

my **bond** fitness

mbf
my budget fitness



Consumer
Housing
Education

r2b

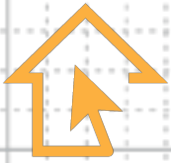
rent 2 buy

Mobile
2
BUDGET

**Become a
Super Tenant
&
Get in Front
OR
GET OUT OF THE
RENTAL TRAP**



 **attorney realtor hub**



Index & “House rules”

- **Pse mute your mike**
- Introduction of the hosts today
- What it takes to be a tenant
- What it takes to be a landlord
- Benefits of a landlord
- **How do I get out of the rental trap I own my own property?**
- Step 1 Empower Yourself
- Step 2 Understand the Process
- Step 3 Use all resources available
 - FLISP
- Step 4 Think out of the Box
 - ISA & R2B
- F A Q
- Useful Websites
- Questions
- Contact details

Introduction of your Hosts Today



Attorneys, Notaries and Conveyancers
Cape Town | Bloubergstrand

the Bond Indicator has been downloaded by over 40 000 subscribers. For more information visit the website www.mybondfitness.co.za/

FACILITATING PROPERTY OWNERSHIP SOLUTIONS AND PROVIDING THE MOST COMPREHENSIVE PROPERTY FINANCE ASSISTANCE

RENT2BUY
In 2007 the concept of purchasing a property without the financial assistance of a bank was investigated. The idea of renting with the option to buy was investigated and some 24 months later, Rent2Buy was introduced. Instalment sale transactions introduced by the Alienation of Land Act 1968 were fine-tuned and added this to the Rent2buy offering. Visit the website for more information www.rent2buy.co.za

FLISP
Research showed that Government did little to introduce the full benefit of the Finance Linked Individual Subsidy Programme (FLISP) to first-time buyers, estate agents, mortgage originators and financial institutions. A comprehensive FLISP & mortgage application service was developed. Our FLISP support service has grown into the largest private FLISP service in the property industry. Visit the website for more information www.flisp.co.za

HOME OWNERSHIP EDUCATION
Buying a home remains one of the biggest investments one will ever make – yet most homebuyers enter the buying process with less research than buying a new mobile phone.

Modules for home ownership education and information were developed and large organisations such as Standard Bank,

African Bank, Just Property, Old Mutual Home Solutions, to name few, took these up.

ONLINE BOND INDICATOR AND SOFTWARE DEVELOPMENT
We analysed the available bond calculators and services to assist homebuyers in calculating their actual and accurate home loan amount to qualify for. An online bond indicator process that simultaneously also provides an automated credit check was developed. The "Bond Indicator" is used by a leading mortgage originator company which their final home loan approvals from a 75% approval rate to an almost 90% approval rate. By July 2019,

RENT2BUY FINANCE
The Rent2buy concept was expanded in 2018 when finance was introduced to the existing Rent2buy concept. Rent2buy Finance is available in Gauteng, Cape Town, Metropole and Bloemfontein for properties ranging from R400 000 to R1,8 million.

The past 12 years have been the highlight in my career, combining my accumulated property knowledge, passion and expertise since 1986 helping home buyers make the dream of owning a home come true, says Meyer De Waal, director of MDW INC Cape Town.

ABOUT US

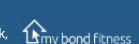
We are a 20 year old conveyancing practice, expanded into a cutting-edge software and IT company, while providing the widest and innovative range of property finance and transaction solutions.

In 2007 the introduction of the National Credit Act changed the property sector. Homebuyers struggled to raise home loans and conveyancing instructions plummeted.

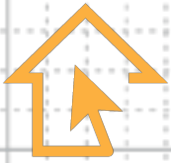
Debt and Affordability repair, Rent2buy, Online Bond Calculators, FLISP assistance services, and Home Ownership Education was added to the portfolio of services to complement the conveyancing practice. Patrick Ngondweni joined in January 2019 as MD in Gauteng.



MDW INC Attorneys
2nd Floor, Block C, The Boulevard Office Park, Searle Street, Woodstock, Cape Town
www.mdwinc.co.za | Contact 021 461 0065 | meyer@mdwinc.co.za
Patrick Ngondweni | 083 408 3737 | patrick@mybondfitness.co.za

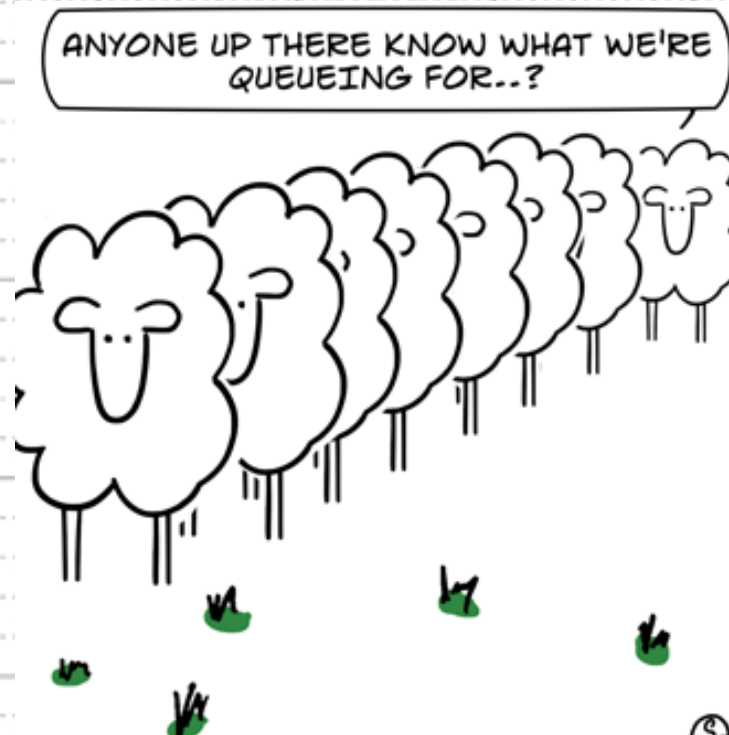


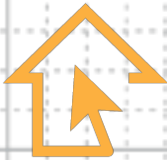
consum



Securing a lease is not an easy task

One always feels you are in the back of the queue





IMPORTANT COVID-19 NOTICE

To combat the spread of COVID-19 in South Africa, visit the official COVID-19 Online Resource and News Portal at www.sacoronavirus.co.za

