

thuis

in a **Koopgarant** home



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With **'thuis**, you can buy your own home, or find one to rent. We have good news for people who dream of buying a house but think that they can't afford it. With the support of a couple of attractive (financial) schemes, you can afford to buy your own home. Through us, you can buy a property at

market value (free sale), or choose to buy it at a reduced price, or through deferred payment. As a result, your monthly expense will be significantly lower. Koopgarant and Kopen naar Wens are two schemes providing a price reduction or deferred payment that can amount to around 25% of

the appraised value. This brochure explains all about buying a home with Koopgarant. A brochure is also available for Kopen naar Wens.

You can download this information from our website: www.mijn-thuis.nl.

What is Koopgarant?

Koopgarant makes buying your own home affordable and also means that you, the buyer, run fewer risks. You get a price reduction on the current market value of your home as well as a Buy Back guarantee. Read on, and we'll tell you how it works.

Reduced market price makes buying affordable

The price reduction of the property's market value means lower living costs. The reduced price doesn't affect ownership: you are the sole owner of the property. The land your Koopgarant home is built on is issued as a leasehold. You can read more about leaseholds on page 14 (additional information).

Who can buy a Koopgarant home?

Anyone wanting to buy an affordable property to live in themselves, qualifies for a Koopgarant home. You can register to buy a house on www.wooniezie.nl. Koopgarant is

particularly advantageous for:

- First-time buyers
- Single people
- Seniors
- People who have difficulties buying a property on the open market
- People wanting to run fewer financial risks, or wanting to be sure of selling their property

The available homes are raffled to the people who expressed interest in them. In general, you can choose the price reduction percentage: 10%, 15%, 20% or 25%. If your joint household income is higher than € 45,000 you may qualify for a Koopgarant home, but only with a price reduction no greater than 10%. We

assess your income based on an income declaration, available (free) from the Dutch tax authorities.

Renovations/additional work

Additional living comfort can add value to your home. If you have renovated your property yourself, the property valuer will specify this value separately on the valuation report. You will be fully reimbursed for the modernisations (renovation work); this amount will not be shared. Home improvements can include an extension, dormer windows, a renovated bathroom or kitchen. Because people don't share the same taste, these improvements may not

always result in a corresponding rise in value. It's important to bear this in mind. Moreover, the improvements can also decrease in value through depreciation. We expect you to carry out the renovations to a high standard, and to have the required permits. Before you begin the renovations, it's a good idea to inform us of your plans, and notify the Owners' Association (Vereniging van Eigenaren) if applicable.

Living in the property yourself

Koopgarant specifies an owner-occupier obligation. This means that you are required to live in the property yourself. We apply this rule so that people who already own their own home cannot buy a property at a reduced price for sub-letting. You are not permitted to rent your house to other people. We can make occasional exceptions to this rule, for instance if you will be living abroad temporarily. But this is only permissible with the express consent of Woonstichting 'thuis.

Buy Back Guarantee

Do you want to sell the home you have purchased? No problem. The purchase agreement states that we will always buy back the property from you.

Sharing profit and loss

When Woonstichting 'thuis buys back your home, an independent valuer will appraise your home first. The Buy Back price is based on the amount that you paid for the house. Has the house increased in value? If so, you'll receive a minimum of 62.5% of the profits, based on the price reduction (10%, 15%, 20% or 25%). If the value has decreased, we will also share the loss with you. Any improvements you carried out will, of course, be taken into consideration. The amount of this profit or loss sharing is set out in the purchase agreement. The relationship between the percentage of the price reduction and profit sharing (fair value) has been calculated by experts on behalf of the Ministry of Housing, Spatial Planning and the Environment, and Vereniging Eigen Huis.

The table below shows you which share of the property value is yours, in relation to the reduced market price.

Reduced purchase price	Percentage of value increase
10%	85%
15%	77,5%
20%	70%
25%	62,5%

How much do you get when you sell back your home?

Do you get your money back, or do you have to pay if you sell your home? An independent valuer will determine the property's rise or fall in value, taking note of the home improvements. You can find out more about the valuation process further on in this brochure. You will split the rise or fall in value, without home improvements, with 'thuis according to the distribution percentages.

