

# SIAM REAL ESTATE

## SELLER OWNERS GUIDE

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- ✓ 2. What we do to sell your property
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**May 2012**

# SIAM REAL ESTATE

Dear Owner,

Thank you for considering us to list and market your property for sale

## **1. WHY SIAM REAL ESTATE?**

Because we offer more than any other broker nationwide, you have far more chance of selling/renting your property through us due to our global exposure and marketing services. This guarantees more prospective buyers/renters and more chances of selling/renting your property.

### **The Key Benefits:**

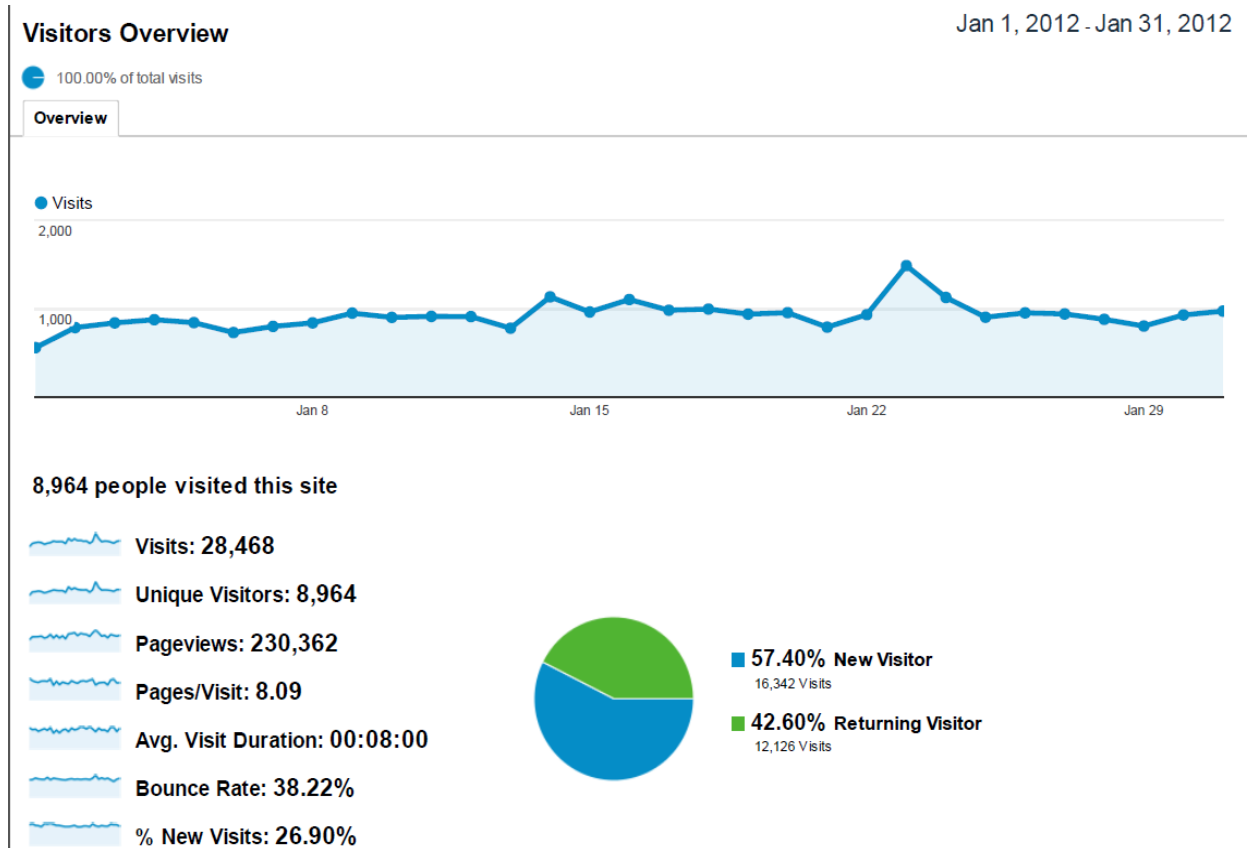
- Number one traffic ranked property web site in Thailand
- Google and other search engines highest real estate rankings
- Web site traffic over 1,200 unique visitors and 8,200 pages daily.
- National network – Phuket, Bangkok, Hua Hin, Pattaya, Krabi, Samui
- CIPS (Certified International Property Specialist ) with 1,900 global broker contacts in 55 countries and 300 Affiliate referring partners
- Prospect "live" database of over 10,000 global interested buyers/renters
- Regular Global Monthly Newsletter to 10,000 +
- Listing inclusion in Smart phone Free Apps for iPhone and Android
- Large Facebook and Twitter Following
- Strong local advertising
- Phuket Island Road signs
- Brochure distribution Island wide
- Qualified Valuers (Thai Real Estate Business School)
- Owner area – login profile, view stats, enquiries, viewings, page views, update prices, add guest reviews, block out bookings, view bookings made by SRE.
- Prospect Enquiry Notice "- Web site Automatic email to you advising you of an interested party in advance of their forthcoming visit
- Choice of over 4,500 property listings ensuring the prospect has no need to go elsewhere.
- Full buyer service – sales, rentals, advice, local knowledge, orientation.

