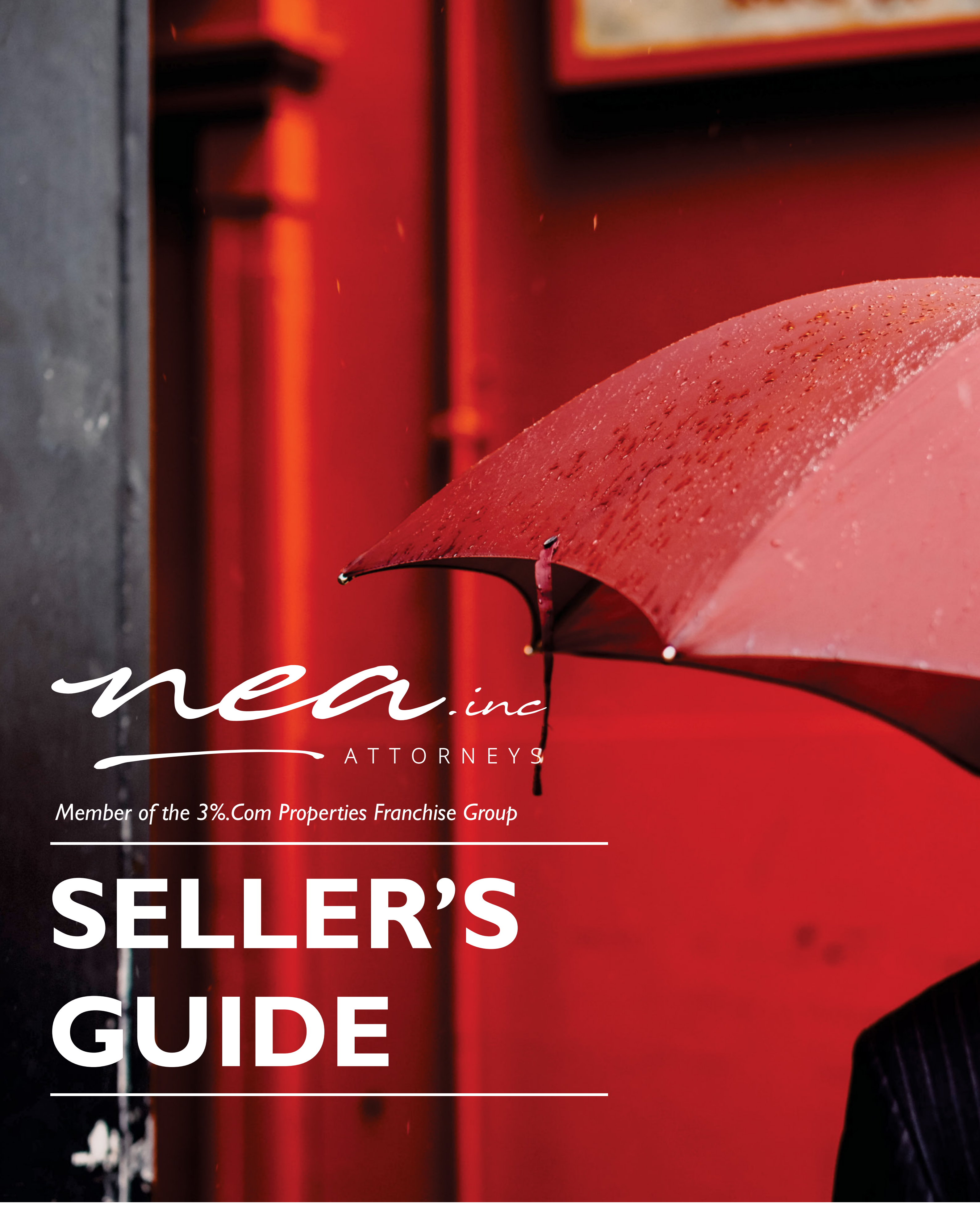

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SELLER'S GUIDE

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Lawyers selling property, it makes sense.®

SELLER

What does it really cost to sell my property?

Sellers frequently expect to get more out of the sale of their property than they actually do, because they are not aware of the costs involved in selling a property. Here is an overview of the costs that a Seller is responsible for in a property transaction:

Municipal rates and taxes, and often costs for services (such as electricity and water)	The Municipality requires payment for up to 4 months in advance
Body Corporate or Homeowner's Association levies	1 month in advance
Estate agent commission	3%.Com – 3% on the Purchase Price, plus VAT Other agencies, commission may vary between 5 – 8%
Bond settlement amount	*** see notes regarding Bond Penalties
Bond cancellation costs (Cancellation Attorneys)	R4 000 – R6 000
Costs of obtaining electrical, gas, electric fencing, beetle, and plumbing compliance certificates	R850 - R2 000

Other possible expenses: You also need to budget for the costs of moving out, and all expenses associated with purchasing or renting your new property.

***Bond Penalties:

Seller,

DID YOU KNOW?