Calculation examples

The calculation examples below show how we arrive at the amount that we calculate when buying back your home. Calculation examples (fair value 1 : 1.5)

Calculation example: value increase without improvements

Market value when purchased	€ 180.000,-
Purchase price (with 25% discount)	€ 135.000,-*
Market value at the time of Buy Back	€ 200.000,-
Value increase (€ 200.000,- - 180.000,-)	€ 20.000,-
Buy Back price of your home:	
Purchase price	€ 135.000,-
62.5% of the value increase of € 20.000,-	€ 12.500,-
The amount you'll receive for the property	€ 147.500,-

Calculation example: value increase with improvements

Market value when purchased	€ 180.000,-
Purchase price (with 25% discount)	€ 135.000,-*
Market value at the time of Buy Back	€ 205.000,-
Value increase (205.000,- - 180.000,-)	€ 25.000,-
The value increase is distributed over:	
Value increase of € 5.000,-	
(100% goes to the buyer)	€ 5.000,-
Market development of € 20.000,-	
(62.5% is for the buyer)	€ 12.500,-
Buy Back price of your home:	-
Purchase price	€ 135.000,-
Renovation value	€ 5.000,-
62.5% of the value increase of € 20.000,-	€ 12.500,-
The amount you'll receive for the property	€ 152.500,-

Calculation example: if the property value decreases

Market value when purchased	€ 180.000,-
Purchase price (with 25% discount)	€ 135.000,-*
Market value at the time of Buy Back	€ 165.000,-
Value decrease (€ 180.000,- - € 165.000,-)	€ 15.000,-
Buy Back price of your home:	
Purchase price	€ 135.000,-
Less 62.5% of the value decrease of € 15.000,-	€ 9.375,-
The amount you'll receive for the property	€ 125.625,-

* Take into account 'kosten koper'.



How Does Purchasing Work?

The purchase agreement

The **'thuis** estate agent draws up the purchase agreement and gives you a detailed breakdown of its contents. Signing the agreement brings with it commitments. This means that you are obliged to actually buy the property. If the sale does not go through, you will pay a substantial fine. The exceptions to this are the customary cooling-off period, the dissolving conditions, and serious maintenance flaws.

Statutory cooling-off period

After signing the purchase agreement, you may decide that you acted too soon. You can write to us to nullify the purchase agreement

within three working days after signing, without providing reasons.

Dissolving Conditions

The purchase agreement routinely states that you can dissolve the purchase agreement if you are unable to find suitable financing (mortgage). After signing the purchase agreement, you have approximately 4 weeks to find a loan. If you cannot, you are obliged to state this in the purchase agreement before the specified date. To do so, forward the lending institution's official rejection of your loan application, as soon as possible, to **'thuis**. If you do this correctly, the purchase will be dissolved. You can also dissolve the purchase if serious structural

flaws or maintenance issues emerge that were not stated at the time of purchase, or are not listed in the structural report.

Transfer

The notary arranges for the legal transfer of your home. In view of the specific nature of Koopgarant, we have selected a notary for you, familiar with Koopgarant. Both the notary, and the estate agent, can provide you with further details.

'thuis gaat er vanuit dat u met veel plezier in uw woning zult wonen. Maar, besluit u te verhuizen, dan kopen wij de woning altijd van u terug. Dit is een wederzijdse afspraak en één van de grote voordelen van Koopgarant.



How Does Buy Back Work?

'**thuis** assumes that you will enjoy living in your home. But if you decide to move, we will always buy back the property from you. This is a reciprocal agreement and one of the big advantages of Koopgarant.

The Buy Back Procedure

If you're planning to move house, you should notify us in writing that you intend to sell the property. This letter should bear the signatures of all owners/buyers. We highly recommend you to thoroughly check your property before putting it up for sale. Unfinished or poorly executed repairs may be detrimental to the property's valuation. '**thuis** also arranges for:

- A '**thuis** estate agent to visit you at home
- A structural inspection
- An independent appraisal
- A Buy Back Agreement
- Transfer of ownership through a notary

With your cooperation, the Buy Back procedure is usually completed within three months.