We provide a truly professional service, easing buyers concerns and taking away confusion during the buying process.

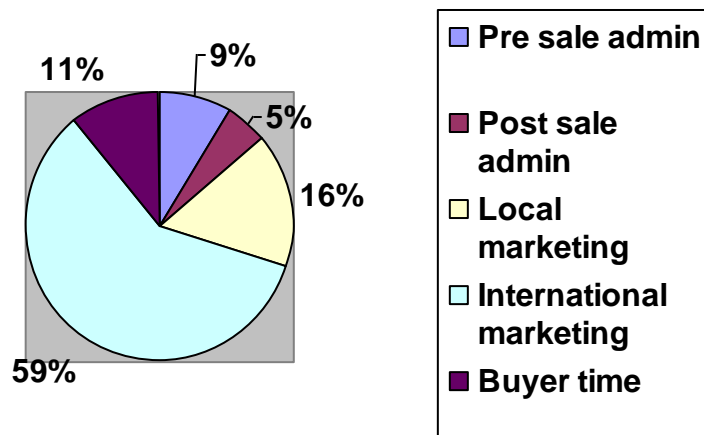
### **GLOBAL EXPOSURE:**

**It is important to understand that the majority of prospective buyers usually do not live here in Thailand. Therefore our international marketing is critical to attracting the buyer in their home country and then keeping contact until their eventual visit to Thailand which could be a year or more hence!**

## Web Stats:



## Where our marketing service costs go:



## 2. What we do for you to sell your property

### Menu of services provided:

- ✓ Take listing details and photos
- ✓ Expert valuation and realistic selling/renting price
- ✓ Tips on how best to sell/rent quickly
- ✓ Erection of free "For Sale" sign
- ✓ Market Appraisal
- ✓ Attractive property write up
- ✓ Uploading to web site
- ✓ Owner Area
- ✓ Distribution to other branches
- ✓ Inclusion in Newsletter to 10,000 + prospects globally
- ✓ Exclusive listing – promotion to other brokers locally and internationally
- ✓ Enquiry follow ups by email and personal contact prior to arrival
- ✓ Buyer collection airport or hotel
- ✓ Orientation and lifestyle advice
- ✓ Buyer/Renter advice on buying and renting in Thailand (ongoing)
- ✓ Assist in negotiations between seller and buyer, and lessor and lessee.
- ✓ Provision of Sales Reservation Agreement
- ✓ Taking & Holding deposit in escrow account
- ✓ Recommend and accompany buyer to lawyer
- ✓ Accompany buyer to open bank account
- ✓ Accompany buyer to land office
- ✓ After sales follow up

## 3. Listing Procedure

You can now either SELF LIST your property by completing the form on our web site under ADD PROPERTY completely FREE of charge or request an agent to visit which is chargeable.

Q: Why do we charge for listings?

A: Because it costs us a great deal to list your property

Here is process:

1. Listing person contacts you and arranges visits (by phone /email etc) (15 mins)
2. Owner reviews Seller Guide
3. Broker agreement fees explanation and signing
4. Take listing fee Property 2,500 THB
5. Obtain copy of title deed/s (front and back)
6. Inspects the property and takes photos
7. Takes the listing details, special features and directions to property  
(Time average 3 hours inc. travelling)
8. Listing manager vets details and checks realistic price and sellable. (10 mins)

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9. Admin person allocates ref. no. and checks detail and adds to OWNER back office contact system and photos to computer.(20 mins)
  10. Copywriter to do attractive write up (30 mins)
  11. Admin receive final copy and select best photos (15 mins)
  12. Web person uploads final copy and photos (15 mins)
  13. Admin send you email link to web listing and seller log-in details (10 mins)
- Total average labour time of taking listing and uploading to web site 4 hours 40 mins
  - A total of 6 people are involved and we gain no benefit, only cost until we sell your property.
  - Listing it in local newspaper for ONE WEEK costs similar and we list your property globally FREE until it sells!
  - We can also refund the listing fee if we sell the property.

