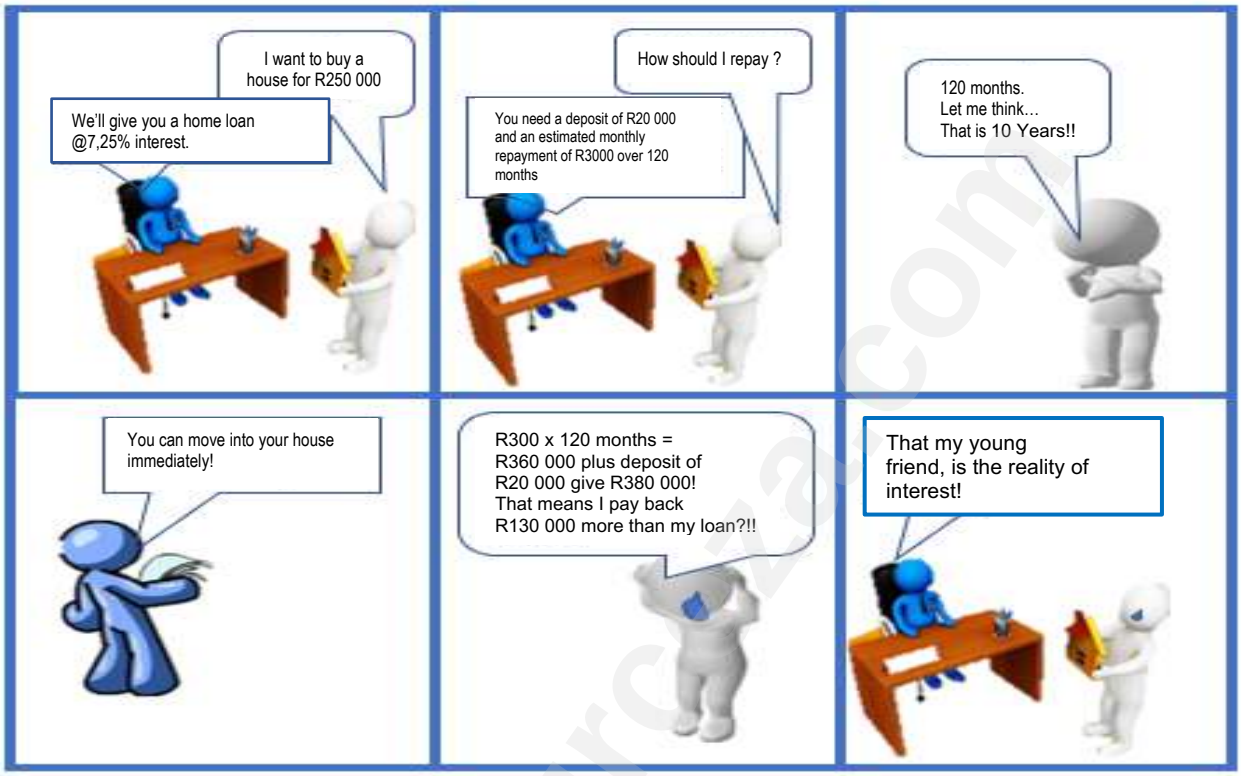
REPAYMENTS OF BOND

The bond is the money the buyer borrows from a bank to buy property.

This is paid back in monthly instalments, with **interest**, over a fixed period.



absa.co.za Real live example January 2021

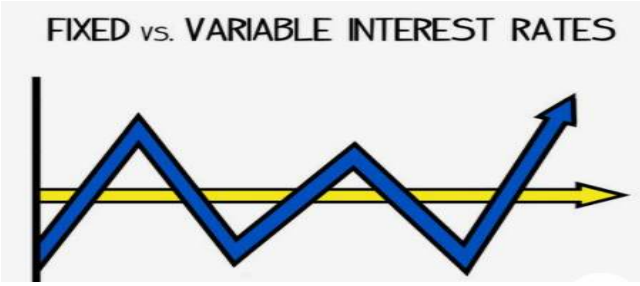
INTEREST RATES	
FIXED INTEREST RATES	**FLEXIBLE/ VARIABLE INTEREST RATES**
An interest rate that is fixed (does not change) over the agreed-upon period therefore repayment remains constant.	Fluctuating interest rates based on the repo rate as set by the Reserve bank. (Repo rate is the rate at which commercial banks lend money from the Reserve bank. This determines the interest rates of the banks.)

FIXED INTEREST RATE

In a fixed rate mortgage, the interest rate is pre-determined at the beginning of the loan term, (6 months - 30 years). Advantage: Security of knowing your monthly payments and allows you to plan accordingly.

VARIABLE INTEREST RATE

In a variable mortgage, the interest rates can fluctuate every month depending on the market conditions.



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INSURANCE

mint.intuit.com / kingprice.co.za

Mortgage / Bond protection	This insurance covers the outstanding amount of the home loan should something unexpected happen to the buyer. This type of insurance covers repayments if the bondholder is unable to pay the bond repayments in case of death, retrenchment, or disability. This means that the homeowner's family will retain the ownership of the home in the case of death. (Also known as: life insurance.)
Homeowner's insurance / Comprehensive homeowner's insurance: (CHI)	Short term insurance that protects the house against structural damage from fire, floods, other natural disasters or political unrest. This type of insurance is compulsory while the bond is still payable because it protects the bank against the loss of the money it provided for the home loan.
Household insurance	Insurance that covers all their belongings / contents in the house, e.g., furniture, TV and other appliances against theft and damage. This type of insurance is optional.

Terminology (See glossary for descriptions.)

Financial and contractual responsibilities			
Lessee/tenant	Collateral security	Interest	Building contract
Lessor/landlord	Deposit when renting	Deposit buying	Insurance
NHBRC			

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ACTIVITIES: FINANCIAL AND CONTRACTUAL RESPONSIBILITIES

1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A-D) next to the question numbers (1.1.1 to 1.1.20) in the ANSWER BOOK, e.g. 1.1.22 C.

1.1 The money charged by the bank when borrowing money: **(1)**

- **A** Bond
- **B** Loan
- **C** Interest
- **D** Rates

1.2 A mortgage repayment may not exceed … of the buyer's income. **(1)**

- **A** 15% to 20%
- **B** 25% to 30%
- **C** 35% to 40%
- **D** 45% to 50%

1.3 … covers the damage to the structure and fixtures of the house. **(1)**

- **A** Household insurance
- **B** Mortgage protection insurance
- **C** Homeowner's comprehensive insurance
- **D** Life assurance

1.4 A building contract is signed by the … **(1)**

- **A** lessee and lessor.
- **B** buyer and seller.
- **C** builder and homeowner.
- **D** bank and builder.

1.5 A contract between a credit provider and a buyer of a property: **(1)**

- **A** Mortgage bond
- **B** Deed of sale
- **C** Collateral bond
- **D** Subsidy

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1.6 The housing acquisition option that allows the most creativity: **(1)**

A Building own house

B Renting a house

C Buying a full-title house

D Buying a sectional-title house

1.7 A responsibility of a sectional-title property owner: **(1)**

A Cleaning the swimming pool

B Painting the exterior walls of the unit

C Paying for the electricity used in the unit

D Working in the communal gardens

1.8 All builders and contractors must be registered with … **(1)**

A FICA..

B the NHBRC

C the NBT.

D the SABS.

1.9 The factor that leads to changes in the monthly bond repayments of a flexible home loan … **(1)**

A monthly electricity tariffs.

B a rise in the inflation rate.

C higher transfer duties.

