

Property Gossip



www.henric-estates.com

P.O. Box 3222, Swakopmund. NAMIBIA. Tel: + 264 64 404400; Fax: + 264 64 403049; info@henric-estates.com

Inside this issue:

Buying your own holiday home	1
Swakopmund Property Market	1
Bank Finance Is it still available?	2
Ugly houses	2
Great Deals of the Day	2

Buying your own holiday home.

Buying your own holiday home is a big decision but careful planning will ensure that it becomes your refuge and not your nightmare.

The Golden Rule is: *Avoid impulsive buying when you're on holiday.*

You may find that 3 months after your purchase, you are back in the sobering routine of work and have no idea of how you are going to balance out your commitments.

By honestly answering a few questions to yourself prior to your holiday house hunting, you will have a clear picture of whether you are ready to invest in your own holiday house or not.

Can I afford the monthly premium? Can it also become my retirement home?

Will I be able to sell it again?

Why buy?

Having a coastal house is probably one of the nicest ways of saving towards retirement. Taking out a bond at 40 will result in you having a paid-off retirement home when you're 60. And you should still have your primary residence which can be rented out to supplement your pension.

Choosing:

The right choice of property is just as much about matching your lifestyle as it is about making a sound investment. Do not buy a small holiday flat on the second floor if you love to braai every evening. Equally, if it's only you and your wife, don't invest in a large mansion just because it seems to be a bargain. Common sense can help a lot towards making a wise decision.

Making the right choice is so much easier when you *first* do your planning and *then* the house hunting.

List your priorities, your likes and dislikes and shop according to your list. Short list properties that you like and arrange for a second viewing. Do not base your decision on a 15 minute visit. Obtain relevant facts such as rates and taxes, levies, urgent maintenance, security, etc. so you can consider the full financial implications.

Sit back and enjoy:

Once you've made your informed decision, secure the property be-

fore someone else snaps it up before you. Trust your judgment and do not start looking for every little thing that is wrong in the property. Don't miss the fun part by getting so overwhelmed by buyer's remorse that you can not



Ref: H0583
Unique design: N\$ 1,700,000
5 Bedr house plus Flat (CC)

enjoy your own holiday home. Remember, nothing is irreversible. If you have other priorities in a few years' time, nothing prevents you from selling and making a handy profit on the side.

In the mean time... sit back and enjoy.

New at Henric Estates



Jackie Kennedy
081 2988610

Jackie is not a total stranger to many Henric clients. She recently rejoined our team after her wanderlust was satisfied. Being fluent in German, Jackie can also take great care of our German clients.



Rudi von Lieres
081 1281778

Rudi is also not a stranger in real estate circles and many people may remember him. Being a well-seasoned Swakopmunder, Rudi can provide valuable information to new investors. Call him and discuss your property requirements with him.

SWAKOPMUND PROPERTY MARKET

Real estate in Swakopmund, as always, remains a hot topic.

It appears as if most agencies are reporting good sales. Many of these are linked to South Africans but the spin-offs of the new uranium mines can now also be felt in the market.

Rentals have gone up and for the first time in a very long time, landlords can expect increased returns on their residential property rentals.

Due to several industrial developments during the past

few years, there seems to be a temporary over supply of industrial rental space. This, however, is fast being taken up by several secondary indus-



N\$ 840,000 (Ref H0587)

NEAT 3 BEDROOM HOUSE

tries, many of which serve increased mining and building activities.

The holiday season is on us and a bumper season for business at the coast is expected

The future for Swakopmund real estate is very promising and although prices are not low, they will no doubt just go up from here.

No recession for Swakopmund as yet!

Bank finance... is it still available?

Following the recent credit crunch in South Africa and the collapse on the global financial markets, many prospective buyers are uncertain as to whether bank loans for property in Namibia are still freely available. Also if buying with a loan is even still advisable.

Although Namibia has as yet not adopted the same finance laws as South Africa, the local banks have also become very careful when assessing loan applications.

It is often first time buyers and single provider families that find it difficult to secure home loans and that purely because the household income is not at an acceptable level. Marginal cases now more often are turned down where as in the past, these applications may have been successful.

In recent years banks have assessed applications very much on the basis of limiting loan repayments to 25% of gross income for individuals and 30% of joint income for couples.

Nowadays, the applicant's overall debt picture plays an important role in the bank's assessment. Other debt such as car loans, debt on furniture, clothing accounts, payments towards insurance policies, etc now plays an important

part in the bank's assessment. It is even advisable to first pay off several smaller loans before you visit your home loan consultant.

Banks also have to consider applications in the light of possible rate hikes and the general public's diminishing spending money (increased cost of living)

However, banks do have ample funds available and are still anxious to finance buyers with positive cash flow projections and where properties provide sufficient security. At least you know that if the bank is willing to lend you money, you are borrowing safely.

Buyers need to be properly prepared before approaching banks. By having a cash deposit available, you will be able to prove to the bank that you are already a successful saver and by putting some money down, you will greatly reduce your monthly premium.

Get your bank's pre-approval pledge before you start your house hunting. This will allow you the peace of mind that makes for happy shopping.



House & Flat

**N\$ 910,000 (Ref H0554)
3 Bedr house & guest flat.**

Ugly houses, ...eesh!

When I started out as an estate agent, I once took a client out to view a house which I was convinced was the ideal property for her. It would satisfy every little requirement on her wish list. However, when we stopped in front of the house, she said, "We don't have to go in".

I desperately tried to convince her to just have a look but she refused bluntly. Finally, after probing for a while to find out why she did not want to go in, she confessed that she would never be able to live in

an ugly house, even if the inside is perfect.

I had to agree that the façade was not very attractive or inviting but I reasoned that this was a minor con against so many pro's. It was clear though that she would not buy that house (and she did not)

The lesson for sellers: Make an effort to beautify your home prior to listing it on the market. It is often possible to make low cost changes or improvements that can have a major impact on its marketability. Mow the lawn, paint the

gate, add a feature, anything as long as you remember..... many people just don't like "ugly houses".



N\$ 995,000 (Ref F1245)

**3 Bedr flat, enclosed balcony,
town centre. CC registered**

Great deals of the day

N\$ 425,000 : Erf in Extension 9 with beautiful view.

N\$ 750,000: Industrial workshop in complex, 280 m²

N\$ 695,000: Brand new 2 bedr ground flat in secure complex.

N\$ 350,000 : Usakos: Old house & flat, town centre with business rights

N\$ 1,7m: Spotless, new double storey house, 3 bedr, 3 bathr, 2 garages.

N\$ 675,000 Snap this one up!
Good value in this older styled, 2 bedr, apartment in Kramersdorf. Open lounge/dining, one bathroom and extra long garage. Very spacious at 126m².
First floor flat with great view of the dunes. **IMMEDIATE OCCUPANCY** (Ref F1246)