COVID-19

Online Resource & News Portal
SAcoronavirus.co.za



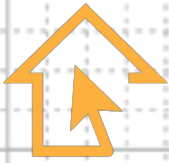
health

Department:
Health
REPUBLIC OF SOUTH AFRICA

Emergency Hotline: 0800 029 999

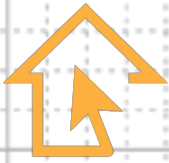
WhatsApp Support Line: 0600-123456

**Prevention of Illegal Eviction &
Unlawful Occupation Act**



**Loss of rental income
during eviction process**

**Damages to property
that is not covered
by the deposit**



Republic of S

HOME

Home »

South African Government



CPA

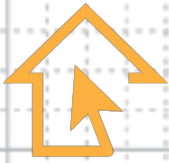
Consumer Protection Act

Consumer Protection Act

Tenant can give 21 days
Notice to terminate

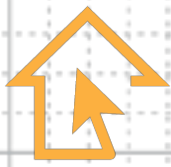
a lease {*}

{* landlord can
claim damages}



**What is the past
Payment behaviour of my
tenant?**

**Will my rent be paid
Every month
&
On time?**



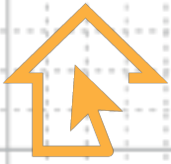
Put yourself in the shoes of a Landlord



All Online – Big Brother is watching

The PayProp Rental Risk Rating





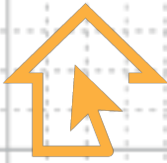
Lets us look at the STATS

[Features](#)[Customers](#)[About](#)[Contact](#)[Login](#)[Join PayProp](#)

PAYPROP RENTAL INDEX

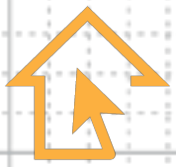
Quarterly South African residential rental market data.

[Download Q2 2019](#)



TPN CREDIT REPORT

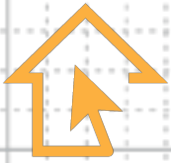




What will they be looking at?

- **Regular**
 - Did you pay your rent on time – every month?
- **Income**
 - Do you have the income to support the rental?
- **Behaviour**
 - Any past complaints?
- **Employment Details**
- **Who will live there?**
 - How many?
 - Pets?

Propensity to pay the rent

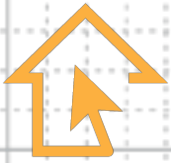


These are the standard requirements

Do not be “normal”

Stand out in a crowd





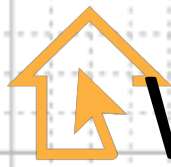
How do you do it?

- **Get yourself pre-qualified**
- **Arrive with your full CV as a tenant**
- **Have a certificate available to show your deposit**

RENTMASTER

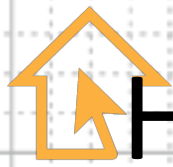
 **PayProp**

**RENT
SHIELD**

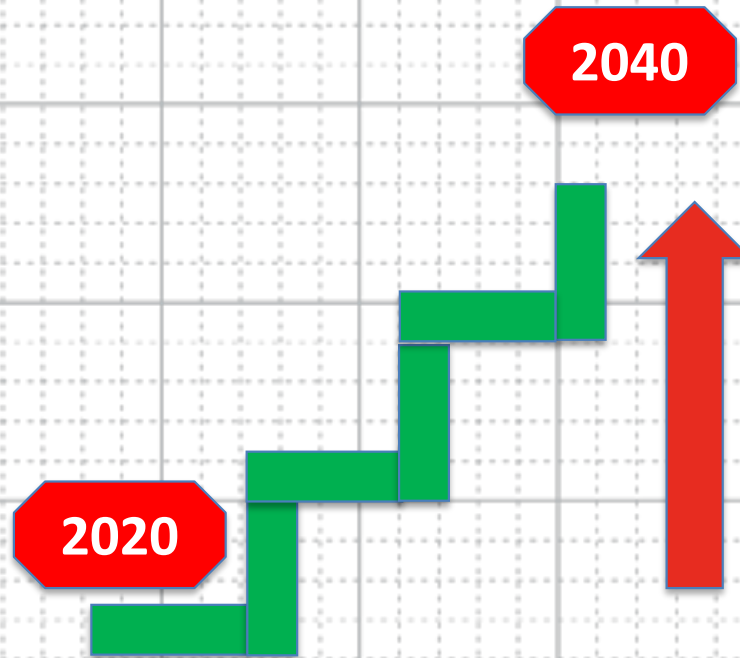


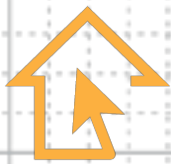
What are the benefits of being a Landlord?





How much will my rent increase?