D salary increases

1.10 An increase in the Repo rate will not affect this group. **(1)**

A Body corporate

B Builders

C Landlord

D Tenant

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2 Choose the housing option in COLUMN B that matches the description in COLUMN A. Write only the letter (A–E) next to the question number (2.1–2.3) in the ANSWER BOOK, e.g. 1.2.5 G **(3)**

COLUMN A DESCRIPTION	COLUMN B HOUSING OPTION
2.1 Adria's job requires her to travel through the country every year or two.	**A** building
2.2 Sasha is very creative. She enjoys decorating the house and working in the garden. The family owns a plot of land.	**B** using a home loan
2.3 Kaizer and his family have a stable income and savings.	**C** staying at family
	D renting
	E Get help from body corporate

3 Study the advertisement below and answer the questions that follow.

THE SILVERBIRCH

A modern new housing development near the university. Invest in a housing development that offers profitable long-term rewards. Flats from R549 000. The 11-storey development offers a range of flats to select from. Security has been given a high priority and includes guards and electric fencing. Communal facilities include a swimming pool, braai facilities and a common entertainment area.

3.1 Identify the type of home ownership in the advertisement above. **(1)**

3.2 Use the information in the advertisement and explain what the levy will be used for. **(4)**

3.3 Discuss the validity of the statement below: Invest in a housing development that offers profitable long-term rewards. **(8)**

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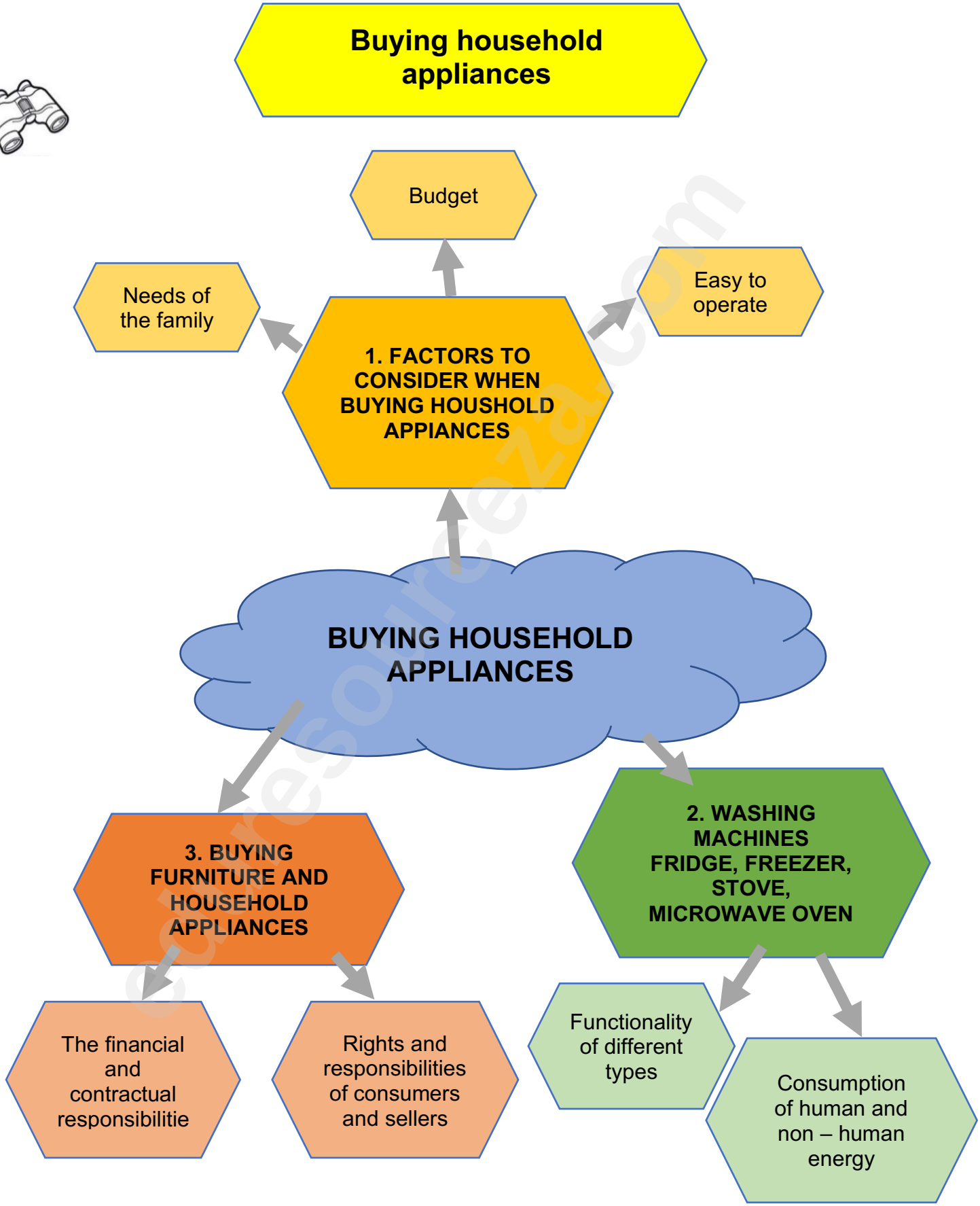
3.1.3 HOUSEHOULD EQUIPMENT



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GRADE 12

FACTORS TO CONSIDER WHEN BUYING HOUSEHOLD APPLIANCES

BUYING HOUSEHOLD APPLIANCES

APPLIANCES:

Washing machines, Fridges, Freezers, Stoves, Microwave ovens.

FACTORS TO CONSIDER WHEN BUYING HOUSEHOLD APPLIANCES

NEEDS OF THE FAMILY

- Identify family's needs
- Consider availability of space
- Size of the family
- Lifestyle

BUDGET

- Check affordability (**budgetary constraints)**
- Compare prices
- Get value for money
- Read warrantee
- Read guarantee
- Choose energy efficient appliances.
- Check quality and features
- Consider maintenance and repairs.
- Replacement parts should be easily available.

EASY TO OPERATE

- Get operation instructions/ manual
- Simple instructions
- It should reduce workload
- Safe to use
- Childproof control (Grade 10: ergonomics)

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Washing machines, Fridge, Freezer, Stove, Microwave oven.

Washing machines

Front loader

Top loaders

Twin-Tub

SOURCE: https://www.google.com/search?q=washingmachine (accessed 29/01/22)

FUNCTIONALITY OF DIFFERENT TYPES

- Twin-tubs are cheaper and take a big load.
- Twin-tub machines take a lot of space and need attention.
- Front-loaders are easier to fit into spaces and use less water.
- Front-loaders do not need attention and use cold water.
- Top-loader machines do not need attention during washing.
- Top loaders use more water and need hot water from the geyser.

CONSUMPTION OF HUMAN ENERGY

- Human energy is the ability to perform hard work/duties.
- Lint filters should be easy to reach and clean.
- Simple/ easy control panels.

CONSUMPTION OF NON - HUMAN ENERGY

- Non-human energy refers to electricity or running costs of an appliance.
- The size should meet the family's needs.

WATER CONSUMPTION AND POSSIBLE WATER IMPACT

- Fill the washing machine completely before operating.
- Front-loader uses less water to operate correctly.
- Check the rating for water and **energy efficient**
- Dispose packaging in an environmentally friendly manner

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Fridges and Freezers

Double door fridge and freezer

Upright freezer

Chest freezers

SOURCE: *https://www.google.com/search?q=refrigerators(accessed 30/01/22)*

FUNCTIONALITY OF DIFFERENT TYPES

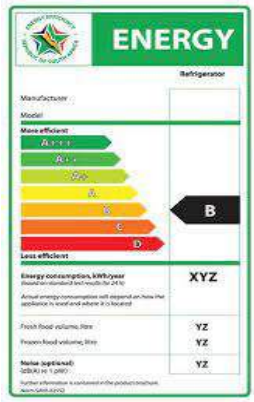
- Functionality and desired features.
- Size according to available space.
- Safety features.
- Maintenance and instructions to use.
- Electricity consumption.
- Price.
- Environmental friendliness.

CONSUMPTION OF HUMAN AND ENERGY

- Saves time with no frost option.
- Manual defrosting uses more human energy.
- Ice makers save time and energy.

CONSUMPTION OF NON - HUMAN ENERGY

- Even distribution of air and temperature saves electricity.
- Large models consume more electricity and correct size is cheaper.
- Overloading consumes more electricity.
- Temperature control should be optimum.
- Intact seal for optimal use.
- CFC–free: Freezers use natural gas. (More environmentally friendly.)



