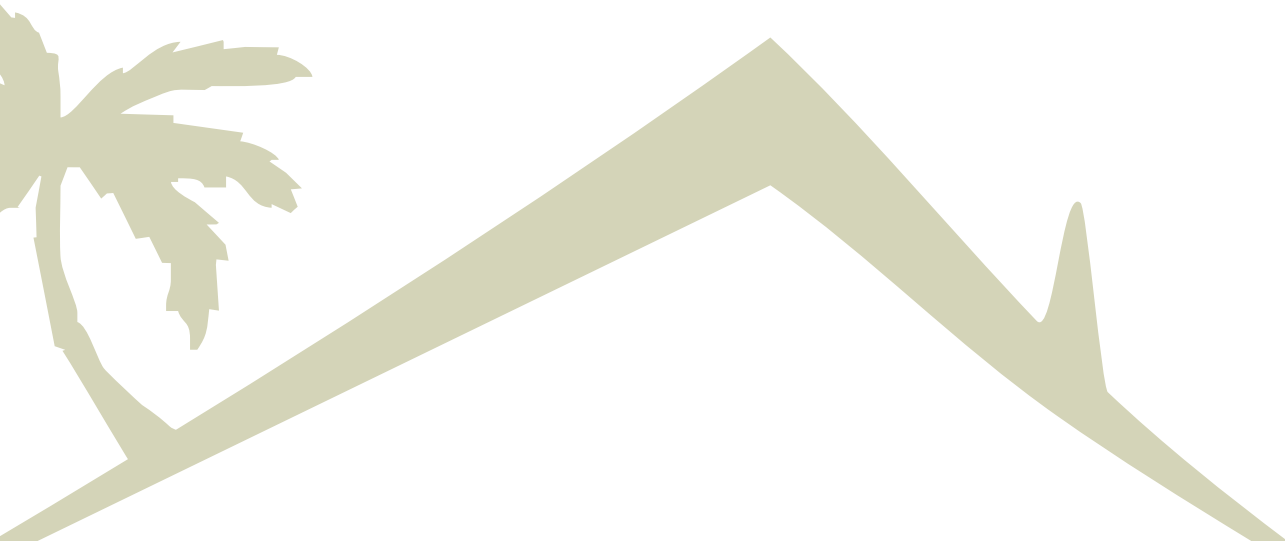




Sellers Guide

A guide to the sales process,
essential tips on selling your property.



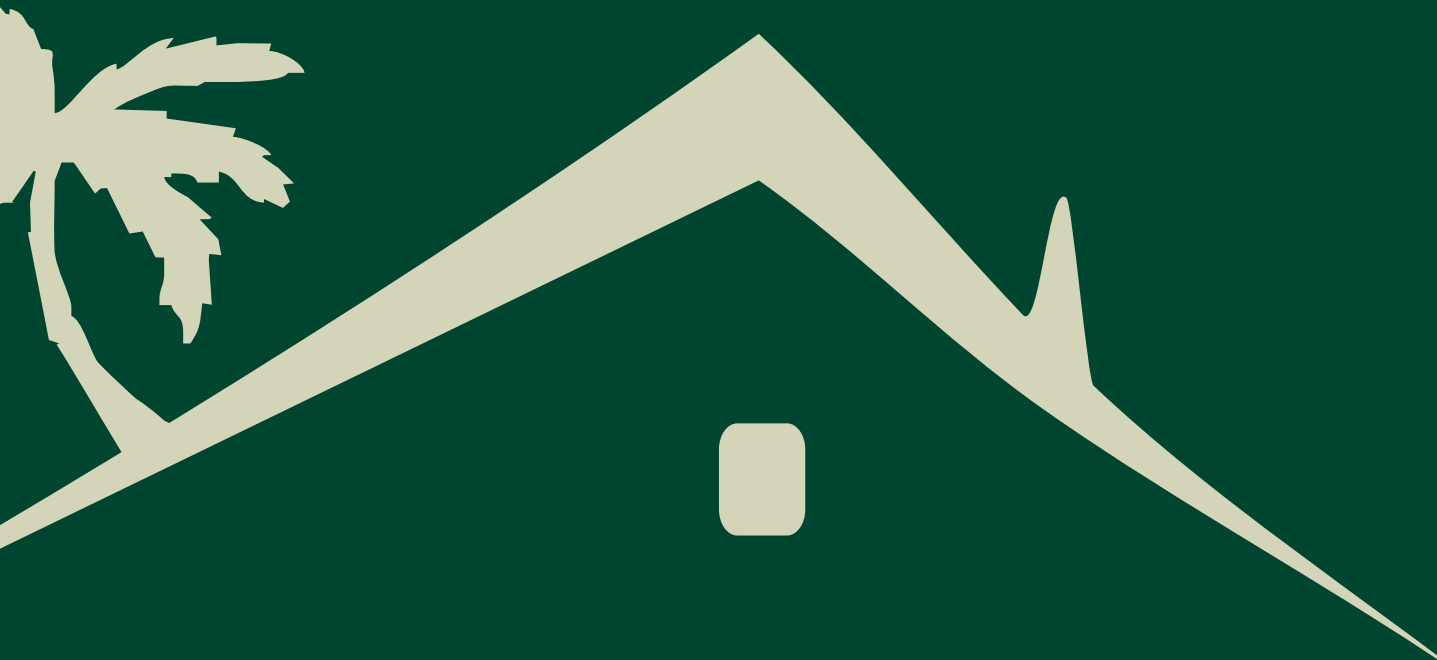
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If you are thinking of selling your property there are several important steps you should consider before placing your property on the open market.