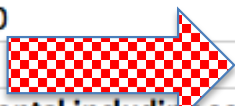


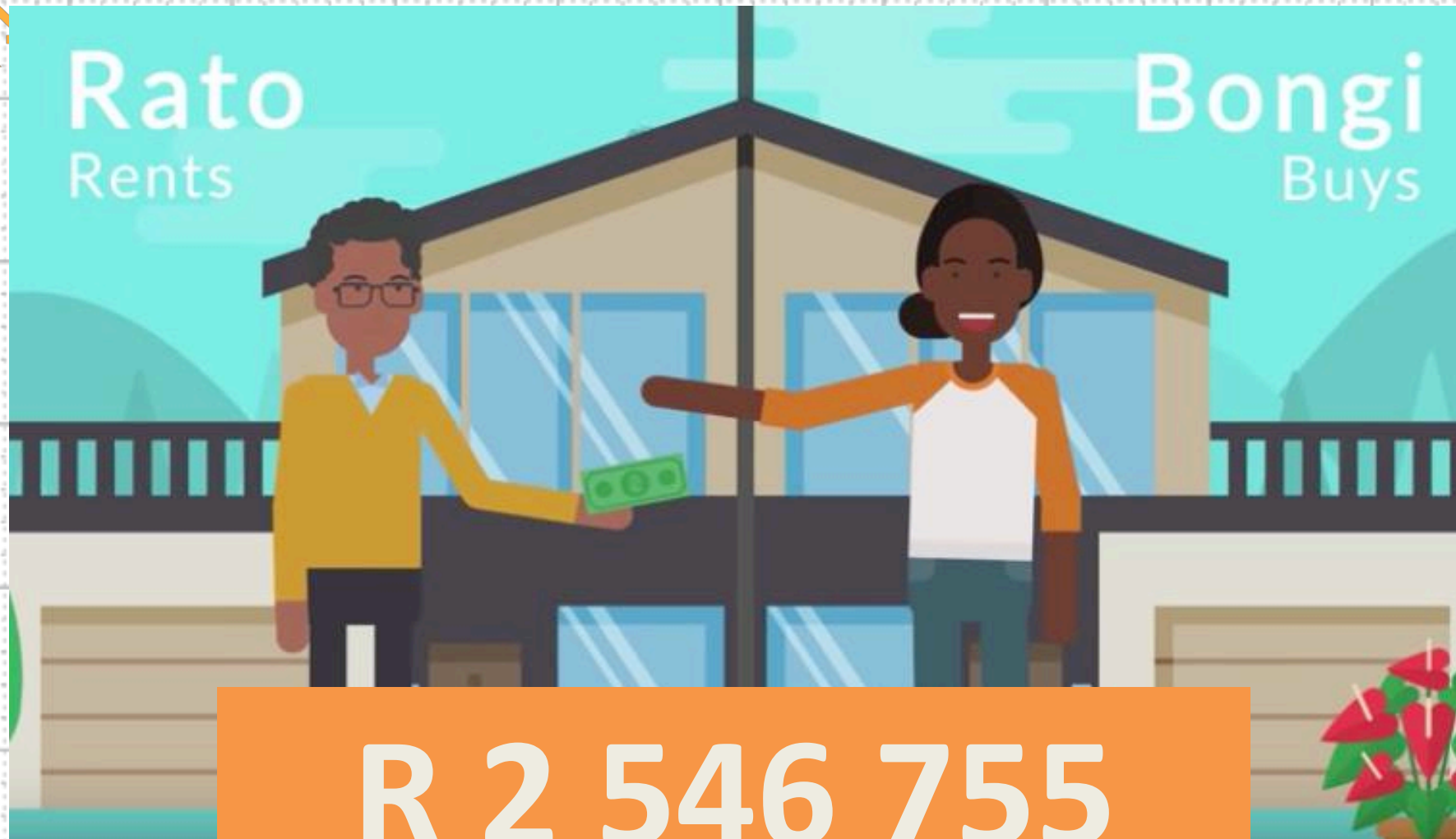


How much over 20 years?



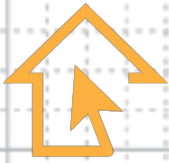
Monthly rental	5 000,00		
	Escalation annually	8%	Monthly rental
Total rental paid per annum			
Year 1	60 000,00		5 000,00
Year 2	60 000,00	4 800,00	5 400,00
Year 3	64 800,00	5 184,00	5 832,00
Year 4	69 984,00	5 598,72	6 298,56
Year 5	75 582,72	6 046,62	6 802,44
Year 6	81 629,34	6 530,35	7 346,64
Year 7	88 159,68	7 052,77	7 934,37
Year 8	95 212,46	7 617,00	8 569,12
Year 9	102 829,46	8 226,36	9 254,65
Year 10	111 055,81	8 884,47	9 995,02
Year 11	119 940,28	9 595,22	10 794,62
Year 12	129 535,50	10 362,84	11 658,19
Year 13	139 898,34	11 191,87	12 590,85
Year 14	151 090,21	12 087,22	13 598,12
Year 15	163 177,42	13 054,19	14 685,97
Year 16	176 231,62	14 098,53	15 860,85
Year 17	190 330,15	15 226,41	17 129,71
Year 18	205 556,56	16 444,52	18 500,09
Year 19	222 001,08	17 760,09	19 980,10
Year 20	239 761,17		
Total rental including escalation	2 546 775,79		





R 2 546 755

From R 5 000 pm

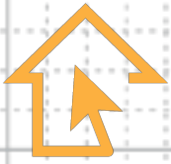


Thanks!



Thanks!
You paid off my bond !

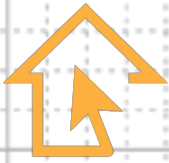




HOW DO I GET OUT OF THE TENANT QUEUE &

OWN MY OWN PROPERTY?

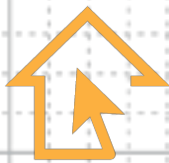




STEP 1

Empower yourself

**Become an
Educated Home Buyer**



B

ert

Watch the Movie
Then read the book!