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Stoves

Build-in stove

Spiral electrical plates

Solid electrical plates

Gas hob burner
https://bit.ly/3IOfyRK

Induction hob

FUNCTIONALITY OF DIFFERENT TYPES	CONSUMPTION OF HUMAN ENERGY	CONSUMPTION OF NON-HUMAN ENERGY
• Spiral plates heat quicker and cool faster. • Difficult to clean. • Solid plates take longer to heat up, easy to clean. • Ceramic or glass need flat pots and pans. They are easy to clean.	• Buy easy to clean stoves. • Easy to use control buttons. • Clear displayed text. • Simple and easy instructions manual.	• Gas stoves don't use electricity and are cheaper. • Different sized plates or burners can save energy if matched to cooking utensil.

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Microwave ovens

https://bit.ly/3pCSnC7

FUNCTIONALITY OF DIFFERENT TYPES	CONSUMPTION OF HUMAN ENERGY	CONSUMPTION OF NON-HUMAN ENERGY
• Buy the size that suits your needs.	• Less time for cooking. • Easy to clean.	• Less electricity than stoves.

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THE FINANCIAL AND CONTRACTUAL RESPONSIBILITIES OF BUYING FURNITURE AND HOUSEHOLD APPLIANCES

Types of transactions:

- Cash, instalment sale transactions, laybys, credit account transactions, bank credit card transactions, hire purchase.
- Total costs of instalment sale transactions.

source: https://www.google.com/search?q=cartoon+on+buying+credit&rlz (accessed 31/01/22)

RESPONSIBILITIES BEFORE BUYING APPLIANCES

- Compare different brands.
- Compare value for the price.
- Compare different stores.
- Buy from reputable stores.
- Find out hidden costs, service fees, installation costs, delivery costs.
- Note the stores return or exchange policy.
- Carefully read and know guarantees and warranties.

RESPONSIBILITIES AFTER BUYING APPLIANCES

- Ensure there is a manufacturers instruction manual.
- Inspect / test the appliance carefully at delivery.
- Read the manual before working with the appliance.
- Keep all receipts, guarantees, instruction manual and appliance paperwork together.
- Follow the correct complaint procedure if not satisfied with your appliance.

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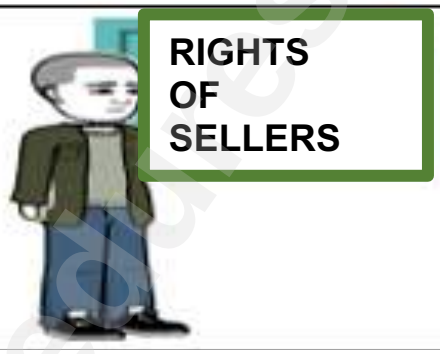
RIGHTS AND RESPONSIBILITIES OF CONSUMERS AND SELLER

RIGHTS OF CONSUMER	RESPONSIBILITIES OF SELLERS
• Right to privacy. • Can refuse unwanted marketing.	• Not to forward details to other parties. • Not to contact consumers that refuse to be contacted.
• Get information about product, terms in conditions in simple language.	• Simple and understandable language used in all contracts and documents.
• Fair and honest dealings.	• Fair to both parties. • Disclosure of all hidden costs.
• Choose products using own comparison on quality and price.	• Compliance to Consumer Protection Act.
• Fair value, good quality, safety and warranty on transactions and agreements.	• There should be implicit warranty.
• Inspect goods.	• Samples or examples should be available.
• Return damaged goods to seller.	• Inform Consumer about 5days return policy. • Payment by seller within 15 days after returning goods.



RIGHTS OF SELLERS	RESPONSIBILITIES OF CONSUMERS
• Address bad debt and get payment for products or services.	• Prompt/ quick payment.
• Protection against shoplifters.	• Honest and ethical behaviour in following instructions and handling goods.
• Be treated with respect.	• Complain if necessary. • Be aware of behavioural impact on others.
• Goods not to be damaged by Consumers.	• Be aware of behavioural impact of handling goods on the environment.

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Terminology (See glossary for descriptions.)

Househould equipment		
Appliance	Energy efficient appliance	Budgetary constraints
Household appliance	Human Energy	Non- Human Energy
Cash	Credit account transaction	Hire purchase
Instalment sale transactions	Bank credit card	Lay-bys

ACTIVITIES: HOUSEHOLD EQUIPMENT

1. Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A-D) next to the question numbers.

1.1 Factors to consider when buying household appliances **(1)**

A Weight, colour, material

B Budget, style, shape

C Needs of the famaly, budget, easy to operate

D Easy to operate, texture, budget.

1.2 An assurance that the product will remain in working order for a certain length of time. **(1)**

A Guarantee

B Warrantee

C Contract

D Insurance

1.3 An appliance that runs using the least possible energy **(1)**

A Fast working appliance

B Energy efficient appliance

C Energetic appliance

D Resourceful appliance

1.4 A/An example of a household appliance **(1)**

A Washing Machine

B Door

C Bed

D Electricity efficient

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1.5 The ability to perform hard work/duties **(1)**

A Non-human energy
B Human energy
C Energy expertise
D Solar energy

1.6 An energy efficient household appliance **(1)**

A Stove
B Fridge
C Freezer
D Microwave

1.7 The cheaper washing machine **(1)**

A Front loader
B Top loader
C Twin-tub
D Washer-dryer

1.8 Financial responsibilities before buying household appliances **(1)**

A Buy from reputable stores
B Never buy appliances
C Compare neighbour's appliances first
D Buy on hire purchase

1.9 Right of the seller **(1)**

A Encourage shoplifting
B Discriminate consumers
C Protection against shoplifters
D Charge inflated prices

1.10 Responsibilities of Consumers **(1)**

A Prompt or quick payment
B Default on payments
C Refuse to pay for goods
D Buy stolen goods

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2. State FOUR responsibilities of consumers after purchasing a household appliance. **(4)**

3. Read the advertisement below and answer the questions that follow.

GEMINI GOURMET MULTIFUNCTION DOUBLE OVEN R8 999,00

Features:

Dimensions:

• Height (mm) 1 100

• Width (mm) 730

• Depth (mm) 600

• Double oven • Easy clean enamel interior • Doors open to the side

• Eco-energy efficient • Control knobs – illuminated • Oven light

• Doors are reversible (can be attached to open to the left or right) • Air-cooled oven door (the constant flow of air keeps the glass door cool)

• Main oven has a thermo fan

• Two ovens provide a large oven capacity (cook more dishes at the same time – ideal for bulk cooking and entertaining)

Multifunction oven: •Baking (with or without fan)

•Grilling (only grill element is used)

•Defrosting (quick results – the fan circulates air at room temperature)

[Adapted from www.defy.co.za]

3.1 Name TWO possible disadvantages of this oven. **(2)**

3.2 Name TWO advantages of using energy efficient appliances. **(2)**

3.3 Discuss the suitability of this oven in terms of:

3.3.1 Saving human energy **(2)**

3.3.2 Saving non-human energy **(3)**

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3.2 ANSWERS FOR ACTIVITIES

ANSWERS TO ACTIVITIES ON DIFFERENT HOUSING ACQUISITIONS OPTIONS

1.	**1.1**	C	Focus p 125 Successful p 142	**(1)**
	1.2	C	Focus p 125 Successful p 145	**(1)**
	1.3	B	Focus p 114 Successful p 136	**(1)**
	1.4	D	Focus p 136 Successful p 114	**(1)**
	1.5	C	Focus p 114 Successful p 136	**(1)**
	1.6	A	Focus p 114 Successful p 136	**(1)**
	1.7	B	Focus p 118 Successful p 140	**(1)**
	1.8	C	Focus p 114 Successful p 136	**(1)**
	1.9	A	Focus p 119 Successful p 141	**(1)**
	1.10	D	Focus p 119 Successful p 140	**(1)**

