Publikasie nr.	Datum	Uitgawe nr.	Dokument nr.
0 0 6 0	79 11 29 323	6	1 1 201

29 NOV 1979

THE CAPE TIMES Jg.............. Nr..............

Riot cover for home loans

2eh

By GORDON KLING

SOUTH AFRICAN HOMEOWNERS are to be debited for compulsory political riot insurance on building society mortgage bonds from the begining of next year.

Black borrowers will have to pay premiums five times higher than those applicable to whites.

Confirming this yesterday, the Director of the Association of Building Societies, Mr David Alston, said the new coverage was an extension of existing homeowners insurance. The Association had not issued any directive on the insurance but he understood that all societies would be introducing it.

The coverage has been facilitated through the South African Special Risks Insurance Association (Sasria), established earlier this year to insure against political riot damage with the government acting as reinsurer of last resort.

Building societies have already begun informing borrowers of the insurance premiums. The annual rate applicable to private residences in black townships is 0,125 percent or R12,50 on a R10 000 bond. The rate in coloured and Indian townships is 0,075 percent (R7,50), while white homeowners will pay 0,025 percent (R2,50).

TREFWOORDE

1 Kling Gordon
2 Huise
3 Versekering
4 Opstande
5 Alston A.R.M.
6 Tariewe
7 Sasria
8 Statistieke
9
10