EDUCATIONAL VIDEOS

INTRODUCTION: HOW TO BUY YOUR
HOME

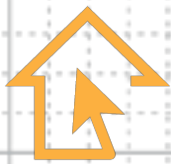


THREE FOUNDATIONS TO YOUR HOME
OWNERSHIP JOURNEY



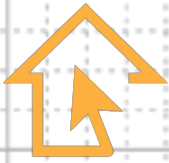
Octogen



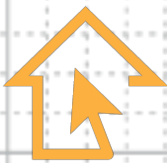


How to buy your own home





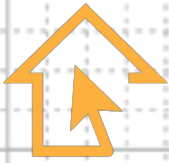
The “hidden costs”



Cost of buying a property

< Back Loan Amortization			
Loan Amount:	500000	Rate %	7.75
Payments/Year:	12	Years:	20
Interest Compounding:			
Annually Semi-Ann... Quarterly Monthly			
Payment: R 4 104,74 Interest Paid: R 484 861,00			
Period	Interest	Principal	Balance
1	R 3 229,17	R 875,58	R 499 124,42
2	R 3 223,51	R 881,23	R 498 242,77
3	R 3 217,81	R 886,93	R 497 355,07
4	R 3 212,08	R 892,66	R 496 462,34
5	R 3 206,32	R 898,43	R 495 563,57
6	R 3 200,51	R 904,23	R 494 658,77
7	R 3 194,67	R 910,08	R 493 747,92
8	R 3 188,78	R 915,96	R 492 831,04
9	R 3 182,87	R 921,88	R 491 909,12
10	R 3 176,91	R 927,83	R 490 981,17
11	R 3 170,92	R 933,82	R 490 047,18









< Back Loan Amortization			
Loan Amount:	500000	Rate %	7.75
Payments/Year:	12	Years:	20
Interest Compounding:			
Annually Semi-Ann... Quarterly Monthly			
Payment: R 4 104,74 Interest Paid: R 484 861,00			
Period	Interest	Principal	Balance
128	R 2 120,97	R 1 983,77	R 326 424,23
129	R 2 108,15	R 1 996,59	R 324 427,41
130	R 2 095,26	R 2 009,49	R 322 417,51
131	R 2 082,28	R 2 022,47	R 320 394,53
132	R 2 069,21	R 2 035,53	R 318 358,47
133	R 2 056,06	R 2 048,68	R 316 309,32
134	R 2 042,83	R 2 061,91	R 314 247,09
135	R 2 029,51	R 2 075,23	R 312 171,77
136	R 2 016,10	R 2 088,64	R 310 082,36
137	R 2 002,61	R 2 102,13	R 307 979,87
138	R 1 989,03	R 2 115,71	R 305 863,29



Useful website to calculate Transfer & Bond Costs



HOM

-  Transfer Costs
-  Bond Costs
-  Bond Instalments
-  Bond Affordability
-  Commission
-  Price per Square Meter
-  Capital Gains Tax
-  Summary

Instalment Calculators

Monthly installments | Increased monthly installments | Lump sum payment

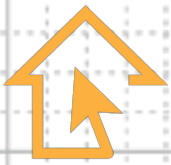
Loan Amount

Interest Rate

Loan Term

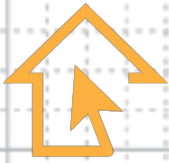
Calculate

AvidFirefly



Transfer & Bond Costs

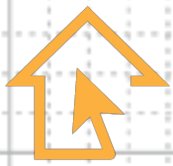
- **Buying from a Property Developer**
- Check deed of sale – if
 - VAT
 - Transfer costs
 - Bond registration costs are included in the purchase price
- **Buying from a private seller**
- Check deed of sale
- Usually purchaser must pay
 - Transfer duty
 - Transfer
 - Bond fees



STEP 2

Understand the Process

What will a bank look at?



