



**Valuable property service guaranteed**

---

Valuables Properties , D'Urbanvale, Durbanville, 7550 Tel: 021-9103525

## **GENERAL TIPS FOR SELLERS AND BUYERS**

### **TIPS FOR A QUICKER SALE**

**YOU MAY HAVE TO WAIT A LONG TIME FOR A GOOD OFFER IF YOU WANT TO SELL YOUR HOUSE WITHOUT PREPARING IT. THERE ARE MANY WAYS TO FIX YOUR HOUSE AT LITTLE COST , EXCEPT MAYBE A LITTLE TIME AND EFFORT**

#### **OUTDOORS**

- FIRST IMPRESSIONS ARE LASTING! THE FRONT DOOR GREETES THE CLIENT. MAKE SURE IT IS CLEAN AND LOOKS GOOD AS NEW. KEEP THE LAWN AND EDGES TRIMMED AND THE GARDEN AND YARD FREE OF REFUSE.
- PUT A FLOWERING POT PLANT NEAR THE ENTRANCE AND KEEP IT WATERED AND TRIMMED
- CLEAN YOUR OUTDOOR FURNITURE, REMOVE ANY RUST
- STRAIGHTEN THE GUTTERS, THE TV AERIAL, THE FENCE, THE WASHING LINES ETC
- FIX DOORBELLS, TIGHTEN DOORKNOBS AND OIL HINGES
- REPAIR BROKEN WINDOWS AND SHUTTERS IF POSSIBLE

#### **INDOORS**

- CLEAN EVERYTHING. SHAMPOO CARPETS AND WASH WINDOWS
- NEAT WELL ARRANGED CUPBOARDS SHOW THAT SPACE IS AMPLE
- CREATE SPACE BY STORING SOME OF THE EXTRA FURNITURE
- POSITION THE FURNITURE SO THAT THE CLIENTS CAN MOVE FROM ROOM TO ROOM WITH EASE.
- FIX THAT TAP! DRIPPING WATER DISCOLOURS SINKS
- KEEP SHADES AND DRAPERIES OPEN TO ADMIT AS MUCH LIGHT AS POSSIBLE, BUT SCREEN UPAPPEALING VIEWS
- LET YOUR KITCHEN LOOK WARM AND WELCOMING, NOT A HECTIC WORKPLACE. KEEP THE SINK FREE FROM DIRTY DISHES AT ALL TIMES
- KEEP COUNTER TOPS UNCLUTTERED BUT NOT EMPTY ( AS IF UNUSED). ADORN THEM WITH YOUR MOST ATTRACTIVE CANISTERS
- REMOVE DIRT (DUST, FLIES, MOTHS) FROM LIGHT FITTINGS
- PLACE PLANTS IN STRATEGIC SPOTS IN ANY ROOM
- HAVE LIGHT IN THE WHOLE HOUSE, ESPECIALLY IN THOSE DARKER AREAS AND HALLWAYS
- HANG MIRRORS WHERE THEY WILL REFLECT OUTDOOR LIGHT AND MAKE ROOMS LOOK LARGER.

## QUESTIONS OFTEN ASKED BY PROSPECTIVE SELLERS

- **HOW DO I DETERMINE THE BEST PRICE FOR MY PROPERTY?**

By using the Comparative Market Analysis prepared by a registered Estate Agent. This will show you properties similar to yours which have sold, their prices and also current listings, which are in competition with your property.

- **IS THERE ONE MAJOR FACTOR THAT DECIDES PRICE?**

Sold listings indicate the true current market value. They are what a buyer has been prepared to pay for the property and what a seller has been prepared to sell it for.

- **DOES TIME ON THE MARKET AFFECT SELLING PRICE?**

Most definitely! A sale in the first 4 weeks will be very close to the accurate and correct listing price. Statistics indicate that, usually, the longer a property takes to sell the lower the eventual selling price.

- **SHOULD I PRICE MY PROPERTY HIGH AND TEST THE MARKET?**

No. The first 4 weeks in the market are the most important when marketing. The buyers and the agents will immediately notice a new listing. If it is priced too high, they will dismiss it and possibly not be aware of a subsequent price reduction.

- **HOW CAN OVER-PRICING MY PROPERTY ACTUALLY BE A DISADVANTAGE**

The longer the property is on the market the more it becomes “shop worn”, in the eyes of buyers and agents. The assumption arises that if no one wants it, there is possibly something the matter with it. Buyers also think that they are desperate and put in very low offers. If too much time has elapsed, you may feel desperate and accept a low offer.

- **WHAT IS “AGENT-SHUNNING”?**

Buyers each have a price range within which they want, or can afford, to buy. Agents qualify buyers to establish this range, and then show them properties in that price range. If a property has a market value of R850 000, but is priced at R940 000, it will not be shown to those buyers who would buy at R890 000. It will be shown to those wanting to buy at R910 000 and higher, but the latter will not see comparative value in it and will therefore not buy it.

