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Property Gossip

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Get to know our staff

Salome Botes



During the course of 2007 Salome happened to be a casual visitor at Henric Estates. She briefly mentioned to Johan that she has a passion for property. One discussion led to another and before she could think about it, she has successfully completed her Real Estate license and found herself behind a desk at Henric.

Her colleagues quickly learned that not only has she got a knack for property, but she also has a passion for people. Her empathy with the needs of buyers and sellers alike, has quickly made her very popular in a fast growing network of contacts.

Salome can be reached on her cell phone 081 2983032. She can't wait to hear from you as every new phone call is the door to a new adventure.

Selling? Beware of overpricing.

When selling a property, one big danger area that sellers should be aware of is overpricing the property.

Buyers no longer queue for properties to buy at inflated prices. It's a buyer's market today, with high levels of stock and buyers are well-informed about the market. Today's buyer is someone who would look at a large number of properties and will simply walk away from an overpriced property rather than overpay.

There is a common notion that the buyer is going to negotiate in any case so "let's make the price much higher". Beware, if the margin between asking price and reserve price is too big, a willing and able buyer may be lost for ever as initial interest was never established. The second area in which eager sellers will be affected is in

that of financing. When banks assess the value of a property, overpricing will be a big negative as the buyer will not qualify for a loan to buy at an inflated price.

Also, sellers who refuse to accept market related pricing may lose the estate agent's enthusiasm. It makes economic sense that professional agents will direct their marketing budgets and personal efforts at more saleable properties.

Sellers who overestimate their selling prices may find that after months there still are no offers in sight and they will rarely see estate agents at their front door. When they do get an offer, there is a big chance of it being not only below their asking price, but

also well below market price.

Another mistake is to base a selling price on personal circumstances rather than on the market. The bottom



SWAKOPMUND PROPERTY MARKET

The holiday season is on it's back and Swakopmunder-talk revolves mostly around "post mortem" issues. "Was it a good season or not?"

The general impression regarding property is that it was a very busy season and a large number of properties are about to change hands.

Initially it was assumed that "uranium fever" will lead to an immediate influx of people and thus of buyers. However, many estate agencies found

that South Africans is now the leading market segment. Contributing factors are mainly the crime situation in RSA, sustained economical growth in



the Swakop-region and the relatively relaxed environment in Namibia.

But buyers still do their homework properly and they will not buy properties at inflated prices.

At the same time the high interest rates are creating lean financial margins for many homeowners causing some sellers to be well-motivated.

“I will give you an option” careful!

Estate agents so often hear this statement from a seller and then soon realize that the seller (or buyer for that matter) does not fully understand the implications of an option.

An option would generally be an undertaking from a seller to sell a property to a potential buyer under certain conditions. The following components/conditions are very important.

An option on property **must be in writing**. A verbal option loosely given by a seller has no validity, even if the seller says, “Don’t worry, you can trust me”. Make sure you do things the right way when you buy/sell real estate.

Furthermore, the option should be for a **specific property** for a **specified period**, at a **fixed price**. If the buyer does not make a firm offer at the option

price to the seller within the specified period, the option will expire and that is the end of it. Should, however, the buyer do make an offer at the option price, **the seller will be bound by the option and cannot easily decide to cancel the sale**.

It must be clear that an option puts no obligation on a buyer to buy, but the seller is bound for the option period and can, during this period, not sell to another buyer

(not even at a higher price) without serious legal implications.

Often a buyer seeking an option really only wants time to first meet with his bank manager to find out

whether he would qualify for a bank loan. If this is the case, the buyer should actually consider a purchase agreement (Deed of Sale) incorporating a suspensive condition in which he would be allowed a certain period of time to arrange financing.

This is a binding agreement between the two parties but should the buyer not be able to secure finance, the sale will be cancelled and “of no force or effect” (no body owes anybody anything). The benefit for the seller is that this normally indicates a serious buyer. The buyer on the other hand is certain that the seller will not sell the property to someone else while he is arranging finance.

Whether you buy or sell, make sure your agent explains clearly the implications of any document you’re about to sign.

If in doubt, ask you attorney.



FIXER UPPER

N\$ 910,000 (Ref H0502)
3 Bedr house, large living areas and separate guest flat.

Do this when you move into your new home

Install new locks. You never know how many friends, family members or staff members of previous owners may have duplicates of keys.

Make extra sets of keys.

Buy a fire extinguisher for the kitchen and garage and fit it visibly.

Check or replace the back-up batteries in the alarm system. Confirm passwords and names and contact numbers of key people with your security service provider.

Take a few pictures of your house. One day it will be great fun to show friends and family what your house looked like when you first moved in.

Do small repairs immediately before they become costly issues. Spending ten dollars today may save hundreds of dollars later.

Start a House Journal and make notes of all matters relating to the property, eg. colour codes of paints that you have used, key’s details, geyser replacement date, etc.

Start a house file. Keep all important house related papers, insurance, bank loan papers, receipts for all house expenses, etc. in a central file.

Meet the neighbours. In security conscious times, good neighbourly relations play an important part in avoid-



STUNNING DUET!
3 Bedr 3 Bathr, 2 garages

N\$ 1,500,000 (Ref F1180)

ing unpleasant situations. Get their phone numbers and make sure you have theirs.

Great deals of the day

N\$ 420,000 : Erf in Mile 4 with permission to build 2 units.

N\$ 860,000: 2000m² erf with permission to subdivide into 3 erven

N\$ 695,000: Brand new 2 bedr flat in secure complex, town centre

N\$ 535,000 : 10 Ha Smallholding, 20 km’s from Swakopmund.

N\$ 1,4m: Very large double storey house with spacious living areas.

N\$ 795,000 VALUE DEAL!
 Great value in this 3 bedr, 2 bathr tiled roof house. With lounge, dining room, kitchen and double garage. Property secured with burglar bars & alarm system. Large erf with lots of potential for further development. Registered in CC. (Ref H0499)