This Sellers Guide – while it doesn't cover everything – will help you through the sales process and offers essential tips to assist you with the sale of your home.

For further information please visit our website
www.solsimpleproperties.com

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INTRODUCTION



Market

The Costa del Sol's property market is quite distinct to those of other areas. Due to its desirable climate, accessibility from other European countries and its mature and high quality commercial and leisure infrastructures it has always attracted overseas buyers and overtime they have become essential to the overall property market.

There are in fact a low level of permanent residents who only make up a small percentage of property purchases.

A great number of properties are holiday homes or the homes of semi-permanent residents. Thus, many buyers on the Costa del Sol have no urgency in acquiring a new property. Buying a property in a resort area therefore is not usually a rapid procedure, even in good market conditions.

Properties can stay on the market from three months to well over a year depending on the market, the location, the condition and general desirability of the property, the effectiveness of your sales strategy and, of course, the asking price.

Sol Simple Vendor Services

Sol Simple Properties offers you a personalised service and the ability to reach people who are qualified to purchase your property. Sol Simple is a reliable, professional estate agent who is experienced in assisting new home buyers and sellers.

Living overseas can make it very difficult to achieve effective marketing of your property. By listing your property with Sol Simple we will effectively become your sales director.

We will be your single point of contact giving your property maximum exposure by effective marketing via advertising and networking your property with other agents both locally and via our overseas partners.

We will arrange and facilitate viewings and ensure regular and clear communication with you and update regularly on sales activity, feedback from agents and buyers.

We will share our market knowledge with you and help you reach a satisfactory conclusion and a correct asking price for your property. We will find the balance between trying to achieve as high an asking price as possible, without the property appearing overpriced in the market place.

We will ensure we communicate effectively with you and update regularly on sales activity, feedback from agents and buyers.

Preparing your property for sale

Be Objective

It is important to be objective about your properties weak points. Everybody likes to be complemented on their properties but do not receive criticism quite so well. As long as you receive constructive criticism it can be taken on board as it may improve the ultimate sales price achieved and likelihood that your property is sold quickly.

Walk around your property and point out the negative features and think of ways you could improve them.

A potential buyer will always be disappointed if they walk into a house that is not in good condition and this will affect any offer that is forth coming. They will already be thinking about costs and time and effort in putting the property right. As a trusted advisor we will provide an impartial assessment of your property.

Motivation to sell

A vendor that is in no hurry is generally tempted to set a higher price for their property. However, if a property is on the market for too long it runs the risk of going stale which can result in a potential buyer giving a lower offer which is the exact opposite of the original goal.

In our experience if a vendor tends to ignore prevailing market conditions and comparable property prices and goes with a higher price set by their own criteria, then they must be prepared for a lot less interest from both agents and clients, resulting in fewer showings of the property and a sometimes frustrating waiting game.

In this scenario it is advisable for a vendor to wait before putting the property on the market if there is an indication that prices will go up.

Prepare any documents

Prepare documents required to either list or sell your property in advance. You want to avoid causing any avoidable delay which could affect either the negotiation or administration of the sale.

Decree 218/2005

Decree 218/2005 is a law that was passed by the Andalucian government in 2006 aimed at improving the rights of those consumers buying property or renting long-term, and providing more tightly controlled codes of practice for property professionals operating in Andalucia. It is now being strictly enforced by the authorities throughout the region. Under Decree 218/2005 a vendor must supply the following documents to a listing agent in order to market their property for sale:

Compulsory

- Receipt of IBI payment (annual property tax)
- Receipt of Basura payment (annual rubbish collection tax)
- Community Fees statement
- Copy of recent Electricity and Water Bills
- Nota Simple (Within last 3 months)
- Energy Efficiency Certificate (We can help you to arrange this)
- Signed Agency Sales Agreement (We will provide this)
- First Occupation Licence (new build only)

Optional

- Copy of Escritura (Title Deed)
- Copy of passports
- Copy of NIE

Essential tips for selling your home

Renovation

Only really consider renovation or making serious changes if you think they will appeal to the mass market. If you think that your changes may not be to everyone's taste, and may reduce your potential client base then give it very careful consideration before going ahead. For example, if your house needs a new kitchen and you are afraid that a buyer may not like it, then, do not buy one. However, you must then take into consideration the money and time the new owner will have to spend on a new kitchen.

