

# **SIAM REAL ESTATE**

## **SELLER OWNERS GUIDE**

### **PHUKET**

- 1. Why Siam Real Estate?**
- 2. Web Stats**
- 3. Terms & Fees**
- 4. What we do to sell your property**
- 5. Featured & Exclusive benefits**
- 6. Vendor Financing**
- 7. Listing procedure**
- 8. Post listing procedure**
- 9. Property Check Up (By Lawyer)**
- 10. Tips for selling**
- 11. Preparing your house for sale**
- 12. Owner's Login Area**
- 13. Valuations**

**OCTOBER 2018**

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
- Google first page #3 average for all major key words
- Web site traffic over 350 enqs p.m. and 8,200 pages daily.
- National network – Phuket, Bangkok, Hua Hin, Pattaya, Krabi, Samui, Chiang Mai, Phang Nga, Khao Lak.
- Prospect “live” database of over 38,000 global buyers/renters
- Regular twice monthly Global Monthly Newsletter to 20,000 +
- Listing inclusion in Smart phone Free Apps for iPhone and Android
- Facebook – Followers 7,757 Likes 3,830  
Twitter tweets – 9,791 tweets, 3,827 followers
- Strong local advertising
- Qualified Valuers (Thai Real Estate Business School)
- Owner area – login, view stats, enquiries, page views, update prices,
- Prospect Enquiry Notice "- Web site Automatic email to you advising you of an interested party in advance of their forthcoming visit
- Choice of over 7,000 property listings ensuring the prospect has no need to go elsewhere.
- Full buyer service – sales, rentals, advice, local knowledge, orientation.
- Property Virtual tours 360 degree

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

## 2. Internet Stats

### 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!**

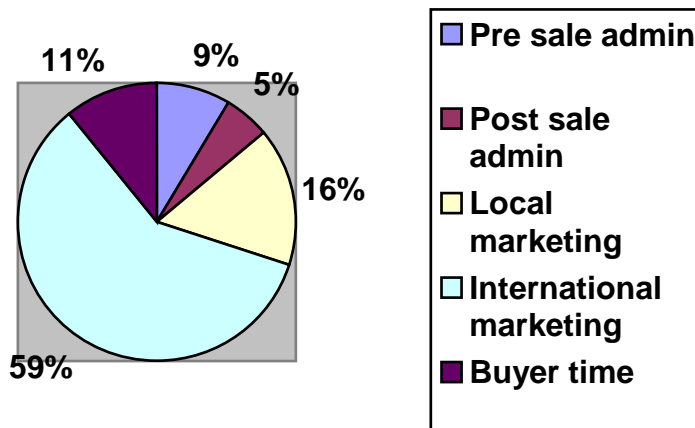
**Web Stats – August 2018 - Alexa Traffic Ranks [www.siamrealestate.com](http://www.siamrealestate.com)**

How engaged are visitors to this site?

Engagement metrics help you understand how interested a site's visitors are with the site's content. The metrics are updated daily based on the trailing 3 months.

- Over 1,250 users' average viewing daily
- Average page views 7.48 per visit
- Average time on web site 6.5 minutes
- Google "Keywords" average #3 first pages
- Prospect database of over 26,000 global contacts
- Facebook – Likes 7,757 likes
- Twitter tweets – 10,400 tweets, 3,843 followers, 294 likes

Where our marketing service costs go:



### 3. Terms & Commission Fees

Terms of Business for Residential Property & Land Sales	% + VAT
<b>Service charges</b> - Take listing, valuation, photos, video, admin, copywriting, web upload	
ADD PROPERTY (Self-List)	FREE
New and Resale property -	2,500 baht
<b>Resale property or land</b>	
Minimum Commission Rate =	250,000 THB
5m + =	6%
Exclusive =	8%
<b>Featured Property Listing</b>	
Featured Listing	2,500 baht p.m.**
Exclusive featured listing	FREE
<b>** Option to forgo monthly charge (payable up front) or No monthly fee and 10% commission for successful sale.</b>	
<b>Property/Land Valuation</b> (Dependent on review and size of property)	40,000 baht
Written valuation – ask for quotation	

- Buyer - Non-refundable Reservation minimum deposit 150,000 baht
- Commission payment due in full on first deposit of 15% (or as agreed)
- Plus VAT, Payment in baht -
- Exclusives 1 year minimum

#### 4. 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
- ✓ Inclusion in Mobile Apps
- ✓ Market Appraisal
- ✓ Attractive property write up
- ✓ Uploading to web site
- ✓ Owner Area
- ✓ Distribution to other branches
- ✓ Inclusion in Newsletter to 26,000 + prospects globally
- ✓ Exclusive listing – promotion to other brokers locally and internationally
- ✓ Enquiry follow ups by email and personal contact prior to arrival
- ✓ Buyer collection 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

#### 5. Featured & Exclusive benefits

##### FEATURED & EXCLUSIVE PROPERTY LISTING

We have given our web site a major makeover with a special emphasis on FEATURED PROPERTY.