3 – INGREDIENTS

For a Home Loan Application

Credit Profile



Affordability

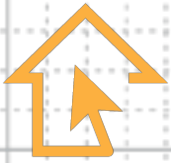
FLISP

Finance Linked Individual Subsidy Programme

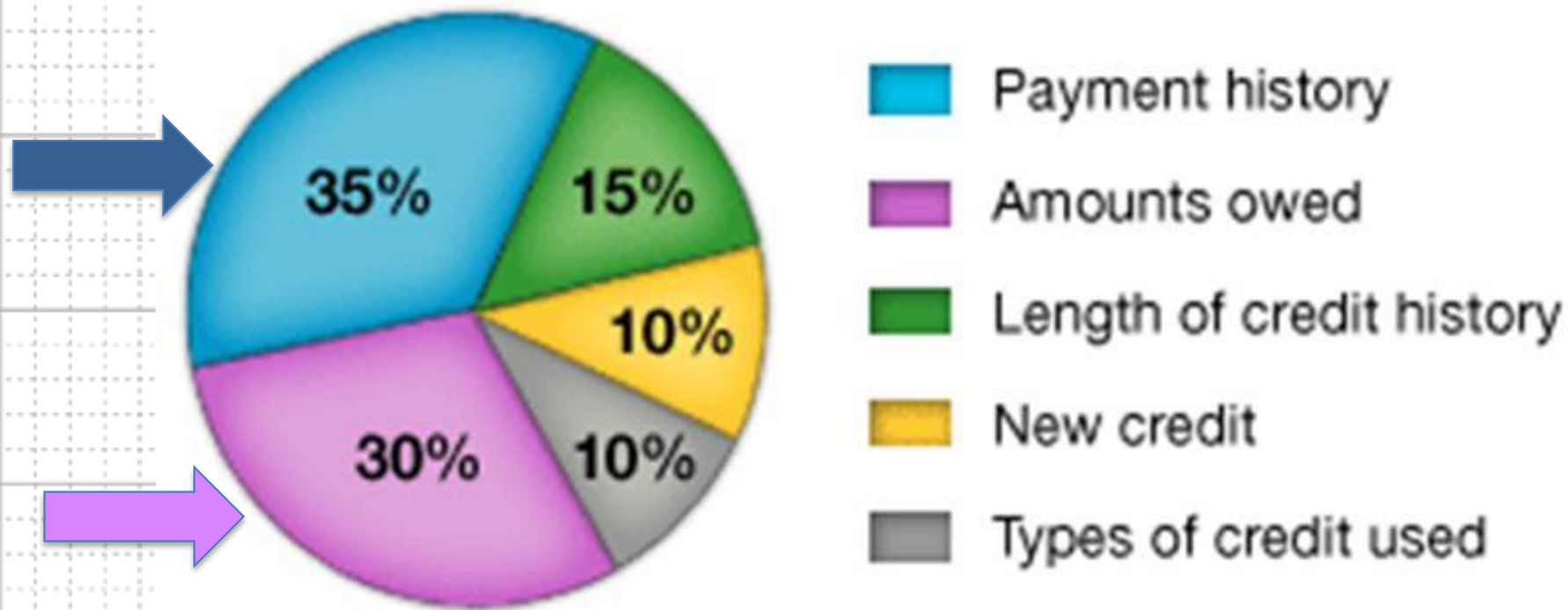


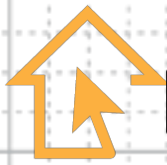
**Loan to Value
Deposit & Valuation**





My own credit profile





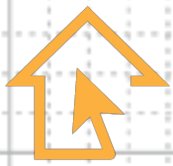
DOES A DECLINE STOP YOUR JOURNEY?

FACT :

50 % OF HOME LOANS ARE DECLINED



**DO NOT
LET A FLAT TYRE STOP YOUR HOME
OWNERSHIP JOURNEY**



First - check out Credit Score

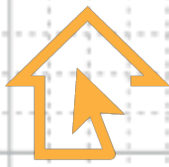
Bad – Low

Good



FIX THE FLAT TYRE
Refer to Debt
Repair

Good
Proceed to
do business



Debt & Affordability Improvement



CREATE FINANCIAL CERTAINTY WITH OUR TEAM OF EXPERTS

Get the help you need today. In partnership with Rent2Buy, we can make your dream of owning your own home come true.

Let's navigate the next few months together. If you are not yet an Octogen client, complete the form and we'll get in touch.

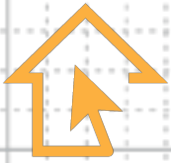


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Send Details





PRICE CHECK

Home Loan Amount

30 % of income vs home loan repayment

R30 000 income x 30 %

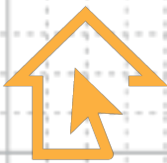
= R10 000

= R1 million home loan

? =

Interest rate

What will the bank charge you?



Bond Affordability

NCA Disposable Income | NCA Bond Amount | **Pre NCA Gross Salary** | Pre NCA Bond Amount

Gross Monthly Salary
Number of years
Interest rate (%)

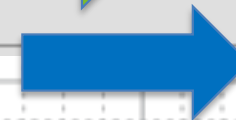
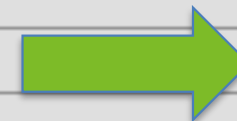
Calculate



Result of calculation

Gross Salary of R18000 p.m.

Maximum monthly repayment	5,400.00
Interest rate per annum	7.75%
Number of years	20
Bond Amount	657,775.68
Total Repayments	1,296,000.00





7.75 % vs 9.75 %

R18 000 pm
7.75 % x 20 years

Maximum monthly repayment	5,400.00
Interest rate per annum	7.75%
Number of years	20
Bond Amount	657,775.68
Total Repayments	1,296,000.00

R657 775

R18 000 pm
9.75 % x 20 years

Maximum monthly repayment	5,400.00
Interest rate per annum	9.75%
Number of years	20
Bond Amount	569,309.86
Total Repayments	1,296,000.00

R569 309

R88 466

Less home you can buy



20 years % vs 30 years %

R18 000 pm
7.75 % x 20 years

Maximum monthly repayment	5,400.00
Interest rate per annum	7.75%
Number of years	20
Bond Amount	657,775.68
Total Repayments	1,296,000.00

R18 000 pm
7.75 % x 30 years

Maximum monthly repayment	5,400.00
Interest rate per annum	7.75%
Number of years	30
Bond Amount	753,755.96
Total Repayments	1,944,000.00

R657 775

30 years
R95 890
More home loan

R753 755



Is there a catch? Same bond

20 years % vs 30 years %

R18 000 pm
7.75 % x 20 years

Pay-off time	20 years
Monthly payment	6,567.59
Total capital paid	800,000.00
Total interest paid	776,221.24
Total amount paid	R1,576,221.24

R18 000 pm
7.75 % x 30 years

Pay-off time	30 years
Monthly payment	5,731.30
Total capital paid	800,000.00
Total interest paid	1,263,267.27
Total amount paid	R2,063,267.27

R487 046
More paid
on R800 00 home loan

R 1 576 221

R 2 063 267



Same bond = R800 000

7.75 % vs 9.75 %

**R800 000 home loan
7.75 % x 20 years**

Pay-off time	20 years
Monthly payment	6,567.59
Total capital paid	800,000.00
Total interest paid	776,221.24
Total amount paid	R1,576,221.24

**R800 000 home loan
9.75 % x 20 years**

Pay-off time	20 years
Monthly payment	7,588.13
Total capital paid	800,000.00
Total interest paid	1,021,152.35
Total amount paid	R1,821,152.35

**R244 931
More on R800 000**

R1 576 221

R1 821 152



THE SITUATION



Willing
Seller

Missing =

A WILLING
BANK

&

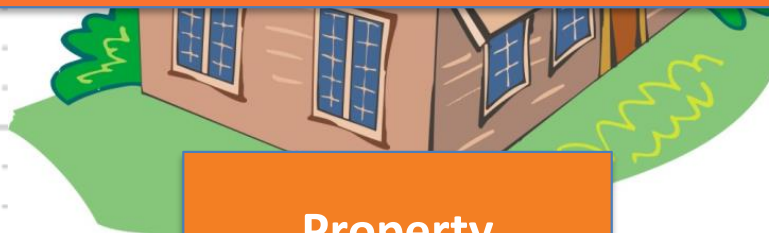
HOME LOAN !