- **DOES THE COST OF MY IMPROVEMENTS EQUAL WHAT I CAN GET FOR THEM?**

An improvement enhancing your particular lifestyle does not necessarily add value equal to its cost to the property. However, anything which visually enhances, like a fresh coat of paint, will add value.

- **WHAT IF I NEED A CERTAIN AMOUNT OF MONEY TO BE ABLE TO SELL?**

Unfortunately a seller's financial needs or wishes are not related to the market value of a property and are no interest to the buyer.

- **I HAVE SOME EXPENSIVE NON FIXTURES IN THE PROPERTY. SHOULD I INCLUDE THEM IN THE PRICE?**

Not usually. If, for example, the custom-made curtains or the dishwasher are included and the buyer does not want them, he will most probably deduct more than what they are worth from what he offers for the property.

- **SHOULD I INVEST ANY MONEY IN THE PROPERTY BEFORE I SELL?**

Yes! Paint it where necessary, its low cost investment for good return.

Fix it! Fix anything that needs it, e.g. a leaking tap. Buyers will exaggerate the cost of repairs.

Clean it. Buyer's 1<sup>st</sup> impressions are extremely important. They expect a model property.

Remove it. If you possibly can. You are going to be moving anyway, so start packing before buyers see your home. Ideally remove and store away a quarter to half of everything from shelves and cupboards. Lots of space is important to buyers.

- **DO I REALLY NEED TO KEEP THE PROPERTY CLEAN AND TIDY FOR THE DURATION IT IS ON THE MARKET?**

Yes! Buyers feel that they must see everything on the market in their price range, so they eliminate whatever they can. They are looking for an excuse to buy so they will quickly shorten the list from which they will choose. If you have tenants in the property, consider giving them reduced rental for the duration of the marketing period in exchange for keeping the property clean and tidy. It will pay in the long run.

- **ENSURE APPROVED BUILDING PLANS FOR ALL DEVELOPMENTS ON YOUR PROPERTY AND HAVE THE PLANS READILY AVAILABLE FOR INSPECTION**

- **WILL THE CURRENT HIGH CRIME WAVE HAVE AN ADVERSE EFFECT ON THE PROPERTY MARKET?**  
Any property will sell in any market provided that it is properly priced and professionally marketed. The market may be slower, but the well-priced and presented properties will be the first to sell.
- **AND IF SOME AGENTS OFFER ME A LOWER COMMISSION?**  
Like anything else in this world, you get the value you have paid for.

## **SELLER - KINDLY TAKE NOTE**

- 1 Give notice on your bond to avoid the penalty (90 day penalty)
- 2 Budget for the rates and services (in advance) that is payable to the transferring attorney (3 to 4 months in advance)
- 3 The inspections for certification (water, electrical, beetle, gas, electric fencing etc) is to be arranged after a successful sale is concluded and finalised asap to facilitate the transfer process .  
See below
- 4 Remember to inform all your contacts / accounts / postage service with regard to your change of address for postage purposes
- 5 Arrange the transfer / cut -off of your telephone line and the start up at your new home
- 6 Follow up , after transfer, that you are refunded for rates and services paid in advance (any excess must be refunded)

## **EXTRA COSTS WHEN YOU ARE SELLING YOUR PROPERTY**

- BEETLE INSPECTION : between R400 –R600 (cash or on transfer, remember that there may be repair costs)
- ELECTRICAL CERTIFICATE : Between R400 to R600 ( excluding repair costs if any)
- WATER CERTIFICATE : Between R400 to R600
- GAS CERTIFICATE (where applicable) : : Between R400 to R600
- ELECTRIC FENCE CERTIFICATE (Where applicable)
- FIRE DEPARTMENT “ LAPA “ CERTIFICATION (Where applicable if the lapa is in excess of 25m<sup>2</sup>)
- OUTSTANDING AMOUNT ON BOND : From bank statements
- MUNICIPAL RATES AND TAXES : To date of registration.

## BUYERS TIPS AND ADVICE

- 1) **Save up for a deposit.** This is one of the most important things you can do to help yourself obtain a bond at a good rate. The more money you put in at the beginning, the less you will owe and the more inclined a bank will be to take a risk on you.
- 2) **Be certain of what you can afford.** The amount of credit the bank will give you depends on how much you earn, your expenses and the leftover disposable income you have to service the debt. Most banking and bond originator websites have a home loan calculator which will work out how much you can afford. Use these and then limit your searches to properties in the recommended price range.
- 3) **Get prequalified.** If you get prequalified for mortgage finance, you'll know what you can afford, and you'll be in a stronger position to make an offer when you find the perfect home. ooba's prequalification service – oobaqualified – takes this a step further, and helps you to work on your affordability and credit rating if you fall short of the banks' requirements.
- 4) **Seek professional advice.** Listen to your friends and family, but also seek the help of a reputable bond originator, who are experts in home finance and bond applications, and will give you free, impartial advice.
- 5) **Shop around for your home.** Spend some time educating yourself about what's available in the market. Don't buy in haste, without considering the alternatives. When you have a sense of what's out there, you'll be able to make better decisions as an informed buyer.
- 6) **Know what you're buying**

You may view a lot of homes in your search for the right one. Learn to see past the furnishings. Do the walls or plaster show any signs of damp, or are there any structural cracks? Is the roof sagging? How's the neighbourhood in terms of location and security? Consider hiring a home inspection services company to inspect the property before you submit your offer. Home inspectors check for dangers including:  
Structural damage / Water seepage and damp / Faulty electrical, plumbing and gas installations / Rotten timber / Hazardous materials (such as asbestos, lead-based paint and toxic moulds)

- 7) **Shop around for a bond.** Don't just snap up the first bond offer you receive from the first bank you apply to. Another bank might offer you a better deal. A reputable bond originator will apply to multiple banks for your home loan simultaneously, ensuring that you get the best deal at no extra cost to you, with less hassle and paperwork.