2. A, D, F, I, J **(5)**

3.1 Young adult stage. ✓ **(1)**

3.2 Lease agreement. . ✓ **(1)**

3.3 It is a rental property.✓ **(5)**

- It is a rental because Rosemary feels it will be suitable for young people who are not yet ready to buy. ✓
- She mentions that it is suitable for young people who are just starting up in life which means they do not have money to take up a mortgage. ✓
- Young people just starting up in life might mean they can move from their jobs and a rented place is easier to leave after giving the required notice time.✓
- The landlord will be responsible for maintenance which will be less expensive ✓for the young people and not take up their time from their demanding jobs/ they can have resting time when they are not at work instead of put more energy to do maintenance.✓
- The fixed amount paid for an extended time would be good for the young people just starting up in life.✓
- Rosemary is confident for the young people that they will find the accommodation available even after their frequent travelling because in a rental a tenure agreement is signed.✓

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ANSWERS TO ACTIVITIES ON FINANCIAL AND CONTRACTUAL RESPONSIBILITIES

1.	**1.1**	C	Remembering, easy (Focus, p.127, Successful, p.145)	**(1)**
	1.2	B	Understanding, moderate (Focus, p.128, Successful, p.145- 146)	**(1)**
	1.3	C	Understanding, moderate (Focus, p.131, Successful, p.148)	**(1)**
	1.4	C	Remembering, easy (Focus, p.120; Successful, p.139)	**(1)**
	1.5	A	Understanding, easy (Focus, p.126; Successful, p.171)	**(1)**
	1.6	A	Remembering, easy (Focus, p. 121; Successful, p. 138)	**(1)**
	1.7	C	Understanding, moderate (Focus, p. 122; Successful, p. 140)	**(1)**
	1.8	B	Remembering, easy (Focus, p.120; Successful, p.139)	**(1)**
	1.9	B	Understanding, difficult (Focus, p.127; Successful, p.145)	**(1)**
	1.10	D	Applying, moderate (Focus, p.118; Successful, p.137)	**(1)**
2.	**2.1**	D	(Focus, p.118; Successful, p.137)	**(1)**
	2.2	A	(Focus, p.119; Successful, p.138) ,	**(1)**
	2.3	B	(Focus, p.122; Successful, p.140)	**(1)**

3. **3.1** Sectional title✓ **(1)**

Remembering, easy (Focus, page 122; Successful, page 140)

3.2 **(4)**

- To pay for the security,✓ which include salaries of the guards✓ and electric fencing.✓
- To maintain the communal facilities✓ such as the swimming pool,✓ braai facilities✓ and common entertainment area.✓ (Any 4)

Remembering, easy (Focus, page 140; Successful, page 122)

3.3 **(8)**

- As it is a brand-new apartment, no/very little maintenance✓ will have to be done in the first few years. This saves money/ensures a larger profit when it is sold.✓
- As it is near the university, it will be easy for the owner to find tenants/ students to rent the apartment.✓
- Once the bond is paid off, the owner/landlord can earn a good, steady income if the apartments are rented out.✓
- The value of the apartment will increase over time✓ and thus have a greater value. ✓
- The owner will be able to sell the apartment for a profit✓ over the long-term/after a few years.
- The apartment can form part of the owner's estate after his/her death,✓so they will benefit from the investment/benefit from the increased value of the property✓/can inherit the property✓. (Any 8) (8)

Applying, difficult (Focus, page 122; Successful, page 141)

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ANSWERS TO ACTIVITIES ON HOUSEHOULD EQUIPMENT

1.	**1.1**	C	Remembering, easy (Focus, p.133, Successful, p.152)	**(1)**
	1.2	A	Remembering, easy (Focus, p.148)	**(1)**
	1.3	B	Remembering, moderate (Focus, p., Successful, p.154)	**(1)**
	1.4	A	Remembering, easy (Focus, p.143, Successful, p.158)	**(1)**
	1.5	B	Remembering, easy (Focus, p.136, Successful, p.154)	**(1)**
	1.6	D	Remembering, easy (Focus, p.141, Successful, p.159)	**(1)**
	1.7	C	Remembering, easy (Focus, p.143, Successful, p.157)	**(1)**
	1.8	A	Remembering, easy (Successful, p.161)	**(1)**
	1.9	C	Remembering, easy (Successful, p.165)	**(1)**
	1.10	A	Remembering, easy (Focus, p.150, Successful, p.165)	**(1)**

2. Ensure there is a manufacturers instruction manual. ✓ **(4)**

Inspect the appliance carefully at delivery. ✓

Read the manual ✓ before working with the appliance.

Keep together all receipts, guarantees, instruction manual and appliance paperwork. ✓

Follow the correct complaint procedure if not satisfied with your appliance. ✓

(Any 4)

Understanding, easy (Focus, p.150, Successful, p.165)

3. 3.1

- It is expensive/ more expensive than a single oven. ✓
- It takes up a lot of space/ is high. ✓
- Cannot be installed under a counter. ✓ **(2)**
- Only the main oven has a thermo-fan. ✓ *(Any 2)*

Understanding, moderate (Focus, page 133; Successful, page 152)

3.2

- The more energy-efficient an appliance is, the less it costs to run/ running cost is lower. ✓ **(2)**
- There is less load on the national grid. ✓
- Using less energy is good for the environment/ more environmentally friendly/ reduces air pollution/ helps to conserve natural resources/ low carbon footprint. ✓
- You can bake on more than one level in a thermo-fan oven. ✓

(Any 2)

Remembering, easy (Focus, page 134; Successful, page 155)

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3.3. 3.3.1

- This oven saves human energy as it: **(2)**
- has an easy-to-clean enamel interior. ✓
- has easy-to-use control buttons. ✓
- saves time when cooking in bulk/ entertaining as many dishes/ all cooking can be done at once. ✓
- is on eye-level and you don't have to bend down. ✓ (Any 2)

Analysing, moderate

3.3.2

- This oven saves non-human energy as it: **(3)**
- is (eco)-energy efficient.✓
- has different functional options/ can switch on one or two elements as desired/ can be used with or without the fan. ✓
- defrosting can be done quickly. ✓
- electricity is saved as many dishes as possible/ all cooking can be done at once (no need to use the oven for an extended time).✓ (Any 3)

Analysing, moderate

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3.3 QUESTION GUIDANCE ON HOUSING

HOW TO PREPARE OR STUDY FOR THE EXAMINATION ON THIS TOPIC

- The content in this topic has been trimmed.
- In case studies ensure that your answer refers to specifics given in the scenario first, before giving more general answers.
- Highlight or underline the key concepts in the question. Ensure to follow the direction of the instruction with regards to the topic. Consider all details given as sometimes there is more than one factor to consider, look at this example:

5.4 Discuss the benefits of renting a home in a safety complex near the office where you work. (4)

Action Verb Discuss (encircled)

Topic renting (underlined)

SPECIFIC DETAILS near the office where you work

***In answering the question remember discussing is NOT just one-word answers. Ensure that NO general renting criteria must be given, special reference to living in a safety complex**

TYPICAL EXAMINATION QUESTIONS / WHAT TO EXPECT IN THE EXAMINATION

You will be expected to apply your knowledge to various given scenario's.

EXAMPLE 1

5.2 Read the scenario below and answer questions that follow.

The Dhliwayo couple is both over 50 years old. They own a spacious home with large garden and a swimming pool. They are both retiring within a few years and want to move to a townhouse in a retirement village. In signing the contract they read through all the contractual terms and conditions

5.2.1 Identify the type of housing option the Dhliwayo couple currently have and discuss the benefits of their future home. (5)

5.2.1 **Action Verb** Identify AND discuss (encircled)

Topic ownership and benefits (underlined)

SPECIFIC DETAILS currently and future homes

* **In answering the question remember discussing is NOT just one-word answers. Ensure that NO general advantages must be given, special reference must be made to sectional title homes Make sure at LEAST THREE benefits is given for every option, as marks for the question is 5.**

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5.2.2 Explain FIVE contractual terms and conditions that should be stated in the contract that they signed for the new future home. (5)

5.2.2 **Action Verb** Explain (encircled)

Topic contractual terms and conditions (underlined)

SPECIFIC DETAILS sectional title

* **When answering this question make sure the contractual terms and conditions has reference to the sectional title and not general terms and conditions also note ONLY the first FIVE will be marked**

EXAMPLE 2

5.5 Study the following cartoon and answer the question.

5.5.3 Renting out buildings is sometimes more beneficial than owning the building.

Justify the statement that the building makes to the rising rent.