Appraisal

The appraisal is part of the Buy Back procedure and is drawn up by an independent valuer, preferably one familiar with the particularities of Koopgarant. You can choose from 3 appraisers provided

by '**thuis**, or select your own appraiser if you wish. If you decide to work with a different appraiser, you will cover the costs involved. You will be sent a valuation report, the structural inspection report, and the buy back price.

What if you don't agree with the valuation of the property or the valuation of the improvements you made to the house? You can use the dispute resolution scheme as set out in the agreement. But it's not mandatory. If you prefer, you can take the matter to court. But before initiating a complaints procedure, we advise you to ask an estate agent/valuer to review the appraisal for you first.



This will put you in a good position to make a well-founded decision.

Complaints procedure

If you don't agree with the valuation, you can resort to the dispute resolution scheme, or take the matter directly to the appropriate court. When one of the two parties invokes the dispute resolution scheme, they will both assign a new valuer. These two valuers jointly appoint a third valuer to serve as chairman of the dispute resolution committee. The three valuers will determine the value of the property together, and the chairman will draft the valuation report. This valuation report is binding and will be submitted to **'thuis**. The

costs of the dispute valuation will be shared between buyer and seller. This does not affect your right, as seller, to cancel the sale later on, but the costs incurred will be passed on, as agreed.

If you don't wish to use the dispute resolution scheme and prefer to take the matter to court right away, you can. In which case the court will decide the value. But bear in mind that taking a case to court will be considerably more expensive, and take longer.

Nullifying the Buy Back Agreement

You can nullify the Buy Back Agreement with **'thuis** within 3 working

days of signing the contract. In which case the costs of drawing up the valuation report and the structural inspection report will be charged to you in full. The costs of the dispute valuation will be shared between you and **'thuis**.

How do you find the right finance?

It is important to secure the right finance to buy your home. This chapter explains the different types of financing, and how each one works. You can buy a house with your own money, with a mortgage loan, or a combination of the two. The decision is entirely up to you, and so is the set period of interest and the type of mortgage. The mortgage interest is generally tax deductible. But before you decide to buy, make sure that you can afford to buy a house.

National Mortgage Guarantee
Buying your own home is exciting. But it can be very expensive and bring with it an element of risk. National Mortgage Guarantee (NHG) helps to minimise the risks connected with buying a house. Although in principle you aren't obliged to finance the purchase with NHG, many financial institutions require it. Using the NHG is a good idea for

the following reasons:

- You'll be sure that the loan matches your income, according to national standards
- You'll pay less mortgage interest
- If you find yourself in financial difficulties (due to circumstances beyond your control), the NHG will generally redeem an unforeseen residual debt after the house has been sold.