- 8) **Understand all the costs** involved upfront, like levies and transfers fees. If you haven't prepared for these, you could be in for a nasty surprise. **Ask the state agent for the conveyancing and bond registration costs**
  
- 9) **Be aware of the hidden costs and defects of any property.** Look out for anything that is not working properly, from faulty wiring to subsiding walls. If you want to make an offer, bring in a specialist to inspect plumbing, electrics and structure, with particular attention to the roof. If he uncovers something, it doesn't necessarily mean you won't buy the property, but it puts you in a position to negotiate on the price.
  
- 10) **Repay as much as you can into your bond every month.** By just putting in a few extra hundred Rand a month you can save yourself thousands over a 20-year bond term.
  
- 11) **Know the difference between occupation and possession.** It is not your house until the transfer is registered at the Deeds Office. If you spend money on alterations before this happens, you could lose all the money you spent if the transfer doesn't go through.
  
- 12) **Have your paperwork ready.** Before you venture out to shop for properties have certified copies of your ID and proof of address ( For FICA ) with you when viewing and considering an offer. Make sure about your marital status and the requirements wrt your status and signing powers. If your offer to purchase is accepted, filling out your **Home Loan application** is the final step. Use a document **checklist** to see exactly what you'll need to **apply online** or at your **nearest branch**, but make sure you apply as soon as possible.

“By becoming an informed buyer, you will place yourself in a position of confidence as you make the biggest financial commitment of your life”

## **BOND QUALIFYING REQUIREMENTS AND NECESSARY DOCUMENTS**

### **How do I qualify for a home loan?**

By getting yourself pre-qualified you are ensuring that sellers know you are a serious buyer and it will also help you set realistic expectations of what kind of property you will be able to purchase.

Here is a run-down of the documents you will need for a home loan application and additional documents required if you are buying through a trust. We also take a look at individuals that are self-employed.

## **Documents you require for all applications**

- A copy of your ID document
- A copy of the offer to purchase containing both the seller and purchaser's details
- Proof of income. You will need to provide a salary slip (not older than two months), or a letter from your employer with a breakdown of your salary and deductions. If you are self-employed then you will need a letter from an accounting officer confirming your income, or a statement of your assets and liabilities
- Six months' worth of bank statements

## **Employed buyer**

- If you earn commission or overtime, provide the latest 6 months statements. Statements should be verified and supplied by the bank - internet statements aren't acceptable.
- Copy of your ID document.
- Copy of Marriage Certificate or ANC Contract (if applicable).
- Application form and consent document.
- Copy of the Purchase Agreement.

## **Self-employed buyer**

- Proof of income: Letter of Drawings from an Accountant (for all applicants if applicable).
- Personal Assets & Liabilities Statement.
- Latest 2 years' Annual Financial Statements.
- Where Annual Financial Statements are older than 6 months to date, Current Management Accounts not older than 2 months signed by the applicant and accountant must be provided in addition to the Annual Financial Statements.
- Copy of Marriage Certificate or ANC Contract.
- Copy of Registration Documents or Trust Deed.
- Application form and Consent Document
- Copy of Purchase Agreement.
- Documents you require for a trust
- A copy of the Trust Deed
- A resolution by the trustees advising who may sign the home loan or pre-approval application and property purchasing documents

## OTHER GENERAL ISSUES

### 72-HOUR CLAUSES – WHAT YOU NEED TO KNOW

In most, if not all, Offers to Purchase and signed Deeds of Sale, a 72-hour escape clause, or continued marketing waiver or clause, will be found. This clause, if used correctly, will permit the Seller to accept an offer on the same or better terms than the original offer and usually at a more accelerated pace than the original. A complicated piece of South African contract law that protects a Seller from a Purchaser or Purchasers who are struggling to finance the purchase, freeing them to accept offers from individuals who may be in a better position to afford the purchase. The 72-hour clause is directed at suspensive conditions, particularly the situation where a buyer wishes to obtain mortgage finance, is selling their own property and/or the liquidation of assets (such as art and/or expensive motor vehicles). A suspensive condition is a clause that effectively suspends the obligations of a party or parties until the happening of an uncertain future event, an example of which is the obtaining of a full mortgage or selling a property in a specific time period. Its opposite is a resolutive condition where the contract is suspended until the happening of a certain future event; an example of which is the obtaining of a compliance certificate.