

Selling your house? Then go to your NVM broker!

Selling your house Sell privately or use a broker?

Selling a house is a complicated business.
What price should I ask? Am I asking too much or too little?
What risks am I running? How can I sell my house as quickly as possible?
How do I draw up a sale agreement? Which notary should I choose?

You can look into this and deal with this all by yourself.
Would you prefer to be advised by someone experienced who knows about the property market and who can take these worries off your hands?
Then go and see an NVM broker. Most houses are sold through a broker and his efforts can save you a lot of time and trouble.

An NVM broker knows what is going on in the marketplace and will approach the right channels to ensure a perfect match between your house and the buyer. He can also help if you are looking for a new home.

NVM means quality

NVM stands for the Dutch Association of Real Estate Brokers and Real Estate Experts NVM. The NVM is the largest association of real estate brokers and has been in existence for more than 110 years. When you sell your home you want to be certain that everything is being done properly. If you go for an NVM broker, you will get expertise and quality. As it happens, it isn't easy to become an NVM broker:

- Every NVM broker has completed an all-round training as a broker. Every year, NVM brokers have to take compulsory training courses to keep their knowledge up-to-date.
- NVM brokers are experts in the local market and familiar with all aspects of the purchasing and selling process as well as the finer legal points.
- They know exactly which marketing and communication methods they need to and can use to sell your home, ranging from advertising particulars to the use of social media.
- NVM brokers know about buildings, can assess the value of your home and adhere to the NVM Code of Practice. The NVM Code of Practice contains rules of conduct which every NVM broker must observe.

Purchasing or sales broker?

If you use the services of your own broker to buy your new home then this is a purchasing broker.

If you have your home sold by a broker then this is a sales broker.

Of course an NVM broker can act as a purchasing broker on one occasion and a sales broker on another, but he can never act as both the purchase and sales broker for the same house. The NVM Code of Practice does not allow this, in

order to prevent conflicts of interest. NVM brokers look after the interests of their client.

Candidate and assistant broker

In addition to certified NVM brokers the NVM also has two other levels of brokers:

- A **Candidate Broker** is a commercial staff field worker with a SVMNIVO broker-valuer diploma. A Candidate Broker performs all field staff activities required within a broker's office, except for valuations, and is registered in the K-RMT register.
- An **Assistant Broker** is a commercial staff member who is also able to carry out viewings when selling houses and carries out negotiations for that purpose in addition to the usual office activities. The legal formalities are always carried out under the final responsibility of a Registered Broker Valuer or a Candidate Broker.

What can your NVM broker do for you?

If you decide to sell your home, then you can have a chat with your NVM broker without any obligation.

You can have the entire selling process arranged from start to finish or opt for certain part-services. The package of activities you agree on determines the scale of the payment – the commission – which the NVM broker will receive for his efforts. Commission is often charged afterwards. It is also possible that your broker will make other arrangements with you for this.

The selling process

Once the arrangements about the services your NVM broker is to provide are complete, you can start the selling process.

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

STEP 1: Deciding the asking price

You want a good price for your home. But what is a good price? Your NVM broker will advise you on the asking price and will carry out a thorough investigation first:

- He will take into account the state of maintenance and the technical condition of your home.
- He will assess the location and living environment.
- He will list the financial charges, special provisions and environmental aspects.
- In the case of apartments he will ask about how the Owners' Association works and the level of the building management fund, among other things.
- He will assess the competitive aspects of your home in the market. Is it in a desirable neighbourhood? How much demand is there for your kind of house?
- He will investigate the prices that similar dwellings fetch in the vicinity of your home.
- He will assess the energy efficiency of your home by means of the energy label.

The result is the most optimal asking price:
a realistic asking price.

