



Purchasing a property

When buying a home it is wise to enlist the services of an agent who can advise you about the current housing market, building aspects, resolutive conditions and local regulations.

The agent can also negotiate on your behalf and can advise you on how to submit a competitive but realistic negotiating offer.

Our brokers are experts in the local market, are up to date on market trends and are familiar with all aspects of purchasing and selling as well as the finer legal points. A broker can act as a purchase broker on one occasion and a sales broker at another but he can never act as both the purchase broker and sales broker for the same property. This is in order to prevent conflict of interest.

If you would like to look for a new home you can make an appointment with us without any obligation. We will take the entire purchase process through with you and draw up a plan.

If you decide to avail of our services with the result that you purchase a property we charge a commission of 1% of the purchase price exclusive BTW. If you use our services for 3 months but you decide not to purchase anything in the end we charge a service fee of E350 exclusive BTW.

The purchase process

Step 1. Meeting with a mortgage advisor to find out what your financial possibilities are

Step 2. Finding a suitable property

Step 3. Arrangement of viewings

Step 4. Performing further investigations

Step 5. Negotiation

Step 6. Signing of the sales agreement

Step 7. Arrangement of the financial transaction with the bank

Step 8. Transfer of ownership at the notary's office

Important things to know

For properties advertised as *kosten koper* you will be obliged to pay expenses such as notary costs, transfer of ownership costs, registration costs for the registration of the purchase in the Land Registry (kadaster) and transfer taxes. If a house is advertised as *vrij op naam* all costs are included in the price.

Arranging a mortgage

Generally the cost of buying a home is around 6% of the purchase price. Banks may lend up to five times your salary if you meet the following conditions-

- You have a valid residence permit
- You have steady employment
- If self-employed you can produce statements for the last three years and show future potential earnings.

As a buyer you are expected to investigate the condition of the property. You have to pay for defects that you could have found during the viewing, which cannot be termed hidden defects later on. The duty to make enquiries also applies to legal aspects. This includes easements such as right of way.

The seller is obliged to inform you about hidden defects such as a leak in the roof and other matters which could be important for you. This does not apply to defects you can see yourself, for example rotten window frames or cracks in the walls. The seller is not obliged to point these out expressly.

The best thing to do if you have any doubts is to engage a construction expert who can compile a detailed report (bouwkundig rapport/building survey) on the exact condition of the property. This report will also give an estimation of the costs for repairing any technical defects found.

If you take an interest in a particular property your broker can investigate the following-

- Local development plans
- Environmental aspects
- Relevant details in the Land Register
- Status and Obligations of the Owner's Association
- Municipal and provincial regulations
- Energy label for the property

If you decide to make an offer for a property you can attach resolutive conditions to this so that it is still possible to cancel the sale on the basis of these conditions.

Examples of resolutive conditions are-

- Financial conditions
- No housing permit is required
- Negative building survey
- No-Risk clause
- Failure to obtain a National Mortgage Guarantee

A No-Risk clause means that you can cancel the purchase if the sale of your current home takes longer than expected. The seller's home will continue to be for sale during this period.

If you are the first to make an offer, this does not automatically mean another buyer cannot make an offer. An offer that has been made can be withdrawn or replaced by a higher or lower offer, as long as the other party has not accepted it. An exception is an offer with a time limit for acceptance. You are only in negotiation with the selling party if he or she responds to your offer by a) making a counter offer or b) explicitly stating that you are negotiating. You are therefore not negotiating if the seller's broker says that he will discuss your offer with the seller.

The seller's broker can continue to conduct viewings if there is already a bid or negotiations about a possible sale. You can still make an offer in that case as a potential buyer but the broker will only commence negotiations with you or other parties once the negotiations with the first candidate

have ended. The seller's broker cannot say anything about the size of the offers otherwise this might result in an auction.

If you offer the asking price the seller is not obliged to sell you the property. The seller can still decide whether he will or will not accept your bid or make a counter offer through his broker. The seller can decide to increase or reduce the asking price. As a potential buyer you also have the right to reduce your offer during the negotiations. This means that your previous offer will be void as soon as the selling party makes a counter offer.

If the seller and buyer agree on the most important points- including the price, transfer date, resolutive conditions and any arrangements about movable contents, then the seller's broker will set these arrangements down in a purchase agreement. The purchase only becomes official when both parties have signed the agreement.

Once you and the seller sign the purchase agreement you have a legal three day cooling-off period which means you can cancel the purchase during this time without giving any reason. The three day cooling-off period starts as soon as a copy of the signed agreement has been handed 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. Beyond that you may risk a penalty of 10% of the asking price if you suddenly decide to cancel the purchase unless the resolutive conditions apply.

The purchase is final after the three day cooling-off period unless the resolutive conditions apply.

Once the sale agreement has been signed you have to finalize your financing. This is usually in the form of a mortgage. Your mortgage advisor can calculate precisely the amount of the mortgage you require based on the purchase price, any conversion plans, your own funds and the buyer's costs (the costs of the registration in the Land Register, the transfer taxes (overdrachts belastingen), the commission costs of your purchase broker and your notary's costs for the transfer. Once the financing is complete the bank will send the mortgage documents to the notary. The bank will ensure that the amount of the mortgage is paid onto the notary's escrow account before the transfer date.

A valuation of the property is usually required to finance the purchase. You always require a valuation report from a registered valuer for this. Your purchase broker is not allowed to draw up a valuation report for you because he is involved in the negotiation process. However, he can help you find a registered appraiser (taxateur). Note that this property valuation is not a building survey.

If a date has been fixed to transfer the property, then you will need to wait until the notary has drawn up the deed of transfer and the mortgage deed. You will usually receive a draft of the deed of transfer, a draft mortgage deed and a final statement from the notary a couple of days before the transfer.

On the day of the transfer you will first inspect the property together with your purchasing broker to check that it is being handed over in the agreed condition. After that you go to the notary and sign the deed of transfer and the mortgage deed. Subsequently the notary will ensure that the deeds are registered in the public registers at the Land Registry. After these registrations you will be the official owner of your new home. You will usually receive the keys immediately after the transfer.