Smaller details can make a big difference -

Most people like light and well-lit houses. Ensure that light fittings are new and bright, especially in bathrooms, spot lights can work wonders. Replace old taps for new ones. For a little time and small expense a real transition can occur.

Redecoration and repairs

Eliminate any small "objection factors" that can affect the negotiation from buyers, by spending some time and money upgrading or simply freshening up the property and removing immediate thoughts or work that would need to be carried out by the buyer. Do not hide defects or faults. Try to repair them.

Facilitate viewings

It is a fact that agents tend to show properties they hold keys for, properties that require appointments will generally be shown less. Therefore regardless of how short notice a possible viewing maybe, try to make it happen.

Natural light and clement temperature

When viewing ensure that the property has as much natural light as possible entering the property, ensure that curtains and shutters are open in order to maximize natural light and even consider leaving the lights on especially in a darker corners. What's the temperature like, is it too hot? If so put the air conditioning on in sufficient time before viewing and conversely if it's cold demonstrate how the property can be warmed up and maintained.

Cleanliness and odours

This may seem obvious but a clean house is a desirable house, and many buyers are put off if the property is grubby or untidy. There is nothing more off putting than unwelcome odours or unclean surfaces, floors and windows. Open windows, display flowers as they are all good ideas for creating a fresh and desirable environment.

Fixtures and furnishings

If the property is to be sold fully or partly furnished then remove any question marks and show complete transparency by making an inventory right at the beginning and give it to your agent. This shows complete openness to potential buyers and helps to build trust.

Costs

Make sure you have spoken clearly with your lawyer, accountant and agent to ensure you are fully aware of all costs and tax implications before committing to marketing your property.

Setting the asking price

Marbella's property market has always been competitive and therefore vendors without local experience could benefit from expert guidance as to how to go about marketing and selling their property.

As a seller use the following guidelines:

- Price your house realistically
- Take into consideration how much you are willing to accept
- How long you are willing to wait
- It is better to establish the right price from the beginning

Properties prices are determined by a number of factors and market drivers, from recent comparable sales, pricing per square metre to current condition of the property. The final asking price must be one that would allow your property to be sold within a reasonable time scale at a reasonable price.

The key to any sales strategy is establishing the right asking price. Asking too much for your property can significantly reduce the amount of potential buyers wanting to view it resulting in a property facing the prospect of going stale. Establishing the right asking price is therefore essential and is the result of thorough market research.

There are many useful considerations when determining the price you wish to set for your property.

- The asking price must be realistic when comparing to current market conditions
- Be aware of prices being asked for properties similar to yours in comparable locations
- How long have comparable properties currently for sale been on the market
- Find out how many comparable properties have been sold, and at what price and over what time span
- Have your more immediate neighbour's sold their property, what did it sell for? How long was it on the market?
- How much it will cost to build a new property like yours. This is called replacement value
- Once a market value has been established you can then determine how your property compares
- Is it unique, which will allow you to ask a higher price?
- Although it will incur an expense a vendor can always obtain an official valuation from an independent firm of valuers. This valuation will cost a few hundred Euros but is most useful especially if the potential buyer requires a mortgage to acquire your property

Sol Simple Properties has plenty of experience in the local market, and extensive knowledge of property values on the Coast which enables us to assist setting an asking price for your property. Fixing the right price is important to reduce the time your property will be on the market.

Financial Considerations

Factoring in your margins

A golden rule of setting an asking price is to ensure that a reasonable margin for negotiation has been included. An inflexible asking price will result in a very short period of offer and more than likely a refusal if the vendor sets their absolute bottom price as the original asking price. During the negotiation process both vendor and buyer wish to feel as if they have achieved a desired result.

A vendor must ensure that when speaking to an agent the asking price is also the “Gross” price as agency commissions can be variable. In a scenario where a vendor lists their property with several agents simultaneously without setting a gross price there is a very real danger of the property being advertised at different prices. This will serve to confuse a potential buyer and undermine the vendor without the property even being viewed.

Fees, Taxes and Retentions

- Capital Gains tax for non-residents is set at 19% (1st January 2010), payable on profits earned on the difference of the property value between the year of purchase (purchase price plus costs) and the year of sale (sales price minus costs).

Capital Gains Tax for residents is set at 19% for the first 6.000€ and at 21% for the amount exceeding 6.000€.