Willing
Buyer

What is
missing

?



Property

Online Process Developed



Register



Or

First Name
Surname
Email
Password
Confirm Password

☐ I agree to the [Terms & Conditions](#)

REGISTER →

[Already Have An Account?](#)

ID check

Hi John, Please



Your ID Number

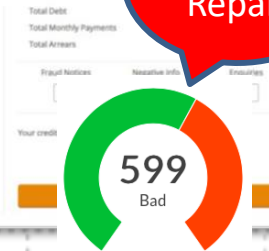
Ok, Check My ID Number

Hi John, Have a look at your credit



Your credit status:
909
Excellent
Good
Average
Poor

DEBT
Repair



r2b
rent 2 buy

1. Branded URL

2. Quick ID Verification

3. Credit Report

FLISP
Pre-qual

FICA
upload

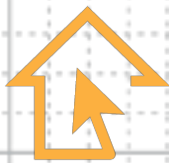
Property
type

6. Loan Processing, FICA
& Identify Property

5. Loan Assessment

4. Link-Up With Your
Bank Accounts

R
Bond
Indicator

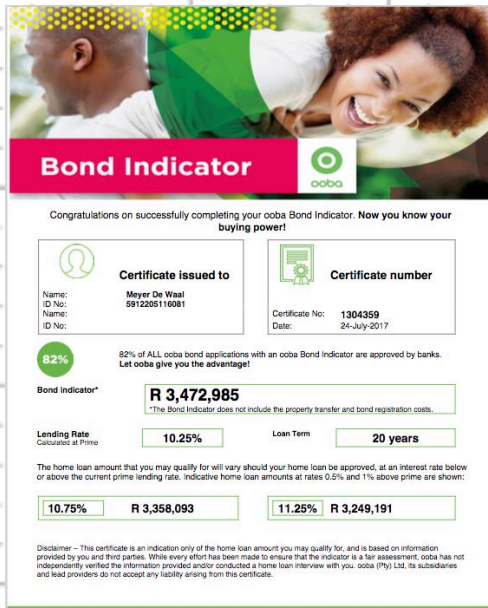



your **pre-qualification** certificates



You have an active pre-qualification certificate

Expand to view and print



Bond Indicator 

Congratulations on successfully completing your ooba Bond Indicator. Now you know your buying power!

Certificate issued to		Certificate number	
Name:	Meyer De Waal	Certificate No:	1304359
ID No:	5912205110081	Date:	24-July-2017

82% 82% of ALL ooba bond applications with an ooba Bond Indicator are approved by banks. Let ooba give you the advantage!

Bond Indicator* **R 3,472,985**
*The Bond Indicator does not include the property transfer and bond registration costs.

Lending Rate **10.25%** **Loan Term** **20 years**
Calculated at Prime

The home loan amount that you may qualify for will vary should your home loan be approved, at an interest rate below or above the current prime lending rate. Indicative home loan amounts at rates 0.5% and 1% above prime are shown:

10.75%	R 3,358,093	11.25%	R 3,249,191
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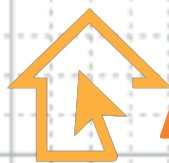
Disclaimer – This certificate is an indication only of the home loan amount you may qualify for, and is based on information provided by you and third parties. While every effort has been made to ensure that the indicator is a fair assessment, ooba has not independently verified the information provided and/or conducted a home loan interview with you. ooba (Pty) Ltd, its subsidiaries and lead providers do not accept any liability arising from this certificate.

evo

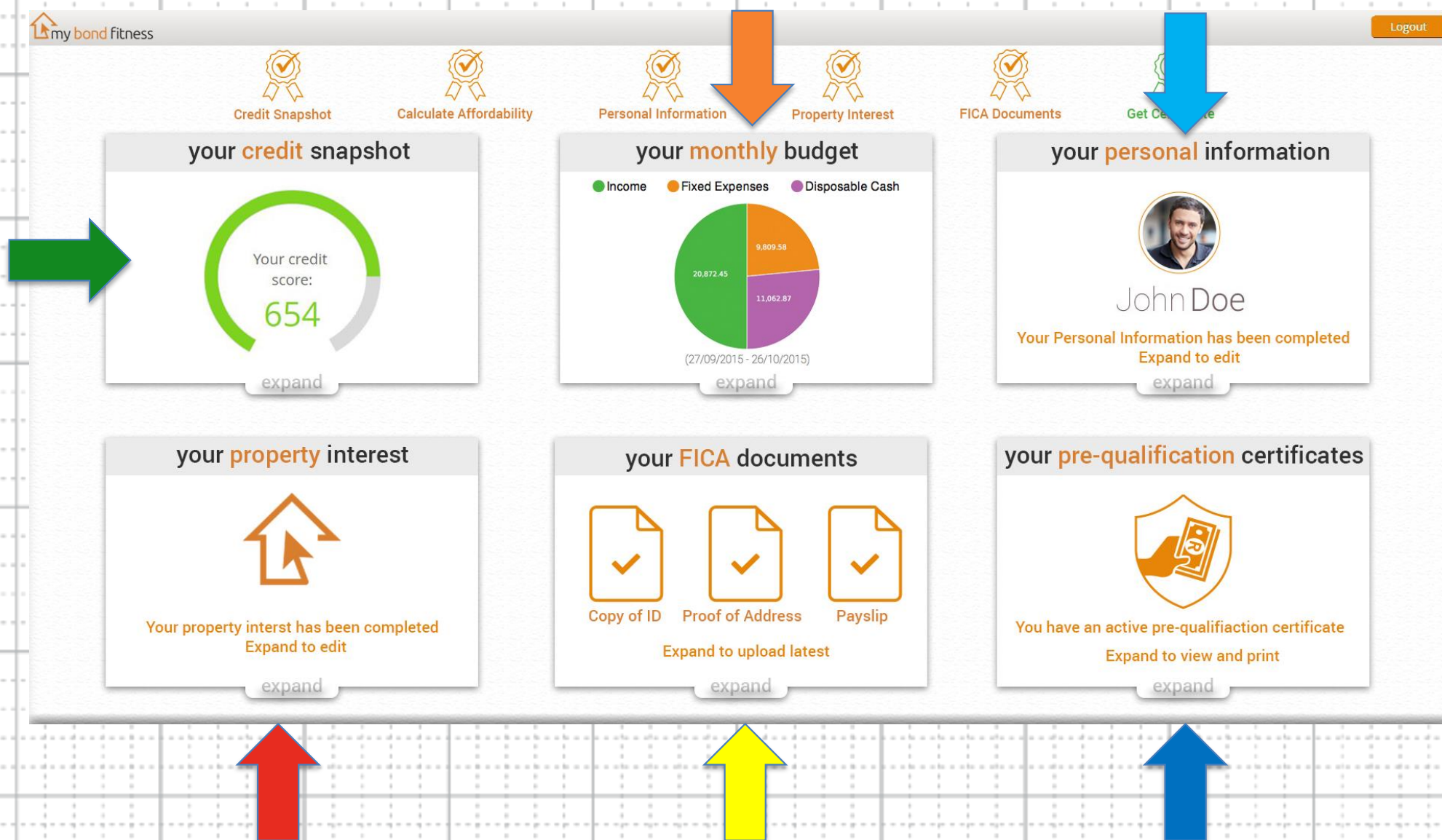
Congratulations!