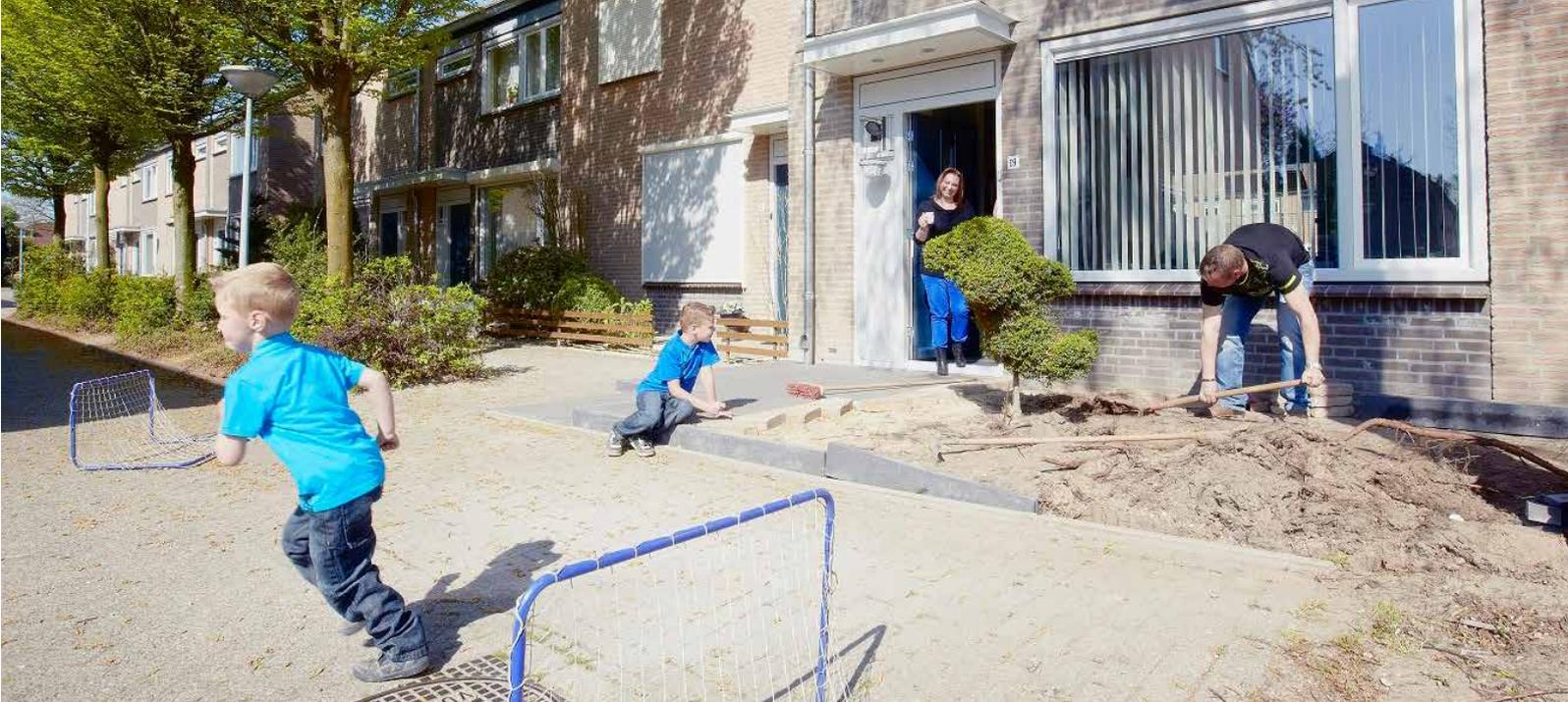
If you'd like to know more about NHG, the NHG brochure is available from your estate agent, mortgage adviser or at www.nhg.nl.

Paying off your mortgage

If you buy back your home, you will need to pay off your mortgage: the purchase price and, in most cases, the maximum 10% for renovation. Due to the costs payable by the purchaser, you in fact start out with

a debt that is greater than the value of your home. Generally speaking, this isn't a problem because you will be repaying a sufficient chunk of your mortgage over the years. If your house increases in value, the repurchasing price will gradually become as much as, or more than, your mortgage. But there's no guarantee that your property will rise in value. If you move house soon after buying, you probably won't have repaid enough. Which could mean you're at risk of remaining in debt.

This is what we refer to as residual debt. It's advisable to keep this to a minimum, or avoid it completely. If you finance the purchase with your own money, don't invest more than necessary, and choose a mortgage that requires some degree of repayment.



Want to learn more, or register?

Koopgarant makes buying a house affordable and gives you peace of mind by guaranteeing a quick sale. We always buy back your property.

Still have questions? Fill out the contact form on our website www.mijn-thuis.nl or phone us on (040) 249 99 99.

Interested in learning more? Register for a Koopgarant home at www.wooniezie.nl.

You can create a search profile on this website. When you make one, we'll send you automatic email updates on houses available in your search area.

For further details about Koopgarant, you can also visit: www.opmaat.nl.

Additional information

Buying in general:

Maintenance

A property needs to be maintained. As the owner, repairs are your responsibility. It can be hard to know when major maintenance work will be needed. So, always set aside money for expensive repairs. If you're buying an apartment, the Owners' Association will let you know the scale of the maintenance work you can expect over the next few years, and the monthly amount you'll be paying to cover it. This is part of the service costs.