#### **4. EASY BUY TERMS**

Dear Owner,

The current economic climate is affecting us all and buyers are reluctant to buy at present due to unfavourable foreign exchange rates or unable to come up with the full purchase amount without a mortgage which is virtually impossible to obtain through Thai banks for foreigners.

We therefore with your involvement and agreement are offering buyers an opportunity to purchase now with a simple deferred payment scheme which is described below.

This scheme is most likely the only way to sell your property in this world recession and attract buyers. It is risk free to the seller.

To promote it we will be sending out PRESS RELEASES to world PR sites, promoting it in our monthly newsletters and advertising on our award winning web site. Your property listing will have an animated banner next to it indicating that your property is part of the scheme "EASY BUY TERMS" and has a link to the offer details.

#### **ATTENTION SELLERS**

##### **EASY PAYMENT TERMS FOR BUYERS**

We now offer extended payment terms to buyers

- Receive 50% of the purchase price up front and remainder in full after 1 to 3 years
- Lawyer safeguards and retains title deed until buyer has paid in full
- Contracts and deferred payments arranged with International lawyer

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- Seller receives 50% percent of interest payments
- Buyer default seller retains down payment and title
- Buyer pays in full at end of 12 months or fixed monthly interest payments over 24, 36 months and balloon payment of remaining 50% at end of term.
- Interest free 1<sup>st</sup> year provided buyer pays in full at end of 12 months
- Fixed interest rate
- More chance of selling your property in current global recession
- Advantage to buyer of taking possession on payment of only 50% and giving time to come up with remaining 50% or when exchange rates become more favourable in the future.
- Flexibility for buyer to pay early with no penalties and reduce interest charges payable.
- No risk a WIN, WIN situation

To view the BUYER terms go here <http://www.siamrealestate.com/info/easybuy/>

If you wish to participate in this scheme please send email to [easybuy@siamrealestate.com](mailto:easybuy@siamrealestate.com)

## 5. Exclusive benefits

If you sign with us **EXCLUSIVELY**, we charge a lower commission (see terms) and your property receives extra exposure as follows:

- ✓ **It becomes a select listing on our award winning web site home page giving much greater exposure than in the main directory listing**
- ✓ **Buyers receive your property details before other listings, giving a better chance of a viewing.**
- ✓ **First choice - our EXCLUSIVE portfolio is promoted heavily to buyers**
- ✓ **Monthly newsletter to 10,000 interested buyers prominent promotion**
- ✓ **Exclusive Property portfolio details – always shown to buyers**
- ✓ **Promotion in company cars, office TV, Google maps and more**
- ✓ **International select mailings to interested parties**

**We take away the hassle of selling your property and prepare professional marketing materials and presentation of your property. SRE handle the complete transaction on your behalf, giving you the maximum exposure possible, without the grief.**

## 6. Tips for selling

### **Broker terms**

Going with the broker that offers a smaller fee for a successful sale is false economy! We all have costs and how can a broker successfully market your property if he makes a very small margin? This means they are not spending money on marketing because they do not have the budget!

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## Establishing a Price

Consider what you paid for the property, how long you have lived there, local comparable property prices, any improvements added, present condition of the property, ask about the current property climate, and arm yourself with the facts. By not establishing a realistic price from the beginning, many home sellers end up costing themselves hundreds of thousands of baht.

Do not over price the property thinking you can wait and are not in a hurry to sell as this has the opposite effect. The buyer sees it has been on the market for six months and asks what's wrong with it?!

The value of a home is determined by supply and demand. If there are a lot of sellers and few buyers, prices tend to go down and homes take longer to sell. This is referred to as a "Buyers market". But when the opposite is true, and there are many buyers but few homes for sale, prices will rise and homes will sell very quickly - this is known as a "Seller's market." So how do you know which market you are currently in? It is best to ask the knowledge of a professional. We can provide a valuation appraisal If you list with us we provide this as part

of our service charge. We will then determine which type of market you are closer to; then study your location to compare your home to others based on style, size, number of bedrooms, baths, garage, pool, view, and plot size.