The seller needs to give the financial institution holding the bond over the seller's property 90 days' written notice of the seller's intention to cancel the bond. If not, the bank may hold the seller liable for penalty interest.

If your bond is cancelled before the

90 DAYS' NOTICE

has lapsed, you will be liable for the early termination fee for the remaining notice period.

If your bond is not cancelled within 90 days, the bank will not debit an early termination fee, except where it takes longer than 12 months to conclude. Then a new request to cancel the existing bond will be required.

FACTORS CONDUCIVE TO A QUICK AND EFFECTIVE SALE:

THE PRICE

The golden rule of selling a property quickly and effectively is to price it correctly and not overprice.

Finding the correct price is critical: Even if you feel you need to leave room for some negotiations, the price must at all times be market related.

Prospective buyers will compare your property with comparable and similar properties in terms of location, price and features.

By marketing your property at an unrealistic price, possible buyers will simply ignore your property and look for better offers.

We understand the personal value of your home, but prospective viewers will not view and appraise your "home sweet home" in the same way.

At the end of the day it is not you or we who will determine the purchase price, but a willing and able buyer.

We have data at our disposal that will assist you in determining the correct price at which your property should be marketed and sold.

THE PRESENTATION

Buyers like "clean" houses and uncluttered spaces make the rooms appear larger and more inviting.

When we take photographs of your property to be posted on the internet, please make sure that your property is clean and as "clutter free" as possible.

THE TIMING

The critical period within which your property should sell is around three months.

This is the period when buyers discover the "new stock" on the market and show the keenest interest in your property.

When house hunters look for properties, they usually narrow down their search to a specific price range. E.g if a buyer has a budget of R 2 200 000-00, he would look for properties within a price band of between R 2 000 000-00 and R 2 500 000-00.If the true value of your property is R 2 000 000-00 and you advertise it as R2 600 000-00 you will miss the opportunity of showing your property to potential buyers.

If your property is not sold after three months, interest in it will begin to wane as new properties will come onto the market and house hunters will focus on this "new stock' and ignoring your property. Should this happen the only way to rekindle interest in your property is to actually remove it from the market for a few months and to start afresh. If you are serious about selling your property, it is critical that the price is pitched correctly.

THE TRANSFER PROCESS

	BOND CANCELLATION ATTORNEYS	TRANSFERRING ATTORNEY	BOND ATTORNEYS	OTHER ROLE PLAYERS
WEEK 1-2	Bank appoints attorneys to cancel the existing bond	• Receive Sale Agreement • Contact Parties and collect documents • Draft transfer documents • Apply for Rates and Levy / HOA Clearances	• Bank appoints attorney to register bond • Bond attorney informs transferring attorney of the amount available for guarantees	Linked Attorneys – e.g. Transfer is subject to a sale of other property • Electrician • Plumbers • Electrical Fence Technician • Gas Technician • "Beetle inspector"
WEEK 2-4	• Bank issues bond cancellation figures • Request guarantees from the transferring attorneys	• Meet with client to sign transfer documents • When documents are signed, and costs paid they apply for: - Rates & Levy Clearance - Transfer Duty Receipt Request guarantees from Bond Attorneys to secure Purchase Price	Meet with client to sign bond documents	Home owner's Association Body Corporate Local Authority SARS Master's Office
WEEK 4-6	• Receive guarantees from transferring attorneys • Obtain consent to cancellation from bank	Receive: • Clearance Certificates / HOA Consents; • Transfer Duty Receipt; • Guarantees • Compliance Certificates	• Issue guarantees to transferring attorneys • Submit all required documents to bank and obtain consent from bank to register bond	
WEEK 6-9	Arrange lodgement	Arrange lodgement with linked parties • Lodge in Deeds Office • Registration Account reconciliation and payment	Arrange lodgement	

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nea.inc
ATTORNEYS

With NEA Inc. Attorneys you have the convenience and peace of mind that you will be assisted and guided all the way by competent and qualified attorneys and registered attorney agents.

We provide a comprehensive service which includes appraising your property, explaining the law, signing the mandate, marketing, selling and transferring your property, to finally paying you the proceeds from the sale. With NEA Inc. Attorneys, you have the convenience and peace of mind that you will be assisted and guided all the way by competent and qualified attorneys and registered attorney agents..

- Our commission is 3% plus VAT only.
- We provide full legal support.
- We are a one stop shop.

WE MARKET YOUR PROPERTY IN THE FOLLOWING WAYS:

- We put a "for sale" board outside your property if permitted;
- We advertise your property on the internet and more specifically on www.nea-threepercent.com, Property 24, threepercent.com, Private Property and a host of other websites linked on our website;
- If possible and you agree to it, we will do show days, which are usually very effective;
- We will take prospective buyers to view your property by appointment only. This usually happens after hours. Please be prepared and flexible to accept that in order to sell your house, you will have to open it to strangers to inspect and view it.

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Contact our Area Agents

Midstream Office: 010 822 6870
- **Mabette:** 082 459 5435 or mabette@mythreepercent.com
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