Besides our normal directory listing which includes 1,000's of property which is easily searchable by QUICK/ADVANCE searches making it easy for the USER to find property in any location. You can now subscribe to our top home page prominent listing feature.

The benefits and advantages are many, starting with **greater web site exposure** of your property listing among a select number of other featured properties as outlined in the matrix below which includes a unique and “**complete international marketing package**” thus giving you a far greater chance of attracting a buyer!

	STANDARD LISTING	FEATURED LISTING	EXCLUSIVE LISTING
Featured/Exclusive monthly fee	2,500 THB one off	2,500 THB p.m. and 6% commission for successful sale <b>Or option</b> No monthly fee and 10% commission for successful sale.	2,500 THB p.m. 8% commission for successful sale <b>Or option</b> No monthly fee and 10% commission for successful sale.
COMMISSION FEE (standard)	6%	6%	8%
DIRECTORY LISTING	√	√	√
HOME PAGE FEATURED	x	√	√
NEWSLETTER 20,000 circ + mthly	x	√	√
NEWSLETTER FEATURED qtrly	x	√	√
RIGHTMOVE LISTING ongoing	x	√	√
THAILAND-PROPERTY ongoing	x	√	√
FACEBOOK/TWITTER LISTING	x	√	√
SIAM REAL ESTATE.RU listing	√	√	√
MOBILE APP LISTING (iPhone/And)	√	√	√
NORTH & SOUTH LOCATIONS	√	√	√

## Benefits:

- SRE web site is ranked #1 for real estate traffic in Thailand and featured on Google first page for most keywords.
- SRE Newsletter is sent monthly/qtrly to over 20,000 prospects globally and achieves an opening average rate of 25%. Users spend average 5.5 minutes on site.
- Listing in Rightmove Overseas – over 5 million searches for property p.m.
- Listing in Thailand-Property – over 60,000 potential buyers each month
- Hipflap, DD Property, DD Property etc...
- Inclusion on Mobile App for iPhone and Android

- SRE Russian web site listing
- Chinese popular real estate site – JUWAI.COM
- 
- SRE Facebook– Followers 7,452
- SRE Twitter tweets – 13,700 tweets, 3,704 followers
- Google analytics prove that users mostly click on top of page first “Featured property”

By listing exclusively with SRE you receive all the above benefits and our sales team market and promote your property to other key brokers as well as our international contacts.

Exclusive Listing:

#### How to pay & participate:

Standard – 2,500 THB net price payable on listing until sold or options above

**Featured/Exclusive Options:** 12 months payable in advance either/or 10% commission if sold.

**Exclusive/Featured** – THB 2,500 X 12 = THB 30,000 + vat payable up front.

#### Successful Sale:

The monthly fee is part refundable in any year for months outstanding after the sale is closed

**Contact: Patrick Lusted patrick@siamrealestate.com phone 076383646 taking away the hassle of selling your property and preparing 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.**



[www.siamrealestate.ru](http://www.siamrealestate.ru) [www.siamrealestate.cn](http://www.siamrealestate.cn)  
[www.siamrealestate.kr](http://www.siamrealestate.kr) [www.siamrealestate.de](http://www.siamrealestate.de)  
[www.siamrealestate.se](http://www.siamrealestate.se) [www.siamrealestate.co.th](http://www.siamrealestate.co.th)

## 6. **VENDOR FINANCING**

Dear Owner,

**Vendor Financing** are properties for sale by owners who will accept stage payments. The seller will normally accept a 50% down payment with affordable repayments over 1 to 3 years. The seller retains legal ownership until payments are complete and there is a legally enforceable contract between buyer and seller. Property ownership documents are held in escrow by a lawyer ensuring the property cannot be sold to another party. Should the buyer cease to make payments then the property ownership remains in the seller's name.

This is the same as getting a bank mortgage to purchase a property and will help buyers to purchase a property sooner than they otherwise could.

## **Benefits:**

- Increase chances of selling your property
- It is not possible for a foreigner to get a bank loan on property in Thailand
- Enables buyers to purchase earlier: Buyers may not have 100% of the purchase price on their current visit
- Flexibility for buyer to pay early with no penalties and reduce interest charges payable.
- Security for buyer and seller: Lawyer safeguards property deeds, ownership not transferred until payments are completed
- Buyer default: seller retains down payment and title
- Buyer takes possession of the property upon down payment: can move in or start renting out the property

**If you wish to participate in this scheme please identify the reference of the property and send us an email to [easybuy@siamrealestate.com](mailto:easybuy@siamrealestate.com)**

## **7. 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 + vat
5. Obtain copy of title deed/s (front and back)
6. Inspects the property and takes photos/video
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)

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 until it sells!**
  - We will also refund the listing fee if we sell the property.

## 8. Property Check Up (By Lawyers)

In our experience 15% of sales will fail, delay or end up in higher closing fees than necessary due to sellers being unaware of the sale process, the documents required and the options available to them.