Your
initial
**Home Loan
Indication**
amount is
R850 000

Terms and conditions apply

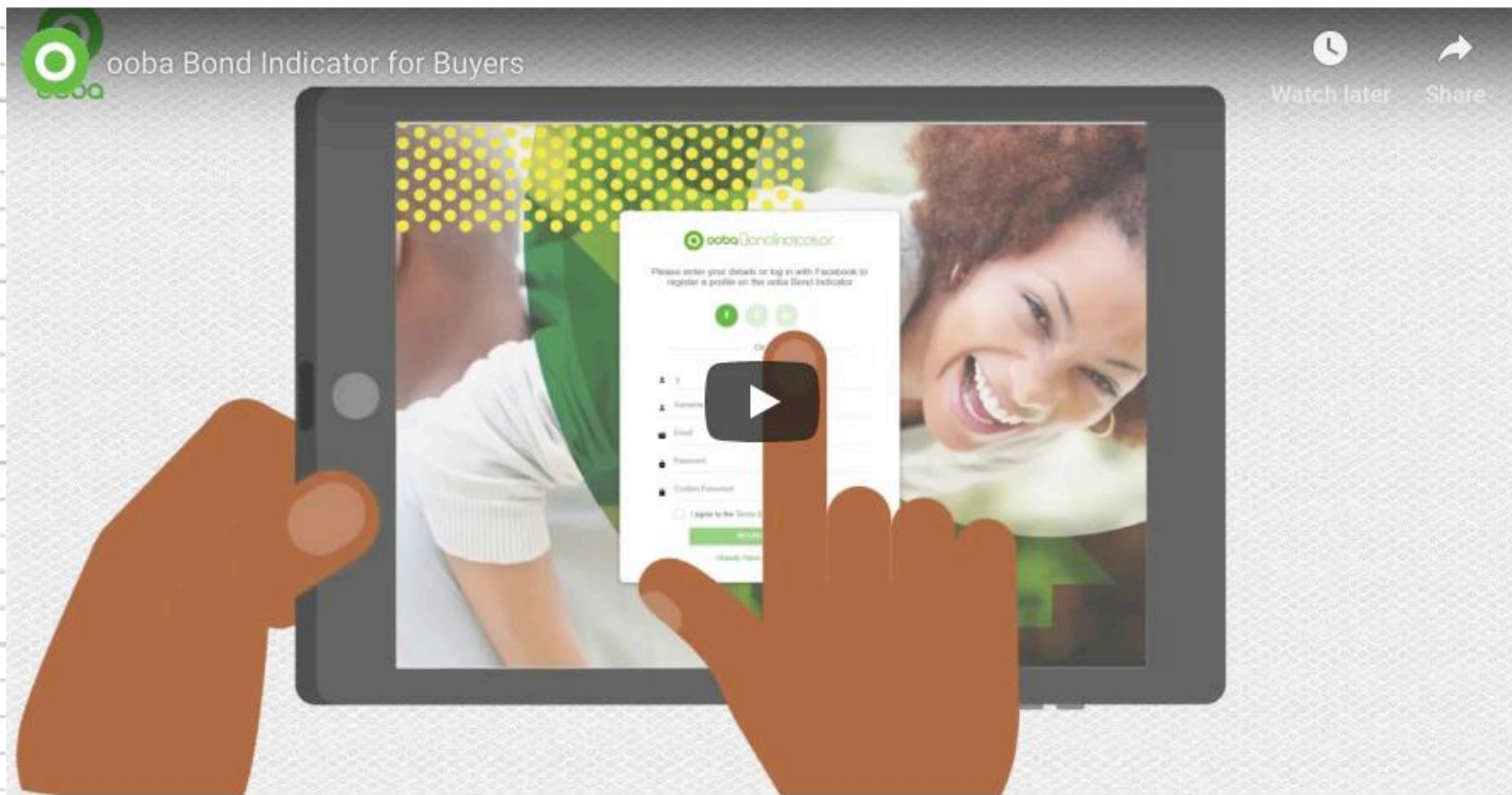


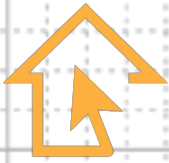
All data on one CRM platform





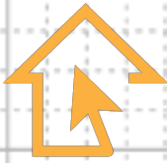
“ Nearly 90% of bond applications submitted to the banks with an ooba prequalification are approved. ”





STEP 3

Use all resources available



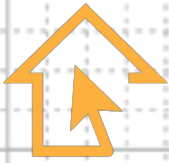
HOW IT WORKS

ABOUT HIP

APPLY NOW

CONTACT US

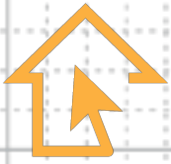




FLISP

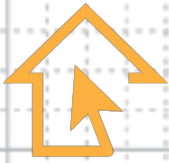
Housing Subsidies

Use it – or lose it!



