



Description of the Selling Process

Should you decide to sell your home, you want to be sure that everything is professionally arranged by a real estate broker who is experienced and has knowledge about the property market. We can arrange a meeting with no obligations attached so that we can make an assessment of your wishes and requirements. Together with you we will draw up a step by step plan for the best strategy for selling your home. Amstel Property Agency has a very good knowledge of the local market and is up to date with all current developments regarding the sale of property and the legal aspects involved. Together we decide which marketing and media tools we can use for selling the property. The steps described below are part of the package which we can offer you.

The Steps involved

- Step 1: Decide the asking price
- Step 2: Draw up a marketing plan
- Step 3: Prepare your home for selling
- Step 4: Arrange viewings
- Step 5: Carry out negotiations
- Step 6: Sign the sale agreement
- Step 7: Go to the notary

Step 1: Decide the asking price

Amstel Property Agency can arrange a property valuation to assess the best asking price for your home. The following is taken into account when making an assessment:

- The state of maintenance and the technical condition of your home
- The location and living environment
- The financial charges, special provisions and environmental aspects
- How the Owner's Association works and the level of building management fund

- The level of demand for properties in the same area
- The prices which similar dwellings fetch in the vicinity of your home
- The energy label which measures the energy efficiency of your home

Should you decide to work further with Amstel Property Agency, an assignment for selling the property will be drawn up and signed by both parties.

Step 2: Draw up a marketing plan

Together with you we will draw up a marketing strategy. This will be based on the current market situation. We can arrange to have your property placed on Funda.nl, Jaap.nl and on our own website. You can also determine whether use should be made of social media such as Facebook or Twitter or whether advertisements should be placed in local newspapers. We can also make use of traditional promotional methods such as placing a notice in your garden or at the front your home. A professional photographer can be arranged to take photos of your home and a brochure containing information and photos will also be drawn up.

Step 3: Getting your home ready to sell

First impressions are very important. Make sure that your home looks tidy. Clean up the hallway and the rooms and invest in some maintenance. Repair minor defects such as a dripping tap or a sticking door. If necessary apply a lick of paint here and there. Tidy up the garden and make sure the entrance looks neat. Put out a nice box of flowers and keep the rubbish bins out of sight. Make sure that your home smells fresh and that the temperature is pleasant during a viewing. If necessary, we can arrange an interior decorator to give some advice.

Step 4: Viewings

Your broker coordinates and accompanies viewings. He is the contact person for potential buyers and they can address him with any queries which they have. They will also be given a brochure at the viewing. If a buyer is interested in a viewing, the broker will arrange an appointment after consulting with you and the potential buyer.

You do not need to present at a viewing. Viewers will often put more questions to the broker who is showing them around if the seller is not there. If a potential buyer approaches you directly, then you should always pass them on to your broker.

Your broker will report on the viewing, depending on the arrangements you have made. Using a broker during the viewing is an important contact moment with the potential buyer. The broker can learn more about the buyer's housing needs at that time. This information can be useful during any negotiations.

The law requires you as the seller to inform a potential buyer of all special charges and restrictions affecting your property. This could mean a right of way or a rental contract. In short all the obligations that could be important for the future occupant. You are also required to notify defects, such as a broken central heating boiler, in advance.

Step 5: Negotiations

If a buyer submits an offer, your broker will discuss this with you and advise you on what steps to take. The date of the transfer and the resolutive conditions are important during negotiations as well as the price. Examples of resolutive conditions are: not being able to obtain financing, not obtaining a housing permit or a receiving an adverse building survey. It is also possible that the buyer will want to take over certain movable contents. As long as an offer has not been accepted, the offer can be replaced by a lower or higher offer. An exception is an offer that is made which is valid until a certain time on a certain day. This cannot be revoked. Accepting an offer does not mean that an agreement is created. This only happens at the following stage.

Step 6: Drawing up and signing the sale agreement

The sales price for the property agreed upon by you and the buyer will be stated in the sale agreement. In addition, you will make arrangements about other important aspects of the sale agreement, such as the date of the transfer, the resolutive conditions or a list of movable contents – curtains, floor coverings, lighting – which can be taken over for a certain payment, or not, as the case may be.

These arrangements are laid down in writing in a sale agreement. In Amsterdam this is usually drawn up by the notary. First you and your broker will sign the agreement after which it will be signed by the buyer and his broker.