ACTION VERB Justify (encircled)

TOPIC renting (underlined)

SPECIFIC DETAILS rent more beneficial

*** Justify means you must say why the statement made is true.**

In answering the question make sure to indicate, with reasons, why it is true, (remember rent is increased every year according to the contract

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3.4 EXEMPLAR EXAMINATION QUESTIONS AND ANSWERS

In the final NCS Question paper, the content from this booklet will be covered in Question 5. The total mark allocation for this question will always be 20 marks. Following are THREE question 5's as you could expect to find. Named Example Question A, B and C.

EXEMPLAR 1 QUESTION 5: HOUSING AND INTERIOR

5.1 Explain TWO types of insurance payable by homeowners but NOT by tenants. **(4)**

5.2 Read the extract below and answer the questions that follow.

> Mr Kellerman said "Around half of all new home loan applicants are for 100% loans." This means that the applicants do not have the intention of putting down a deposit.
> Putting down a deposit, even a minimal amount can greatly benefit a home buyer. People who demonstrate the ability to save are typically considered lower risk by the banks.
>
> New homeowners need to realise that owning a home can be expensive in different ways. First time buyers seem to be much more interested in higher density units where some of the communal costs are shared while a number of existing owners are scaling down to save on the increasing running costs of a property.
>
> "Rates, taxes and general maintenance on a larger free-standing house add up quickly and can sometimes end up getting to the point where it is no longer affordable," continued Mr Kellerman.
>
> [source: Adapted from www.fnb.co.za]

5.2.1 Idenfy the type of ownership for the following properties mentioned in the abstract. **(1)**

(a) "larger free-standing house" (last paragraph)

(b) "higher density units" (second paragraph) **(1)**

5.2.2 Give ONE advantage of the type of ownership in 5.1 (b) that is evident in the extract. **(1)**

5.2.3 Give a definition for the following terms

(a) deposit (paragraph 1) **(2)**

(b) bond (paragraph 1) **(2)**

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5.3 Study the advertisements for washing machines below and answer the questions that follow.

Washing machine A	**Washing machine B**
R8 700.00 Get it on credit Deposit: R480.00 R550 x 24 months Total repayable: R13 680	R9 200,00 Get it on credit Deposit: R490,00 R570.00 x 24 months Total repayable: R14 170
8 kg capacity 14 programs Energy rating: A+++ 2-year guarantee	16 kg capacity 13 programs Energy rating: A 2-year guarantee

5.3.1 The washing machines can be bought cash or on credit. **(1)**
Name the type of credit transaction in the advertisement.

5.3.2 Give reasons for the difference in the cost between paying cash and buying the washing machines on credit. **(3)**

5.3.3 A consumer decides to buy one of the washing machines on credit. **(2)**
The consumer does not understand all the terms and conditions in the contract. Give the right of the consumer and the responsibility of the seller in this case.

5.3.4 A consumer decides to buy one of the washing machines. List THREE responsibilities of the consumer at the time of delivery and afterwards. **(3)**

TOTAL [20]

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EXEMPLAR 2 QUESTION 5: HOUSING AND INTERIOR

5.1 Examine the advertisement below from Chatham and answer the questions 5.1.1 to 5.1.3

(1)

5.1.1 Name the type of home ownership Ms Keswa has from whom Deedee will be renting.

5.1.2 List basic services that Municipalities should provide for the residents in this block of flats. **(2)**

5.1.3 Consider the housing needs of Deedee, a first-year student who needs an affordable rental unit in a sectional title complex close to her college. Judge how a unit in this block of flats might suit her needs in terms of the following:

(a) Renting **(2)**

(b) Amenities. **(2)**

5.2 Give the purpose of the National Home Builders Registration Council (NHBRC) **(2)**

5.3 Read the scenario below and answer the questions that follow.

John decided to buy a house and rent it out to supplement his income. He obtained a bond from the bank to finance the buying of the house.

5.3.1 Name THREE financial responsibilities that John will have as a landlord. **(3)**

5.3.2 Explain why it would be best for John to take a fixed interest rate on the home loan. **(3)**

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5.4 Read the scenario below and answer the questions that follow.

> Rosaria received her Stokvel money and decided to buy a fridge. Her friends Thandi and Adrie told her about the truck that sells very cheap fridges. She paid the truck driver cash and he delivered the fridge to her home It was in a new sealed box. The fridge was delivered to her home and it could not fit in her kitchen. It was then kept in the dining room.
>
> The next day she noticed that no water came out of the dispenser, there was a built up of ice in the fridge, the water was leaking, the control panel and compressor were broken and food was not kept cold. Her attempts to complain or be refunded were in vain as she did not get any receipts or contacts of the truck driver. The truck driver also stopped selling fridges in her area.

5.4.1 State the first mistake done by Rosaria when purchasing the appliance **(1)**

5.4.2 Mention one family need Rosaria ignored. **(1)**

5.4.3 The refrigerator was not in good working conditions. List TWO faults. **(2)**

5.4.4 Rosaria decided to purchase a new fridge from a reputable store and she is no longer paying her monthly instalments. Give her advice on the rights of the seller. (Mention TWO) **(2)**

TOTAL [21]

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EXEMPLAR 3 QUESTION 5: HOUSING AND INTERIOR

5.1 Read the scenrio and answer the questions that follow

> Raji, a first-year student, found an affordable unit in a sectional title complex close to the teaching college. He paid the deposit, signed a contract for a year and moved in.
>
> After moving in he noticed that the kitchen sink and toilet valves kept water leaking, the oven switched on when she used the top of the stove. There was a cracked bathroom window. He recorded all the faults as he discovered them, meaning to tell the landlord.
>
> To make pocket money Raji started a hair salon business from the unit. He frequently took in friends to stay with him. When Raji moved out before the end of his contract the landlord refused to pay his deposit back.

5.1.1 Identify the type of contract referred to in paragraph 1. **(1)**

5.1.2 Give TWO reasons why Raji's water and electricity account could have been higher than those of other units in the complex. **(2)**

5.1.3 Discuss TWO advantages of the type of ownership for the landlord of the unit. **(4)**

5.2 Study the scenario below and answer the questions that follow:

Mr Jacobs is part of a developing family. It has always been his dream to be a homeowner.

He is considering the next three houses:

A	B	C
Remax.co.za	Seeff.com	Remax.co.za
Price: R2,250 000 Bedrooms: 3 Bathrooms: 2 Garages: 1 with carport Location: Doringkloof Newly renovated home, walking distance from school. Lapa and swimming pool.	Price: R4,250 000 Bedrooms: 4 Bathrooms: 5 Garages: 2 Location: Centurion Golf Estate Stunning views of Golf Course, Prepaid electricity, No loadshedding.	Price: R1, 190 000 Bedrooms: 3 Bathrooms: 2 Garages: 1 with carport Location: Faerie Glen Pretoria A must for the first-time buyer! Situated in a very neat and well-kept complex.

5.2.1 Explain the statement: Mr Jacobs is part of a developing family **(1)**

5.2.2 Identify the house that will NOT be suitable for Mr Jacobs. **(1)**

5.2.3 Calculate the deposit needed for house A if the bank requires a 10% deposit. Show your calculations. **(2)**

5.2.4 Determine the factors that will add extra costs to the purchase of house C **(2)**

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5.3 Study the pictures of the two stoves below and answer the question that follow.

