

# Banks cannot attach RDP houses to settle debt

The Department of Human Settlements says banks should not, under any circumstances, auction government subsidised RDP houses to settle any debt.



© Leon Swart – [123RF.com](http://123RF.com)

"The Government builds and gives indigent South Africans homes. These homes do not belong to one person but to the whole family, by auctioning this house to settle short term debts the Banks are depriving the whole family a home and in many cases, kids are left stranded," said Minister Lindiwe Sisulu on Tuesday.

The Minister was reacting to newspaper reports that the Banks are attaching and auctioning RDP houses to settle debts accrued by some RDP beneficiaries.

The Minister has instructed her department to do an urgent investigation into this matter and report back to her.

She will also meet with the leadership of the banks to discuss this concern.

Meanwhile, the Minister has called on all beneficiaries of RDP houses to value their houses and not to use them as security or collateral for short-term debts but to preserve them for future generations.

For more, visit: <https://www.bizcommunity.com>