

BT



B BUYERS
TRUST

Authorised Financial Services Provider - FSP49092

WHO IS BUYERS TRUST?

Buyers Trust is a part of the ooba Group that pioneered the home loan origination industry in South Africa over 20 years ago. The ooba Group includes, ooba home loans, South Africa's largest bond originator as well as ooba insure which offers a range of insurance products to home loan customers. The ooba group has a national footprint with its head office in Cape Town and regional sales offices across the country. The ooba Group has a diverse shareholding base that includes both listed and non-listed companies. The ooba Group is a level 7 BEE rated company.

BENEFITS OF BUYERS TRUST

In short, Buyers Trust provides property buyers an alternative proposition for the investment of their property deposit. The investment is with a reputable South African bank, in an account in the buyers own name, operated by Buyers Trust (an FSCA registered entity) under an investment mandate signed by the buyer. The proposition provides buyers with security, transparency and a competitive investment return on their deposit.





WHAT WE DO

Buying a property is one of the largest financial investments that you will make in your life, and understandably this decision comes with some insecurities around the complexity of the transaction.

One of the parts of the transaction that you are expected to manage, is the property deposit. Most sellers require you to put down a 10% cash deposit on the sale of a property, shortly after signing the Offer to Purchase. The deposit is required to demonstrate your commitment to purchase the property.

Any Offer to Purchase that you sign with the Seller will generally provide you with options to invest your deposit either into the real estate company's trust account, or alternatively into the trust account of the attorney chosen by the seller to do the property transfer. Ideally, like any investment, you would want to ensure that your deposit is safe and that you are able to realize the best financial return on your deposit for the entire period pending the transfer and registration of your property in the deeds office (this period normally takes about 3 to 4 months).

HOW IT WORKS

Buyers Trust offers you an alternative investment proposition for the investment of your deposit, pending property transfer that will provide you with greater peace of mind and that will yield you a competitive net return on your money.

- 1** On the Offer to Purchase that you sign with the Seller, you select Buyers Trust as the financial service provider with whom you wish to invest your deposit.
- 2** Once your Offer to Purchase is accepted by the Seller, Buyers Trust will electronically arrange for you to sign a simple investment mandate and to be FICA'ed. They will then seamlessly open a bank account for you, in your own name through a reputable South African bank. The account will be opened in your name so the account is secure. Buyers Trust will only have the ability to transact on the account on your specific instructions under the written mandate you provide to us. You will have full access to view your account at any time and to receive statements. This will provide you with 100% transparency on your investment, any costs and your investment returns.
- 3** As required by your Offer to Purchase, Buyers Trust will issue the transferring attorney on the transaction (who is acting on behalf of the seller) with a bank guarantee for the full amount of the deposit, fulfilling your requirements in terms of the Offer to Purchase while keeping your funds secure and in your own account.
- 4** Buyers Trust will administer your account, provide you with monthly statements and when called upon to do so by the transferring attorney, fulfill the guarantee and transfer the monies to the transferring attorney for disbursement to the seller, so that you can take ownership of your property.
- 5** Buyers Trust will then calculate the full net interest earned on the account over the period and pay that over to you and also provide you with detailed reporting in this regard, including a tax certificate for the interest earned. Once that is done will we close the account.



MAKE CONTACT

You will be contacted by Buyers Trust on referral from your estate agency and would enter into a mandate with Buyers Trust for the investment of deposits related to a property transaction.