Other costs involved in owning your own home

As a home-owner, you will pay additional taxes and insurances that tenants aren't required to pay. These include:

- The notional rental value: this amount is added to your income and you will be taxed on it
- The municipal tax: property tax (OZB): this is a percentage of the value of the owner-occupied property (the WOZ-waarde)
- Water board tax: as an owner-occupier, you pay more water board taxes
- A home insurance policy and/or glass insurance: in the case of an apartment, these are often included in the service costs

Buying the leasehold

A leasehold gives you the right to keep or to use a piece of land owned by someone else, in this case 'thuis. When you buy a Koopgarant home you are buying the leasehold issued by us. This is proof that you are leasing the ground that belongs to the property, from 'thuis. Leasehold is a legal means and we use it solely to define the specific Koopgarant conditions, such as the Buy Back guarantee. It does not change your rights and duties as owner of your Koopgarant home. Buying through Koopgarant means that you buy the leasehold in perpetuity. This means that you are not charged additional costs (canon) in exchange for using the land.

Buying a new build:

No additional costs paid by the purchaser

When you buy a newly built house, a Vrij op Naam price (VON) applies. This means that various costs directly associated with the sale, such as property transfer tax and legal fees for the title deeds, are included in the VON price: in other words, the purchaser pays no additional costs. The remaining share of the extra costs are to do with the financing.

The financing costs are tax deductible in the purchase year. In total, these costs generally account for about 2% of the purchase price.

Construction interest

When you buy a new build, you pay the VON price in instalments, not in one go. The bank often finances the instalments through the mortgage, by means of a construction deposit. You will start paying interest on these instalments when the payment is due to the developer or contractor; this is determined by how the build is progressing. The amount of payable interest is set out in the mortgage deed. You're quite likely to have a mortgage before you have the key to your home.

Buying an existing property

Additional costs are paid by the purchaser

When you buy an existing property, you need to take into account 'kosten koper': these are additional costs that you, the buyer, are required to pay. The amount of these costs reflects the purchase price. In total, this generally amounts to 6% of the purchase price. It's important to remember that you cannot obtain finance for these

costs. Part of these costs is directly related to the sale, such as property transfer tax, the fees involved in taking out a mortgage and the legal fees. The financing costs are one-off, and tax deductible in the purchase year.

Maintenance/Structural Inspection

It's often difficult to get an accurate idea of the structural state of the property, or whether considerable investment is required. We will commission a structural inspection report so you'll have insights into the type of work needed, and the costs involved. This report is submitted to the valuer so that he can include it when he drafts an accurate valuation. Once this has happened, we always forward you the structural inspection report, plus the valuation report.

Buy Back: Visits and inspections

Did you know that, during the Buy Back procedure, various people will visit your property? You can expect to be visited by:

1. The sales estate agent of Woonstichting **'thuis**. During the visit, he assesses the property's condition and will talk to you about how to

present the house for sale. He may also take photos.

2. A structural expert who will inspect the structural aspects of the property
3. An independent valuer. He assesses the value of the property and any improvements you've made.
4. One or more potential buyers wanting to view the house. These visits are arranged in consultation with you. After both parties have signed the Buy Back Agreement, we'll place the house on the market as soon as possible.
5. Lastly, the sales estate agent of Woonstichting **'thuis**. Before the legal transfer takes place at the notary's office, the estate agent will inspect the house with you, and take meter readings. You can hand the keys over to the **'thuis** estate agent or to the notary. **'thuis** will not be present during the legal transfer at the notary's office.

Condition of the property

You must leave the house in good condition when you resell it to Woonstichting **'thuis**. The **'thuis** estate agent will tell you what's required when he visits the property. This avoids encountering unexpected problems during the final inspec-

tion. Renovations that don't comply with government regulations or were completed without a building permit, or without the approval of the Owners' Association, must be removed. Make sure you have all the paperwork, guarantees and permits ready in time for the initial inspection. That way, you'll avoid any problems or difficulties. It's useful to make a list beforehand of the improvements you made. These will be included separately in the appraisal value, and you won't have to share them with **'thuis**.

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