Read the sale agreement carefully before you sign. Only sign if you believe that everything has been stated correctly.

If the buyer and his broker have also signed then the sale agreement will have been finalized. The buyer will receive a copy of the sale agreement. There is then a tense time, because the sale agreement can still be cancelled at this time:

- The legal three-day cooling-off period will start once the buyer receives the copy of the sale agreement signed by both parties. The buyer can still decide to cancel the purchase during this period.
- The purchase can also be cancelled on the basis of resolutive conditions. This is possible at the latest on the date that is stated in the sale agreement.

Cancel your existing mortgage in good time.

Make sure you cancel your mortgage in good time.

Some lenders impose a penalty if you redeem your mortgage late. Ask your mortgage adviser whether it is better to deal with the cancellation yourself or have it done by a notary.

If you do this yourself, then only take action after the buyer's resolutive conditions have expired.

Step 7: Visiting the notary

The selling process is almost complete. The final stage is the signing of the deed of transfer at the notary and concluding the financial section.

The signed sale agreement and other necessary documents will go to the notary accompanied by a copy of your driving license or your passport. As soon as the notary has received the documents the notary will make an appointment on the agreed date to sign the deed of transfer.

You will receive a draft of the deed of transfer and a final statement in advance. Check that all the information is correct. Your broker will usually check the deed of transfer as well. Pay close attention to the handover date and the items that will remain in the house. The buyer can inspect the dwelling before the transfer to see that everything has been left behind as agreed. Your broker can supervise this inspection.

You will go to the notary with the buyer after the inspection.

You can do this without the supervision of the broker, but he usually comes with you. Once you have signed the deed of transfer and this has been entered in the public registers at the Land Registry, you are officially no longer the owner of the dwelling.

The new owner will receive the keys after signature of the deed of transfer.

The buyer will pay the purchase price and any additional costs for movable contents that are left behind. The notary will then deal with the further processing, such as:

- Calculating the property charges, such as property tax and water board charges.
- Dealing with the repayment of any current mortgage.
- Ensuring that the agreed commission is paid to your broker.
- Ensuring that any remaining balance will be transferred into your account. You will receive this balance after the deed of transfer is registered with the Land Registry. This is usually one working day after the transfer.

The sales process is now complete.

Most frequently asked questions about buying and selling property

1. When is a buyer in negotiation?

A buyer is only in negotiation with the selling party if he responds to the buyer's offer by:

- a) Making a counter-offer.
- b) Explicitly stating that that he is in negotiation with the buyer.

The buyer is not yet in negotiation if the seller's broker says that he will discuss the buyer's offer with the seller.

2. Is a seller's broker allowed to conduct viewings if there are already negotiations about a bid?

Yes, this is permitted. Negotiations do not have to result in a sale.

The seller will probably also want to know if there is more interest in the property. He is also allowed to negotiate with several potential buyers. A broker has to make this clear to all the parties.

The seller's broker will often inform interested parties that there is already an offer or that there are negotiations taking place. A potential buyer can still make an offer in this case but the broker will only commence negotiations with other parties once the negotiations with the first candidate have ended. The broker cannot say anything about the size of the offers. This might otherwise result in an auction.

3. If the buyer offers the asking price, is the seller obliged to sell the buyer the property?

No, the seller is not obliged to sell the buyer the property. The Supreme Court has determined that the asking price must be viewed as an invitation to make an offer. Even if the buyer offers the asking price, the seller can therefore decide that he will or will not accept the buyer's bid, or make a counter-offer (through his broker).

4. Is the seller allowed to change the asking price of a property during the negotiations?

Yes, the seller can decide to increase or reduce the asking price. A potential buyer also has the right to reduce his offer during the negotiations. This means that the buyer's previous offer will be void as soon as the selling party makes a counter-offer.

5. How is the purchase completed?

If the seller and the buyer agree on the most important points – including the price, transfer date, resolutive conditions and any arrangements about movable items – then the seller's broker will set these arrangements down in a sale agreement. The purchase is only completed when both parties have signed the sale agreement. Resolutive conditions are an important matter. If you want these to be included in the sale agreement, then this has to be taken into account during the negotiations. A buyer is not automatically granted a resolutive condition.

The seller and the buyer must agree on the additional arrangements and resolutive conditions before the sale agreement is drawn up.