Please note that Thailand is a green market and the majority of properties sold are new projects off plan which give investment returns of 30-40% or more by the time they are completed in one year or so, as well as rental returns when unoccupied. Therefore to sell a property which is not new is more difficult as the return is unlikely to be similar and the main attractions have to be price, location, quality and condition.

## Signage

Allowing the broker to erect a sign is very important as our brand name and reputation may draw in the passer by as they understand we are a professional company and can assist with the buying process and represent their interests. It also avoids visits without appointments and time wasters as we are the first point of contact and will vet them first and arrange an appropriate time convenient to you. **Putting up your own sign is counter productive and not permitted for an exclusive listing.**

## Qualifying the buyer

A major part of our job is ensuring that you have a genuine buyer, and that they are not time wasters and actually have the funds available. Many times private sales end in disaster and wasted effort due to misunderstanding between the parties and the buyers' ignorance of the buying process. This is where we earn our fee.

## Price Parity

If you are not exclusively listing with our company then ensuring that other brokers offer the same price is important. Otherwise we and you can look as if we are cheating the buyer.

## Negotiating

The key to remember here is not to get wrapped up in any games. If you keep your goals in focus at all times, you will be better able to respond to offers. You will have three choices when an offer comes in. You can accept the offer, reject the offer or make a counter offer. In the end it is what the buyer will pay regardless of your price.

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### **Sharing costs**

In Thailand it is customary for the seller and buyer to share the transfer costs 50/50 but this is up to you.

### **Buyer payment**

Let us know at the beginning where and how you wish to be paid, as many buyers wish to receive payment offshore or outside Thailand and the buyer needs to know up front to avoid unnecessary bank and interest charges.

### **Title Deed**

Ensure that there are no complications and that the property is free to be sold with no encumbrances or that the seller is the name on the back of the title deed (or company), if not we need to know immediately as we cannot sell the property if there are any such irregularities.

### **Incentives**

To set your property aside from others, it is a good idea to offer some enticement such as a free washing machine, dishwasher, furniture, maid for a period etc.. this can make the difference on the buyers decision.

### **Reservation deposit**

When the buyer makes an offer acceptable to the seller, usually a non refundable reservation deposit is taken (min 100,000 baht), or as required by the seller. This is held by the broker in an escrow account until such time as contracts are exchanged. The reservation agreement allows the buyer 21 to 30 days to review and agree the contracts.

### **From offer to close**

It is normal once a reservation deposit has been secured for the process to take one month or more to final payment. The buyer first needs a lawyer to do due diligence and for you the buyer to provide a "sale contract" from your lawyer, this has to be reviewed and agreed and any changes made and agreed between the parties. Once this is completed and contracts signed, a visit to the land office to exchange title deed and buyer's final payment is the final stage!

## **7. Preparing your house for sale**

1. It should always be available at short notice for viewings. If inconvenient leave a key with the broker. Remember the buyer has little time here and lots of other property to see so you must co-operate or potentially lose a sale!

2. Best not to be at home when the broker visits with the buyer or make yourself scarce, otherwise the buyer feels as if they are intruding and not be able to visualise living there. If you are asked to show them around ensure you leave them after in privacy to talk together and look around.

3. First Impressions – Buyers arrival and first view is often the most important, so make sure the exterior of the property is up to standard, garden up kept, lawn mowed, gutters cleaned, windows clean etc.

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4. Interior tidiness- ensure the house is spotless and all personal belongings are stored away and everything looks shipshape e.g. toys, clothes, magazines, shoes put away etc.
5. Room Airing - Rooms not used regularly should be aired and use some potpourri or something natural to take away any smells.
6. Pets - Lock them away prior to any visit and do not involve the buyer with them as not everyone is a pet lover and they are a distraction. Also remove pet food bowls and any visible sign of habitation where possible especially smells.
7. Lighting - turn on all interior lights even in daytime as this makes everything appear bigger and more appealing.
8. Paint work - A lick of paint can work wonders and it pays to refresh the look of the property prior to resale as well as mending any cracks and putting the property in the same condition as when it was new.
9. Rubbish - remove bathroom and kitchen rubbish to avoid lingering smells.
10. The buyer may wish to ask further questions and you should be available at short notice to answer them.
11. Plants - Greenery livens up a room and some well placed plants can be beneficial.