Stove A	Stove B
 SOURCE: www.makro.co.za	 SOURCE: www.makro.co.za
• Two electric plates • Four gas burners • Electric oven Cash Price: R10 999.99 Credit price R11 999.99 No deposit	• Six gas burners • Gas oven Cash Price R11 999.99 Instalment sale: R500 over 12 months Deposit R600

5.3.1 Identify the stove that uses the most non-human energy **(1)**

5.3.2 Give the reason for the answer to QUESTION 5.3.1 **(1)**

5.3.3 Explain why STOVE B will be most suitable choice **(2)**

5.3.4 Calculate the total price of STOVE B if it is bought according to an instalment sale transaction. Show ALL calculations. **(3)**

TOTAL [20]

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ANSWERS TO EXEMPLAR 1 QUESTION 5: HOUSING AND INTERIOR

5.1

- Bond/Mortgage protection insurance:✓ Life insurance to settle the home loan if something unexpected should happen to the buyer. / Covers repayments if the bondholder is unable to pay the bond instalments as a result of death, retrenchment or disability. ✓ **(4)**
- Homeowner's (comprehensive) insurance: ✓ Cover any losses should the) home structure suffer damage as a result of a natural disaster/ storm/flood/an accident/a burst geyser/political unrest/fire. ✓

Remembering, easy (Focus, page 127-128; Successful, page 145)

5.2

5.2.1 (a) Full title (ownership) ✓(Focus, p121., Successful, p139.) **(1)**
Remembering / Understanding

5.2.1 (b) Sectional title (ownership) ✓ (Focus, p122., Successful, p140.) **(1)**
Remembering / Understanding

5.2.2 Communal costs are shared / saving on the running costs of property / saving on maintenance costs ✓ (Focus, p122., Successful, p140.) Understanding **(1)**

5.2.3 (a) Down payment made at the time of purchase / amount of money that a buyer has available to contribute towards the purchase of them home. ✓ (Focus, p.297) **(2)**
Remembering (Study guide glossary) (Focus, p302.)

5.2.3 (b) A bond is a loan ✓ made to the owner of a property ✓ where the property is the security ✓ for the loan. (Study guide glossary) **(2)**
Remembering

5.3

5.3.1 Instalment sale transaction / hire purchase ✓ *(Focus, p148,* Successful, p162.) Understanding **(1)**

5.3.2 **(3)**

- Credit is much more expensive because the following extra costs must be paid:
- Administration fees ✓
- Insurance charges ✓
- Interest ✓ (Focus, p148., Successful, p162.)

Remembering

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5.3.3 **(2)**

- The consumer has the right to receive information in clear / understandable language.✓
- The seller must use plain and understandable language and explain to the consumer what he / she does not understand.✓ (Focus, p.150, Successful, p.163)

Understanding

5.3.4 **(3)**

- Make sure the instruction manual is included✓
- Inspect ✓the appliance carefully at delivery
- Discard the packaging materials in an environmentally friendly way ✓
- Read the instruction manual carefully and follow the instructions✓ on how to use the washing machine
- Keep the receipt, guarantee and instruction manual in a safe place✓
- Follow the correct complaint procedures if he/she is not satisfied✓Any (3)
- (Focus, p150., Successful, p163.) Remembering

TOTAL [20]

ANSWERS TO EXEMPLAR 2 QUESTION 5: HOUSING AND INTERIOR

5.1

5.1.1 Sectional title✓ **(1)**

Remembering, easy (Focus, p.114 Successful, p.136) ✓

5.1.2 Water, street lights, sanitation, library, fire department, clinics, roads (Any 2) ✓ **(2)**

Understanding easy (Focus, p 115 Successful, p 135) ✓

5.1.3 (a) First month rent is free for a student✓Safety and security✓, no maintenance and insurance responsibilities✓, can leave at any time after giving notice/freedom of moving out✓, renting is cheap and known for an agreed period✓, Staying with responsible people who look after their investment ✓She has a choice of the size of unit✓ (Any 2) **(4)**

(b) Transport ✓shops✓, are nearby as the property is in the city. Probably can get access to libraries and health care nearby✓ Deedee will enjoy common facilities areas✓ (Any 2)

Understanding, moderate (Focus, p 114 Successful, p 136)

5.2

- To assist✓ 1 and protect✓ 2 homeowners. **(2)**
- To ensure adequate standards of construction✓ 3 and responsible behavior✓ 4 by contractors. (Any 2)

Remembering, moderate (Focus, p.119; Successful, p.139)

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5.3 **5.3.1** **(3)**

- He must pay the bond repayments.✓ 1
- He must pay the rates and taxes.✓2
- He must pay homeowners insurance.✓ 3
- He must pay bond/ mortgage protection insurance.✓ 4
- He is responsible for the general maintenance of the property.✓ 5 (Any 3)

Remembering, easy (Focus, p.119; Successful, p.139)

5.3.2 **(3)**

If the repo/interest rate goes up, his bond repayments will remain unchanged/the same.✓ 1 The interest rate will not change over the agreed period of time.✓ 2

- The monthly repayments will remain the same✓ 3 over the agreed period of time.
- He will then be able to stay within his budget more easily/his financial situation will be more predictable.✓ 4
- With a variable interest rate, he runs the risk of increased bond repayments if the interest rate/ repo rate increases.✓ 5 This may lead to financial insecurity/ instability.✓ (Any 3) (Understanding, moderate (Focus, p.128; Successful, p.145)

5.4

5.4.1 Rosaria bought her fridge from the truck driver instead of buying from a reputable store✓ (Focus, p.150, Successful, p.163) **(1)**

Remembering, easy.

5.4.2 Availability of space/the fridge could not fit in the kitchen and was kept in the dining room. ✓ **(1)**

Remembering, easy (Focus, p.133, Successful, p.152)

5.4.3 **(2)**

- No water came out of the dispenser✓
- the next day there was a buildup of ice in the fridge✓
- the water was leaking✓
- the control panel and compressor were broken✓
- and food could not be kept cold ✓ *(Scenario)*

Understanding, easy. (Any 2)

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5.4.4 **(2)**

- Address bad debt and get payment for products or services✓
- Protection against shoplifters✓
- Be treated with respect✓ (Any 2)

Remembering, easy (Successful, p165.)

TOTAL [21]

ANSWERS TO EXEMPLAR 3 QUESTION 5: HOUSING AND INTERIOR

5.1

5.1.1 A lease/rental agreement (Focus, p.117, Successful, p.136) **(1)**

5.1.2 The oven that switched on when he did not need it.✓ The oven loses energy led to more electricity expenditure ✓ The kitchen tap was leaking,✓ therefore water was wasted as well as the toilet kept on running after flushing, therefore water was wasted again✓ Raji had a hair salon business, using more electricity and water when the heads were washed and the hair drier was switched on/used. ✓ Raji allowed friends to stay over, therefore more water and electricity was used. ✓ **(2)**

Applying easy (Any 2) (Scenario)

5.1.3 It gives the landlord a sense of security and financial independence to have an investment✓ The property can be used as security for a bank loan✓ It is a sound investment because the value of the property increases over time/can be sold for a profit. ✓ The landlord is renting the property out for an income. ✓ The landlord has less administration to do because the body corporate administers the complex ✓ He/she saves on the costs for maintaining a larger property and garden.✓ **(4)**

Applying moderate (Any 4) (Focus, p.122, Successful, p.140)

5.2.

5.2.1 Young couple having children. ✓ (Gr 10 background) (Focus, p.117, Successful, p.136) **(1)**

5.2.2 House B✓ (Apply) **(1)**

5.2.3

$$\frac{R2250\ 000}{100} \times \frac{10}{1} \checkmark = R225\ 000 \checkmark$$

OR

R2250 000 x 0.1 ✓= R225 000✓ (Apply) **(2)**

5.2.4 House C is a new development and will need money to develop a garden ✓ **(2)**
It is in a complex, Mr. Jacobs must pay monthly levies✓
Furniture and expenses towards curtains and household appliances. ✓
(Focus, p.123, Successful, p.140)

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5.3.