Examples of resolutive conditions are:

1. Financing conditions.
2. No housing permit.
3. Adverse building survey.
4. Failure to obtain a National Mortgage Guarantee.

The purchase is only completed when both parties have signed the sale agreement. This is termed the requirement for a written agreement.

As soon as the seller and the buyer have signed the sale agreement and the buyer (and possibly the notary) have received a copy of the agreement, the legal cooling-off period will commence for the private buyer (see question 11). The buyer can still cancel the purchase within this time. The purchase is final after this time, unless the resolutive conditions apply.

6. Is a broker allowed to change the sales method during the negotiations?

Yes, this is allowed. Sometimes there are so many potential buyers who offer or approach the asking price that it is difficult to decide who the best buyer is. At that time the seller – on his broker's advice – can decide to amend the offer procedure by making this a tender procedure, for example. In this procedure all bidders have an equal chance of submitting a

bid. The broker must of course comply with any previous promises or agreements before the procedure is modified.

7. Is a broker allowed to ask an exorbitant and unrealistically high price for a property?

The seller will decide the price he wants to ask for his property in consultation with his broker. The buyer can negotiate on the price, but the seller decides.

8. What is an option?

The term 'option' is used in two ways:

a) In a legal sense an option grants a party (in this case the buyer) the choice to conclude a sale agreement with another party (the seller) by means of a unilateral declaration. Both parties agree on the purchase conditions, but the buyer will for example be given another week's cooling-off period. Such an option is usual when buying a newly built property, but not in the case of an existing property.

b) It is in fact incorrect to use the term 'option' when purchasing an existing property. 'Option' in that case means certain agreements which a seller's broker makes with an interested party during the negotiating process.

An example of this is a promise that the buyer will be granted a couple of days to change his mind when he makes an offer. The buyer can use this time to gain a better view of his finances or potentially how to use the property. The broker will inform other interested parties during this period that there is an option on the property. You cannot demand an option. The seller will decide in consultation with the broker whether such options are to be issued.

9. Does the broker have to negotiate with the first buyer if he is the first person who arranges a viewing? Or if he is the first to make an offer?

No, this is not required. The seller will decide with the seller's broker who he will negotiate with.

10. Does the broker's commission come under the 'buyer's costs'?

No, the commission is not included. The following come under the 'buyer's costs':

a) The transfer tax:

b) Notary fees, including for drawing up the deed of transfer and registering this with the Land Registry.

In addition to the above costs there may be notary costs for drawing up and registering the mortgage deed. If the buyer has engaged a purchase broker then the commission for this purchase broker is for the buyer's expense. This is usually charged in the final statement drawn up by the notary. The seller's broker's costs are borne by the seller.

11. What does the three-day cooling-off period mean exactly?

The legal three-day cooling-off period means that the buyer can cancel the purchase without giving any reasons. The three-day cooling-off period starts as soon as a copy of the signed sale agreement has been handed over to the buyer.

The cooling-off period can last more than three days, if it ends on a Saturday, Sunday or legally recognized public holiday. There are rules for this.

12. Can the buyer expect to receive advice from the seller's broker?

The seller's broker looks after the interests of the seller. He will advise the seller during the selling process. The seller's broker cannot therefore represent the buyer's interests at the same time.

13. How do you calculate the number of square metres for a property?

Brokers are obliged to measure the number of square metres in a property according to agreed industry-wide measurement rules. These rules describe exactly what is or what is not included in the measurement as a usable area of a house or apartment. A distinction between four areas is made here:

- a) Living space, such as living rooms and bedrooms, toilets, hallway and meter cabinet.
- b) Other rooms in the house, such as an attached garage and attic with a loft ladder.
- c) External areas attached to the building, such as a balcony and terrace.
- d) External storage space, such as a detached barn or detached garage.

An important point when determining the usable surface area is for example that only areas with a minimum height of 1.5 metres are measured. External walls are not included, but internal walls are. Alcoves of less than 0.5 m² are ignored.

14. Does my property need an 'energy label'?

An energy label for a property states how energy efficient a property is by means of classes (A++ to G) and colours (dark green to red), compared to similar properties.

The energy label is a report with several pages, drawn up by a certified energy label adviser. Energy labels have been compulsory since 2008 when buying property, with a few exceptions. An energy label can work to your advantage. The more energy-efficient your house is, the more it is worth.