Requirements

- First Time Buyer
- Earn between R3 501 - R22 000
- Home loan approved
- Must have a dependent – Spouse or Child
- RSA Citizen



www.flisp.co.za

FLISP

Finance Linked Individual Subsidy Programme

HOME

QUALIFICATIONS

MY BUDGET FITNESS

SERVICES

ABOUT

CONTACT

INFO

Welcome to FLISP

First time home loan subsidy and bond application assistance.

Subsidy Application Assistance

Click here to be guided through the flisp subsidy application process. It's easy. Just click and follow the prompts.

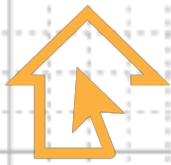
FLISP

Finance Linked Individual Subsidy Programme

Bond Application Assistance

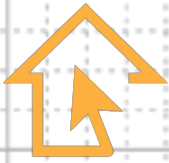
Click here to start your free online bond fitness journey now! Get a complete picture of your credit score & what you could afford on the MBF dashboard.

 my bond fitness



Understand the Flisp Value Add

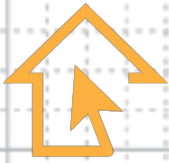
INCOME	OLD	NEW
R10 000	R49 400	R88 323
R15 000	R20 000	R62 340
R22 000	N/A	R27 960

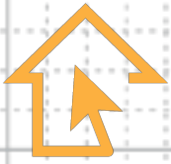


STEP 4

Think out of the Box

**Alternative
Finance Solutions**





3 Types of Alternative Finance Agreements

Rent**2**buy

R**2**B

- Legal Agreement –
- Contract
- Similar to a Lease Option

Instalment Sale Agreement

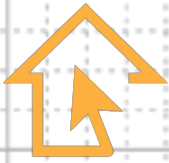
I S A

Legal Agreement –dates back to 1981 –
Alienation of Land Act 68 of 1981

Rent**2**buy Finance

R**2**B Finance

- Introduced in 2018
- Changed the game
- Price range R400 000 – R1,8 mil
- Cape Town Metro, Gauteng + Bloemfontein

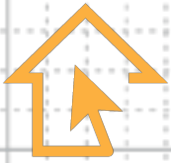


Rent2Buy



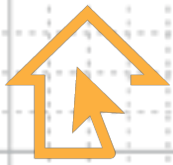
OUR OWN FINANCE





Rent2buy Finance

- **Pilot project Gauteng, Bloemfontein & Cape Peninsula**
- **Prices R400 000 – R1,8 million**
- **Requirements**
 - Must be pre-qualified by Rent2buy
 - Not too many credit score problems
 - Affordability
 - Deposit
- **2 year rent2buy**
- **Price “freeze” for 2 years**
- **Small price increase**
- **Transfer duty/VAT included**



R2B Final Result



Seller



Normal
sale

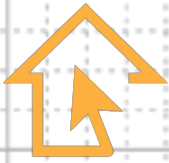
Rent2buy
Finance
Company

Agent



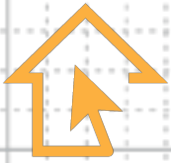
24 month
R2B
Lease





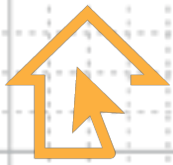
WHAT HAPPENS AFTER 2 YEARS?

Month 22



End of R2B Rental Term

- **3 Options**
 - Apply to **switch** the rental agreement into a 15 years Instalment Sale – Alienation of Land Act 1968
 - NCA “terms and conditions Apply
 - Apply for a **home loan** and take transfer
 - **Sell** and take the profit
 - [must first take transfer in a simultaneous transfer]



More than one Finance Option

Home Loan

FLISP & Home Loan

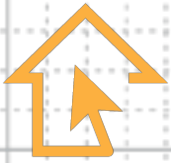
Income R3 501 – R22 000

Rent2buy Finance

R400 000 – R1,8 mil

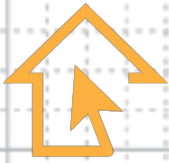
HiP Home Loans – R950 000

Pension Backed Loans



USEFUL WEBSITES

- RENT2BUY
 - <https://www.irent2buy.co.za/>
- FLISP
 - <https://www.flisp.co.za/>
- BOND INDICATOR
 - <https://www.mybondfitness.co.za/>
- LEGAL
 - <https://mdwinc.co.za/>
- PROPERTY TOOLBOX
 - <https://www.propertytoolbox.co.za>
- HIP
 - <https://hiphousing.co.za/>



Our next event



[BROWSE EVENTS](#)

MEYER@MDWINC.CO.ZA ▾

When : Tuesday 19 May 2020

Time : 14h30 - 15h30

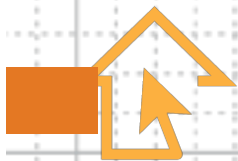
Where : Online Zoom session

Costs: FREE

Venue : Online through a Zoom presentation

HOW : Register online and we will send you a Zoom meeting invite before the event.

Sign up for your free tickets and book your "online seat" now!



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