## **8. Valuations**

Our valuation service is available by appointment

### **A Definition of Valuation:**

"Valuation is a process of estimation of the most probable price which would be paid for a property under typical market conditions applying at the date of valuation..."

"The value of a property is the present value of all future benefits expected to be obtained from possession of the property."

The ability to provide a professional and accurate Valuation Service relies on a combination of the professionalism of our valuation consultants and the quality of available market information.

The residential valuation model used is the Market Approach. Homes are valued based on what an average person would be willing to pay for a similar property. This data is derived by looking at current sales in Phuket. Every attempt is made to use sales that have the same characteristics as the property to be valued (subject property). These would include but are not limited to; area, number of bedrooms, baths etc., if it has a garage etc. If a subject property doesn't have enough matching sales, adjustments are made to the sale properties most closely resembling that property to create a more equitable value. An example of this would be; if the sale property had a swimming pool and the subject didn't the sale price would be adjusted to reflect not having a pool.

A sale at fair market value is by definition: The amount of money a well-informed buyer would pay and a well-informed seller would accept for property that has been on the open market for a reasonable amount of time, assuming neither buyer nor seller is acting under pressure. When a sale is deemed valid it can be used to help determine fair market value

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for other similar properties. The goal is to value all properties fairly and equally, while being as close to fair market value as possible.

## Valuation Approaches:

The MARKET APPROACH involves comparison of a property with the characteristics of similar properties that have recently been sold. There is also the COST APPROACH which involves estimating the replacement cost of a structure, and adjusting that estimate to account for depreciation. Lastly, the INCOME APPROACH is an analysis of a property's value based on its capacity to generate revenue for the owner. Due to the embryonic nature of the Phuket property market the "Market approach" is used.

## 9. Terms & Commission Fees

Terms of Business for Residential Property & Land Sales	% + VAT
<b>Service charges</b> - Take listing, valuation, photos, admin, copywriting, web upload	
Resale property -	2,500 baht
New property -	2,500 baht
<b>Resale property or land</b>	
Minimum Commission Rate =	200,000 THB
5-29m THB =	5%
30 million + =	4%
Exclusive =	4%
Exclusive 30 million + =	3%
<b>Property/Land Valuation</b>	10,000 baht

### Buying:

- Buyer - Non refundable Reservation minimum deposit 100,000 baht
- Commission payment due in full on first deposit of 15% (or as agreed with seller)
- Erection of sign on your property
- Plus VAT, Payment in baht
- Exclusives for 1 year minimum

## 10. Post listing procedure

Having agreed terms and listed your property on our web site the following pro-active actions start to keep you and the prospect buyer informed:

- ✓ Email advising uploaded copy with link to web site and reference number
- ✓ Enquiry email every time someone clicks on your property advising you that X has shown an interest with prospects name keeping you informed.
- ✓ Email response to prospect buyer with full details of your property asking visit date and offering to show property.
- ✓ Most Viewed – web statistics showing times property viewed/daily average

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- ✓ Most Recent – Added to search engine for latest listings
- ✓ Newsletter – Monthly newsletter to 10,000 global prospects

## 11. Owner's Area

- **New! Special Owner's Feature**

We endeavour to give a first class service - both to you our customer and to prospective buyers - and are always improving our service. We include an "Owner's Area" for your benefit.

You are able to login to update your profile and view statistics such as prospect enquiries, viewings, and property page views.

To Access Your Property Listings and Owner Profile

Go to the Siam Real Estate site:  
<http://www.siamrealestate.com/owners/login>

Enter Log-in Details:

E-mail: *Your E-mail address*

Password: *Your Password (Sent to you in confirmation of listing e-mail)*

Once you have logged in you need to change your password immediately.

Go to your PROFILE change password, confirm and press update.

For more information please download the PDF Owner's Area sample file at

[http://www.siamrealestate.com/docs/Siam\\_Real\\_Estate\\_Owners\\_Area\\_Sample.pdf](http://www.siamrealestate.com/docs/Siam_Real_Estate_Owners_Area_Sample.pdf)

We hope this document assists you in making the right decisions in selling/renting your property and that you can now appreciate the services that Siam Real Estate provide.

Our professional International and Thai staff look forward to serving you now and in the future.

Yours sincerely



Richard Lusted  
CEO, Siam Real Estate.