Special charges and restrictions

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 2: Drawing up a marketing plan

The broker won't just put a notice in your garden. He will do a lot more than that. He will decide the selling strategy in consultation with you, based among other things on the market situation and the time frame within which you want to sell your home. There is wide range of marketing media:

- www.funda.nl
- Social media
- Newspapers, circulars, brokers' newspapers, special magazines, etc.
- Regional TV stations

The broker can also make use of traditional promotional methods:

- A notice in your garden or on the front of the house.
- An information and photo brochure of your home.
- A photo presentation in his office or his shop window.

Your NVM broker will use the correct methods according to your wishes and your budget on the basis of his knowledge and experience. When you put your home up for sale, it will be included in the NVM database. The dwellings offered by all NVM brokers are stored in this database. As a result all NVM brokers immediately know that your home is for sale. It is quite likely that your home meets the requirements of one of their clients.

Prominent spot on www.funda.nl

Your home has to be on here! www.funda.nl is one of the most popular home sites in the Netherlands, clear and easy to navigate with a large range of homes.

Many house buyers find their home through Funda.

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.

An interior decorator can do wonders and make a home look light and roomy. Ask your NVM broker for advice.

STEP 4: Viewings

Your NVM broker coordinates and accompanies viewings.

He is the contact person for potential buyers and they can go to him with all their questions and for the brochure for your home. If a buyer is interested in a viewing, the NVM 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 NVM 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 NVM 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.

STEP 5: Negotiations

Not everyone is a born seller. That is why it's good that you don't have to do this yourself, but instead can leave it to your NVM broker. He knows all the ins and outs and will support you with advice. You will never lose control of the negotiation process, because at the end of the day you decide the price you sell your home for.

If a buyer submits an offer, your NVM 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.

The NVM No-Risk clause: an additional sales incentive

When a buyer buys your home before he has sold his own home, he will temporarily own two properties.

If this period lasts too long, this can become a big financial burden on the buyer. If this is an obstacle for a potential buyer of your home, then you can offer to include an NVM No-Risk clause in the sale agreement.

This means that the buyer can cancel the purchase if it takes too long for him to sell his former home.

STEP 6: Signing the sale agreement

You will agree a sale price with the buyer. 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. This is usually drawn up by the NVM broker. First you and your NVM 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.

Any more questions? Then ask your NVM broker.

If the buyer and his broker have also signed then the sale agreement will have been finalised. 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.
- The inclusion of a No-Risk clause in the sale agreement can also result in the agreement being cancelled. This is possible at the latest on the day that is agreed.

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 licence 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 NVM 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 NVM 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 NVM 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 sale process is complete

The sale process is finished. Congratulations! You have sold your house!

Of course your NVM broker will be there for you if you still have questions or if you need other services.

Use other services offered by NVM brokers

Most NVM brokers offer more services than you might think. In addition to the standard services for the sale of your home, your NVM broker can also help you with among other things:

- Assistance with buying or renting your new home.
- Valuation of your (new) home.
- Taking out a mortgage (if certified).

Want to know more?

Go to www.nvm.nl or visit your nearest NVM broker.

He will be pleased to help you.

What you need to know about NVM brokers

1. National network of approximately 4000 NVM brokers

You can get a large and clearly laid-out selection of homes via the national network.

2. NVM No-Risk clause

When you buy a house, you can include the NVM No-Risk clause in the sale agreement in consultation with the seller. This 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.

3. Know what's happening

NVM brokers have access to the NVM's digital knowledge centre with valuable information about property prices, the area where you live and the history of the property you want to buy.

4. On-going training

NVM brokers keep up their knowledge of the market and the law and regulations via compulsory annual training courses.

5. NVM Code of Practice

All NVM brokers are required to adhere to the NVM Code of Practice. This relates to the knowledge, objectivity and trustworthiness of every NVM broker.

6. NVM Home Guarantee against hidden defects

The NVM Home Guarantee insures you for 12 months against hidden defects in your new home, after a building survey.

7. Certainty thanks to professional liability

NVM brokers are insured against losses due to professional errors.