- Retention. All non-resident sellers, regardless of when they acquired the property, are subject to 3% retention of the sales price, paid to the Tax Office by the purchaser on account of the seller, and applied against the seller's capital gains tax. If the seller's liability is less than the 3% withheld at the time of the sale, the seller can claim it back from the tax office. If higher, the seller will have to pay the difference to the tax office.

There is one exception regarding the 3% retention: when the property has been owned by the vendor, at the date of 31st of December 1996, for more than 10 years and when the vendor is an individual (not a non-resident company). Also there is no retention when the vendor is subject to the normal income tax for residents or to companies' tax.

- Notary fees are fixed by law on the basis of a scale.
- Plusvalia is a tax to be paid by the seller, although it may be subject of negotiation with the purchaser. It is a municipal tax on the increase in value of the land alone. Note that if the seller does not pay this “plusvalia” tax, it will fall on the property.
- Other property taxes such as I.B.I, garbage collection tax, community fees if any as well as normal running costs such as electricity, telephone, water, etc. should be paid by the vendor up to date when the property is transferred to the new owner. If these cannot be calculated exactly on that date, it is customary that the buyer or his/her legal representative requires that an amount of money is left in deposit to guarantee these payments.

Negotiating the sale

Consider your potential buyer

What is the motivation for purchase from the buyer, is it for investment in which case they may well be considering other options, is it a more emotional purchase for an end user. Is their offer a considered one or are they just taking a chance? Can they fulfill other criteria such as purchase conditions and time scale for completion, what else is included? Could these items be negotiated?

Avoid getting emotional -

Don't be offended if an offer is too low. It is your agent's obligation to submit any offer received. You can always reject it. Consider all items, terms and conditions of the offer before taking any decision. Make the best possible counter offer. Avoid arguing over unimportant issues and particularly over fixtures and attached elements, which normally are included in the sale. Be flexible if you have to compromise on time frame to accommodate the buyer's wishes to move into the property.

Manage expectations

It is essential that you communicate clearly throughout the negotiation process, set a time scale for replies to offers and ensure all terms are laid out clearly from the outset.

Decision time

Ensure you are completely satisfied before agreeing a deal. Do not make a rushed or pressured decision.

Facilitate the sale

If you are based overseas then leave a power of attorney with your lawyer enabling him or her to sign a private contract on your written instructions. In this day and age any negotiation can be conducted and agreed by telephone and e-mail. Once a deal has been agreed the last thing you want to do is delay proceedings. It may have a negative impact on the negotiation itself if having reached an agreement one party cannot complete in the desired timescale.

Simplify the hand over

If you have services and utilities connected make the agent aware. You have experience in handling and maintaining your home and the new owners will certainly appreciate any information or advice you may give them. It will make their life easier when they move in and help them to settle down smoothly in their new home.

Currency - Sending your money home



If you are selling a property and require to exchange money from Euros to your home currency then make sure to speak with a foreign currency specialist.

With rates up to 5% better than high street banks and no commissions you will save your money and have more to spend on your property in Spain.

You can open a personal account or business account to start sending money abroad and save on your international payments and transfers.

A currency specialist will save clients money by achieving the best currency rates available and a better exchange rate than high street banks.

Their commercial rates of exchange and outstanding market knowledge ensure they maximise the value of your currency.

Every transaction is completely secure and you'll have peace of mind as a dedicated currency broker guides you through the process.

Currency is purchased at wholesale prices directly from the market, meaning they can pass on significant savings to you. With their market expertise, they can help you make an informed decision about when to trade and make the most of your currency.

You'll always speak to a dedicated broker

You will always speak to a friendly and knowledgeable broker who is familiar with you and your situation, never an automated answering service.

You won't pay any fees or commission

There will be no hidden fees or commissions for the purchase or sale of foreign currency through our recommended currency specialist.

Your payment is always secure

Our recommended currency specialist is authorised by the Financial Conduct Authority under the Payment Services Regulations 2009 (FRN 503906) for the provision of payment services. All client funds are held in segregated client accounts with Barclays PLC.

Exchange currency in 3 easy steps:

- Open your account

Registering for an account is quick, easy and free. Once open, it gives you access to competitive exchange rates and expert market knowledge. Please note that opening an account does not obligate you to trade.

- Speak to a dedicated broker

You will be able to call for a quote or for a consultation with a dedicated broker to discuss your specific currency requirements.

- Receive your currency

Once a contract has been settled, your currency will be sent to your nominated account within your specified time frame.

Speak to us today and we will ensure a dedicated broker will call you.

HOW TO APPLY



If you would like us to assist you with the sale of your property then please call today and one of our team be pleased to assist you.

Contact +34 952 935 637 or email info@solsimplepropeties.com or simply complete our online enquiry form available from our website www.solsimpleproperties.com.

Important points to note

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