Before a buyer is found for your property and you begin negotiations it is strongly advisable to ensure 'your house is in order'. We recommend to all owners looking to sell their property that they check the following through a certified lawyer in Thailand;

- That you have all the correct ownership documents to sell your property
- That these documents are up to date and match the records at the land office
- You have the necessary documentation (Tor Tor 3 form) required to take the sales proceeds back out of Thailand once a sale has been completed
- An estimate of the transfer taxes payable upon sale
- An explanation of the selling options available to you: can you sell the property leasehold or freehold, can sell the property with the land owning company.
- Whether or not you need to be physically present to complete a sale or you can give power of attorney to your lawyer now whilst you are here. It is not uncommon that having found a buyer and negotiated the sale price and terms that the seller finds: they are missing ownership documents, the tax will be much higher than they anticipated, they do not have a TT3 form from when they brought funds into Thailand therefore making it difficult to take the sales proceeds back out of Thailand, the freeholder/lessor is required to complete the sale...the list goes on! All of these are most likely to result in a lost sale or at the very least having to return to the negotiating table, delaying the sale and higher closing costs.

Checking the above now before a buyer is found will ensure that having done all the hard work to find a buyer for your property you do not lose out.

Through SRE we can now offer owners a Property Check Up through a certified lawyer here in Phuket.



## Advantages

- Faster sale completion
- Smooth sale process
- Peace of mind for seller and buyer when entering into an agreement
- Property due diligence already completed in advance of finding a buyer
- Vastly reduce chance of losing a sale
- Reduce completion costs / transaction taxes
- Knowledge of sales process to completion
- Estimate of transaction costs / taxes
- No issue of repatriating funds / offshore payment
- Banner on listing showing the ownership has been checked by a certified lawyer: this will increase buyer confidence in your property and make it more marketable

See the options available to sellers below.

### Option 1. Full Property Check-Up including land office check **Cost – 20,000 THB**

- Meeting at lawyer office in Phuket, ongoing telephone contact and email contact
- Check all ownership documents
- Check at the land office that records there match the documents you have
- Estimate transfer taxes
- Review of available sale options (leasehold, freehold, with Thai Co.)
- Confirm land zoning & building regulations (land only)
- Explanation of selling process and a third party needs to be involved (freeholder / lessor)

### Option 2. Basic Property Check-Up **Cost – 5,000 THB**

- Meeting at lawyer office in Phuket, ongoing telephone contact and email contact
- Check all ownership documents
- Review of available sale options (leasehold, freehold, with Thai Co.)
- Explanation of selling process and a third party needs to be involved (freeholder / lessor)

## **9. 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
- ✓ Most Recent – Added to search engine for latest listings
- ✓ Newsletter – Monthly newsletter to 18,000 global prospects

## 10. Selling Tips

### 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!

### 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.

## **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 buyer's decision.

## **Reservation deposit**

When the buyer makes an offer acceptable to the seller, usually a non refundable reservation deposit is taken (min 150,000 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 45 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.

## **11. 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.
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.

## 12. 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/owner/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)

### 13. Valuations

#### VALUATION DESCRIPTION & DEFINITION

**Our service uses the MARKET APPROACH** which examines the title, state, age and condition of the property, the major selling features and compares similar property in the local area and takes into account current market factors, the immediate local environment and any encumbrances to arrive at a fair market price in the present market.

The valuation does not review due diligence either right of property or access rights or title ownership. Public utilities and services are also not considered. Due diligence should be carried out by a lawyer.

**We specialize in appraisal and valuation reports covering:**

- Residential properties: Houses/villas, townhouses, shop houses, condominium housing development projects, and apartments.
- Land plots – a direct comparison with similar land

**Purposes of valuation cover the following:**

- Current market property value
- Asset financing
- Rental assessment
- Mortgage finance
- Security value
- Divorce proceedings
- Dispute Resolutions
- Risk Analysis
- Insurance cover
- Fire sale estimate

#### **Confidentiality:**

Client confidentiality is an important part of our business. We take measures to ensure client confidentiality is maintained at all times. If we believe there could be a conflict of interest in accepting an instruction, we will disclose this to both parties in advance. 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 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:**

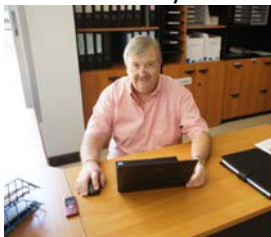
The MARKET APPROACH involves comparison of a property with the characteristics of similar properties that have recently been sold. There is also the COST APPROACH which involves estimating the replacement cost of a structure, and adjusting that estimate to account for depreciation. Lastly, the INCOME 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.

#### **WHY NOT LIST YOUR PROPERTY for RENTAL while we find you a buyer!**

View link [http://www.siamrealestate.com/docs/RENTAL\\_OWNERS\\_GUIDE.pdf](http://www.siamrealestate.com/docs/RENTAL_OWNERS_GUIDE.pdf)

We hope this document assists you in making the right decisions in selling/renting your property. Our professional International and Thai staff look forward to serving you now and in the future.

Yours sincerely



Richard Lusted, CEO Siam Real Estate