8. Questions or complaints?

If you have questions about the NVM, an NVM broker or about real estate agencies in general, then you can ask the Consumer Information department of the NVM. Telephone 030 – 60 85 189 (between 9.00 and 11.30 am) or e-mail cv@nvm.nl. Do you have a complaint? You can also approach this department for information on the complaints procedure.

Most frequently asked questions about buying and selling property

Buying or selling a house is not something you do every day. It is therefore not surprising that you have all sorts of questions. An NVM broker will be able to answer your questions. The NVM has already made a list of the most frequently asked questions.

1. When am I in negotiations?

You are only in negotiations with the selling party if he responds to your offer by:

- a) Making a counter-offer.
- b) Explicitly stating that you are negotiating.

You are therefore not yet negotiating if the seller's broker says that he will discuss your 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. An NVM broker has to make this clear to all the parties.

The seller's NVM broker will often inform interested parties that there is already an offer or that there are negotiations taking place. You can make an offer in that case

as a potential buyer, but the broker will only commence negotiations with the other parties once the negotiations with the first candidate have ended. The NVM broker cannot say anything about the size of the offers. This might otherwise result in an auction.

3. If I offer the asking price, is the seller obliged to sell me the property?

No, the seller is not obliged to sell you the property. The Supreme Court has determined that the asking price must be viewed as an invitation to make an offer. Even if you offer the asking price, the seller can therefore decide that he will or will not accept your 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. 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.

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 NVM 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. As a buyer you are 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 condition.
2. No housing permit.
3. Adverse building survey.
4. Failure to obtain a National Mortgage Guarantee.
5. NVM No-Risk clause.

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). You as the buyer can still cancel the purchase within this time. The purchase is final after this time, unless the resolutive conditions apply.

6. Is an NVM 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 an NVM 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 NVM 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 NVM 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 NVM 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 NVM broker whether such options are to be issued.

9. Does the broker have to negotiate with me first if I am the first person who arranges a viewing? Or if I am 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. If you are the buyer, ask the seller's broker in advance about the selling procedure that is being used to avoid disappointment.

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 you 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 recognised public holiday. There are rules for this. Your NVM broker can tell you how long the cooling-off period will last.

12. What is the NVM No-Risk clause?

Many people do not dare to buy a property before their own property is sold and therefore do not move to another property in advance as a result. If you use the NVM No-Risk clause to buy property though, you often can make this move.

The NVM No-Risk clause is a resolutive condition. This condition prevents the buyer having to pay double charges. The buyer can cancel the purchase if the sale of his current home takes longer than expected. The buyer must of course first agree to this resolutive condition in the sale agreement. The buyer must do everything possible to sell his property during the period of the NVM No-Risk clause. The seller will proceed with the sale of the property that has already been sold during this period. If the seller finds another buyer who wants to buy the property under more favourable conditions, without the No-Risk clause, then the first buyer will be given time to decide whether to finalise the purchase or to renounce the sale agreement. In the latter case the seller will then sell the property to the second buyer.

13. Can I expect to receive advice from the seller's broker if I am the buyer?

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 your interests at the same time. Therefore if you want guidance and advice during the purchasing process, then it is wise to engage an NVM purchasing broker.

14. What are the rates for services offered by NVM brokers?

The NVM does not issue any guidelines for rates. Every NVM broker can decide his own rates and commissions. The price you pay at the end of the day depends on the composition of the package of services that you buy. Therefore make an appointment with an NVM broker near you for a no-obligation discussion on the services you require. The broker can then calculate his commission. In addition to the commission, the NVM broker can charge on the costs of, for example, advertisements or a land register search. The broker will make arrangements with you about how these costs are incurred.

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

NVM 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. You will find more information on www.nvm.nl about how usable surface areas are measured.

16. 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. Your NVM broker can tell you more about this.

An energy label can work to your advantage. The more energy-efficient your house is, the more it is worth. Your NVM broker can direct you to a certified energy label adviser.

Want to know more?

This is only a selection of the things you have to deal with when buying and selling a house. Want to know more? Then go to www.nvm.nl or visit your nearest NVM broker. He will be pleased to help you.