5.3.1 Stove A✓ **(1)**
Understanding, easy (Focus, p.139, Successful, p.160)

5.3.2 Stove A uses both gas and electricity✓ **(1)**
Understanding, easy (Focus, p.139, Successful, p.160)

5.3.3 Gas cooks fast and will save time✓ **(2)**
It can be used during load shedding✓
Gas will save electricity✓
Gas is cheaper✓
Understanding, moderate (Focus, p.139, Successful, p.160)

5.3.4 R500 (instalment sale) X 36 Months (Duration) = R18 000✓ **(3)**

R18 000 + R600(Deposit) ✓ Total Price =R18 600✓	OR	R600 + R500 X 36✓ R600 + R18 000✓ = R18 600✓

Applying, moderate (Focus, p.148, Successful, p.162)

TOTAL [20]

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4. GENERAL EXAMINATION TIPS TO MASTER HOUSING

There is a great amount of content to study, **so do not leave it for the last day.** You think that you have sufficient time, but you do not. The closer you get to the end of the examinations the more tired you become, so do not forget about this subject that **could be scheduled as your last examination paper.** In preparing for your final exams, work through as many past examination papers as you can. Remember, your success in the final exam will depend on how much extra time you put into preparing. Be careful to NOT only study the past papers and marking guidelines. The topics stay the same, but the approach of the questions change. The same question is hardly ever repeated exactly in the same way.

HOW TO PREPARE/STUDY FOR THE CONSUMER STUDIES EXAMINATION

1. You MUST have a study session every day. STUDY means revising work, NOT doing homework or work assigned for the day by the teacher.
2. Plan and get SPECIFIC times for studying EVERY DAY, preferable one topic per day.
   BE POSITIVE.
   Study times must become a habit - keep reminding yourself why you are studying.
3. Start working on the topic you feel you struggle with most.
4. Set up a STUDY TIMETABLE that includes ALL subjects and STICK to it.
5. Keep your study sessions short but effective then reward yourself with a constructive break. Try to study at the same time each day. **DO NOT break your routine.**
6. Do not study on your bed as the brain associates it with sleeping.
   This causes you to easily feel tired.
7. Repetition is important to remember the information that you must learn.
   Keep going – don't give up!
8. Self-discipline is key. Be strict with yourself.
9. Connect with a STUDY BUDDY and encourage each other.
   Don't talk about anything else besides the work at hand during your study sessions.
10. Use weekends wisely - Review your class-work over the weekend and catch up on study time that was lost during the week due to involvement in other school activities.
11. Teach your concepts to anyone who will listen. It might feel strange at first, but it is worth reading your revision notes out aloud.
12. When you make notes, remember your brain learns well with colours when you underline, highlight, and circle key words.
13. Create a mindmap on every topic that can be revised quickly.
14. Ensure you are familiar with all the action verbs and terminology commonly used as this will enable you to clearly understand the questions.
15. Work through previous question papers in preparation of the final examination.

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WHAT TO EXPECT IN THE CONSUMER STUDIES EXAMINATION

Read this section in conjunction with the Examination Guidelines for Consumer Studies.

THE GRADE 12 CONSUMER STUDIES QUESTION PAPER

- The Consumer Studies examination paper consists of a 3-hour paper of 200 marks.
- There are TWO sections, and SIX questions are COMPULSORY.
- The format of the examination paper is shown in the table below.

SECTION	QUESTION	TOPIC	MARKS
A	1	Short Questions (covering all topics)	**40**
B	2	The Consumer	**40**
	3	Food and Nutrition	**40**
	4	Clothing	**20**
	5	Housing	**20**
	6	Entrepreneurship	**40**
			200

SECTION A

Section A must not be mistaken as the 'easy' part of the question paper. All topics and sub-topics in Grade 12 Recovery ATP may be assessed in this section.

Type of questions you can expect in this section:

Type of Question	Tips how to answer this question
Multiple choice questions	• Read through ALL the possible answers: A to D . • Cancel out the ones that are totally incorrect. • Read the other remaining answers again. • Decide which ONE is the MOST correct. • Never change an answer if you are not 200% sure that it is incorrect, first instincts are usually correct. • If you don't know the answer GUESS!. • NEVER LEAVE QUESTIONS UNATTEMPTED.
Choose the correct word from the options given in brackets or from the list	• Know the Consumer Studies terminology; abbreviations and acronyms well. • Read the entire question and then answer it in your mind first. • Eliminate the wrong answers. • Read the question again using your selected answer. • Answer the questions that you know best first.

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Matching items	• Match the definition/term/statement of Column B to content given in Column A, write only the corresponding letter next to the question number. • There could also be three columns, always match Columns B and C with Column A. • First read the column on the right that contains the answers. • Then look at the column on the left. • If you don't know the answer GUESS! • NEVER LEAVE QUESTIONS UNATTEMPTED
Identification Items	• Read through ALL the answers given. • Cancel out the ones that are totally incorrect. • If a question asks for a specific number of responses, e.g. THREE, only the first THREE responses will be marked. Read the options carefully to determine which ones are correct. • If you don't know the answer GUESS! • NEVER LEAVE QUESTIONS UNATTEMPTED.
Correct term	• Give the correct term for the description. • Write only the correct term next to the question number. • Read the description carefully to determine the correct term.
Paragraph format	• Write full sentences. • No bullets must be given/ Answers cannot be in separate lines. • Start and end the paragraph by referring to the statement / question asked. • If a scenario was given do not use the exact wording from the scenario put answer in your own. • NOTE: marks are lost if instruction is not followed.

SECTION B

Type of questions you can expect:

- Each question will cover a new topic.
- It may require short or long answers and may include paragraph-type questions.
- Source-based questions are based on tables, pictures, case studies and cartoons.
- It will cover different levels of questions ranging from remembering, understanding, application and problem-solving questions.

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HOW TO APPROACH THE QUESTION PAPER

GENERAL

- Read through the question paper and take note of the **number of sections** (A-B) and **questions** (1-6).
- Read through all the questions before attempting to answer any question. Read attentively during the allocated reading time and make quick notes after the reading time.
- Decide which questions will be easier to attempt first.
- Allocate the time you will spend on a question so that you do not run out of time.
- Ensure that your hand writing is clear and legible. Untidy, illegible writing may result in the loss of marks.

SECTION A (Short Questions)

- It is suggested to attempt the short questions (Section A, Question 1) LAST, as it may lead to confusion or stress, which may in turn lead to forgetting what you have studied.
- **DO NOT** leave a line open in between answers to Question 1.
- Write numbers below each other and not next to each other.
- Provide only ONE answer per line.
- Never leave a question unattempted. GUESS if you must. NEVER leave blank, open spaces.
- Be 100% sure before changing your initial answer. Your first instinct is usually right.
- Be mindful of changing the correct answer to an incorrect one.

SECTION B (Longer Questions)

- Start each question on a NEW page. Leave a line open in-between each of the sub-questions.
- There is adequate paper so do NOT squeeze the last sub-question in at the bottom of a page. That often prevents you from completing your answer.
- Circle the **action verb** in each question. The verb gives the instruction and indicates what is expected in the response.
- Underline or highlight **WHAT** the question is about.
- Take note of the **mark allocation** per question: the mark allocation is an indication of the number of facts required for the full attainment of marks.
- Where a specific number of facts are required e.g., List THREE …, ONLY THE FIRST THREE facts will be marked.
- Follow all instructions: If the question says write a paragraph, you MUST formulate your answer in a paragraph format.
- When a question asks you to tabulate your answer it must be presented in a table format. If you are making a comparison in a table, then the same factors must be opposite one another.

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- Where items such as menus, pictures, illustrations, case studies or scenarios are given, keep the given scenario/context in mind when answering the question.
- Number the questions according to the numbering system used in the exam paper.
- If you do not know an answer, move on to the next question. Time saved on questions can be used to revisit those challenging questions.
- All questions always start from easy to the more challenging (difficult) ones.
- Stay focused and work until the end of the examination session to use the time effectively. If you are finished before the time compare the mark allocation of the questions to your answers. Recheck that action verbs were correctly understood.
- Make sure that **NO** questions have been left out or unanswered.

ACTION VERBS TO HELP YOU ANSWER QUESTIONS

It is important to look for the ACTION VERB (the words that tell you what to do) to correctly answer what the examiner is asking. Use the words in the following table as a guide when answering questions.

QUESTION WORD	WHAT IS REQUIRED OF YOU
Analyse	To study or examine something in detail, especially by separating it into its parts, in order to understand or explain statements made with reasons
Calculate	Work out the amount or number of something by using mathematics
Classify	Arrange in groups according to similar features or qualities
Comment	Write generally about the topic
Compare	Describe the similarities and/or differences between the two
Define	Explain exactly what is meant (give a clear meaning)
Describe	List the main characteristics of something or describe what it looks like
Determine	Find out; work out through observation or consideration
Discuss	Write about the features or qualities of something, giving more than only one opinion
Evaluate	Give an idea of the value of something; assess. Write down positive and negative aspects and make a decision
Explain	Make clear by giving more information (interpret and spell out)
Give/provide/ Name/State	Write down only facts
Identify	Establish or name who or what someone or something is (e.g., Identify the **health condition** described in this paragraph.)

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	Indicate as something specific, something to be noted (e.g., Identify the career needs of such a person.)
Interpret	Give the intended meaning of
Justify	Provide a good reasoning for the given statement, give reason why the statement is correct
List	Write a list of items
Match	Pair or put together something with something else to show that there are link(s) between the two
Quote	Copy the exact word or words from a text
Suggest	Offer an explanation or solution
Predict	Say what you think will happen in the future
Study	Look at closely or read it carefully in order to observe or deduce
Tabulate	Arrange the information in the form of a table with columns and rows

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5. GLOSSARY

GLOSSARY: DIFFERENT HOUSING OPTIONS

TERM	DESCRIPTION
Ownership	The legal way to have a right to something. Ownership of property
Acquisition	Successfully obtaining something which is desired. E.g. Buying of property
Transfer fees	Money paid to the lawyer for the transfer of property from the seller owner to the next owner
Trustees	An individual or board member given control of administration of property in the trust that they will be honest
Body corporate	Collective name given to the owners of the units and common areas within a sectional title ownership
Levy	It's a fee paid monthly to the body corporate for the maintenance of the building and common areas and security
Investment	An asset or item obtained with the goal of making income through it
Property tax	Is paid on property owned by an individual
Inflation	The decline of the purchasing power of money over a given time
Fluctuate	Rise and fall irregularly of an amount e.g. interest rates
Housing	A place that provides accommodation
Full title ownership	The buyer becomes the legal owner of the entire property, the plot as well as the structure on it
Sectional title ownership	The buyer is the legal owner of a section of a housing complex but communal areas are jointly owned
Socio-economic	It is the relationship between social and economic factors
Family life cycle	The emotional and intellectual stages people pass through from childhood to retirement in relation to family life
Affordability	When a price is taken to be inexpensive enough to be able to pay it
Rates	Money paid by homeowners for basic services that are provided by the local municipality
Ownership	Rightful and legal possession
Transferred	Change of ownership from one to another
Transfer fees	Paid by the buyer so that they obtain the title deed from the seller
Unit	Separate ownership of part of a whole property
Trustees	A group of members who are selected to administer a property for all the other owners
Legal owner	Rightful person with a claim that can be proved. In property the legal owner holds the title deed

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GLOSSARY: FINANCIAL AND CONTRACTUAL RESPONSIBILITIES

House plan	A house plan (Sometimes referred to as a floor plan) is a simple two-dimensional (2D) line drawing showing a structure's walls and rooms as though seen from above
Income	Money received, especially on a regular basis, for work or through investments
Expenses	Expense of the household is everything the family has spent their money on
Lessee/tenant	It is the person that is renting a house or flat
Lessor/landlord	Is the owner who lets out the property
Lease/lease agreement	An agreement or contract between the landlord and tenant
Rent	Amount paid each month by the tenant to the landlord to stay in the accommodation
NHBRC	The National Home Builders Registration Council is the institution that regulates the South African home building industry. The aim is to assist and protect consumers who build houses
Building contract	A legal contract between the builder and the homeowner that stipulates all the details of the agreement
Deposit buying	The amount of money that must be paid towards the purchasing of a property before moving in (usually equal to 10% of the purchase amount).
Deposit when renting	A deposit is demanded for protection for financial loss of the landlord, usually equal to one month's rent. It is payable before the tenant can move into the building
Deed of sale	The legal document that records all the information regarding the buying of a property, like description, conditions, date of occupation and items that will be removed and those that will stay on the property
Bond/ Mortgage/ Home loan	The money the buyer borrows from a bank to buy property. This is paid back in monthly instalments, with interest, over a fixed period
Interest	The cost that must be paid to the bank for borrowing the money
Insurance	An arrangement by which a company provides a guarantee of compensation for specified loss, damage, illness, or death in return for payment of a specified premium
Collateral security	Something pledged as security for the repayment of a loan (surrendering/ ceasing the value of life insurance policy). The value of the property /house serves as security for the money borrowed /loan

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GLOSSARY: HOUSEHOLD EQUIPMENT

TERM	DESCRIPTION
Appliance	A device or piece of equipment designed to perform a specific task
Household appliance	An equipment which is used in the home to perform domestic chores or household functions. Examples: Washing machine, Fridge, Freezer Stove, Microwave Oven
Budgetary constraints	The number of items to be purchased should be within the amount of income at your disposal
Energy efficient appliance	An appliance that runs using the least possible energy
Human Energy	Human energy is the ability to perform hard work/duties
Non- Human Energy	Non-human energy refers to electricity or running costs of an appliance
Cash	Consumers pay cash for when buying furniture or appliances They are entitled to a discount and can choose which retailer to use
Instalment sale transactions	Consumers can buy expensive household appliances and furniture and pay for them in instalments over a certain period The item can be taken home once the deposit has been paid and a contact has been signed by both parties Extra costs include a deposit, administration fees, insurance charges and interest
Laybys	An agreement between the buyer and the retailer The consumer pays for an item in instalments and the retailer keeps the items until the whole amount is paid out.
Credit account transaction	When the price of the appliance is high and the consumer is unable to pay it from one month's income, goods can be purchase, goods can be purchased on account even clothes The store sends the customer a statement of account with a balance owing. Consumers can buy repeatedly on their account They must pay a minimum monthly amount The payment should be paid promptly There is a monthly spending limit
Bank credit card	Credit cards are issued out by banks to qualifying consumer These cards can be used to buy anything in the shop Interest rates on these cards are high and card holders must also pay bank administration costs

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Hire purchase	An arrangement for buying expensive consumer goods, where the buyer makes an initial down payment and pays the balance plus interest in instalments.
Warranty	Is a written guarantee promising to repair or replace an article if it breaks or does not work properly within a specific period.
Guarantee	Is an assurance that the product will remain in working order for a certain length of time. Is a promise from the manufacturer that they will sort out any problems with the items or services within a specific fixed period.

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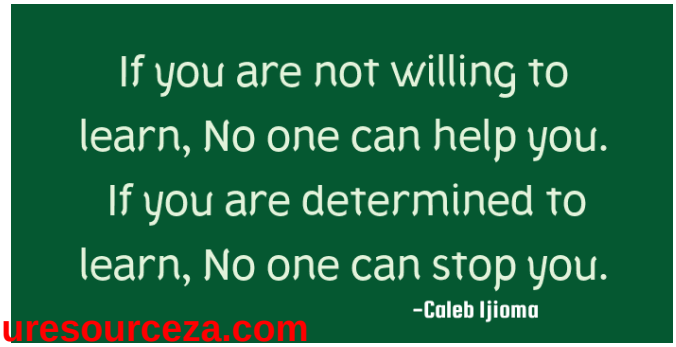
ACKNOWLEDGMENTS

Veena Govender (CES:SERVICES (DBE))
Ronel Henning (Northern Cape)
Thandiwe Dhliwayo (KZN)
Adrie Jacobs (Northwest)
Rosaria Bopape-Baloyi (Gauteng)



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