

Rent2buy

How do I start?

To convince a bank that they must approve a home loan so that you can buy your own home, you must prove to them that you have a **good and solid credit rating** and the **affordability to pay** back the home loan installments each month. If you have a **deposit** available it will strengthen your application.

With Rent2buy -

- **Affordability**
 - you will be allowed the opportunity to “test-drive” your ability to pay for the home – **your affordability test**”
- **Credit rating**
 - if your credit rating is not yet ready to convince a bank to approve your home loan – you will have the rent2buy period to **repair your credit rating**
- **Deposit**
 - A portion of your rent that you pay – as you will be required to pay rent equal to a home loan installment – will be allocated to a “**savings account**” to help you to save up for a portion – if not full – **deposit required**.
- **Education**
 - Included in the Rent2buy period – you will receive **home ownership education** – to educate you – how to buy your own home

Will the bank approve my loan at the end of the Rent2buy period?



It will depend 100 % on you and how you conduct your credit profile and affordability. With Rent2buy – you have time.

Feedback from one of our clients:

“My husband and I applied for a home loan and were declined by all the banks. I had sorted out my credit record and was no longer in arrears with my two existing accounts., My husband’s accounts, which had also been in arrears, were settled and proof was forwarded to the banks. We were told to apply again in 6 month time period because they take the past 24 month’s payment history into consideration”.

They were the ideal Rent2buy clients.

The solution lies in your hands –we will assist you all the way.

How do you start?

There are a few steps that you need to take & we will assist you, all the way, in taking these steps.... Read more.....

Step 1

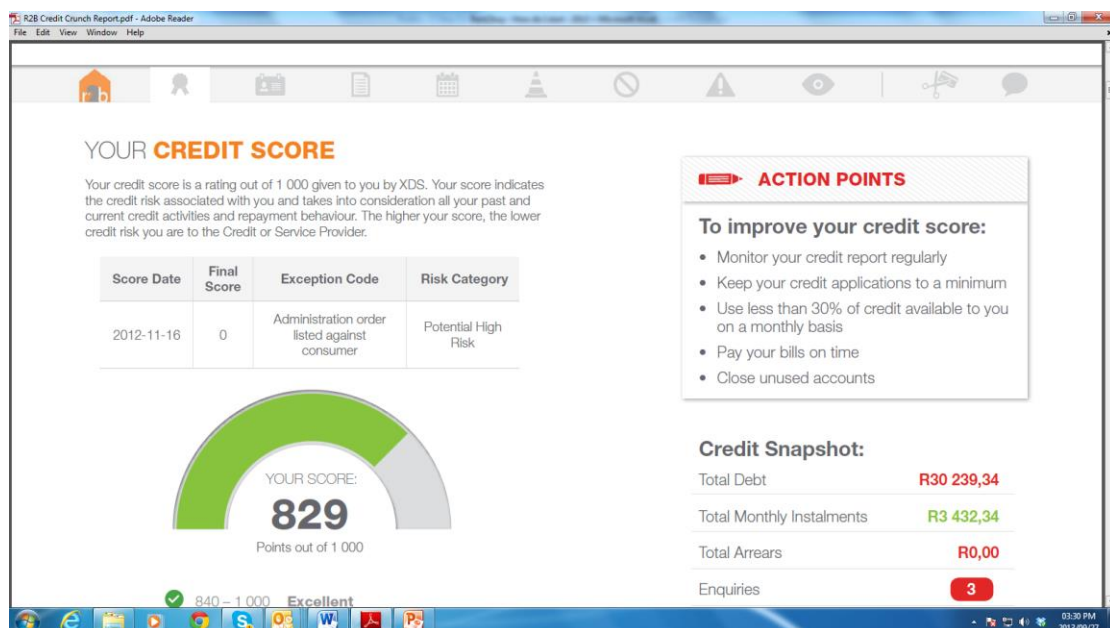
What is your current credit rating?



We need to study your credit report as this will be the foundation of the process.

You are entitled to get one free credit report per year from any of the Credit Bureaus – we however recommend a Credit Report – tailor made for Rent2buy –

- Why do we need your Credit Report?
 - The Credit Report is the first step in determining the journey you will need to take to reach your goal, with the assistance of My Budget Fitness.
 - We need to assess your past debt and account management profile.





Step 2

What is your Affordability?

We need to find out what rental can you pay and – one day – when your bond is approved, what type of home loan can you apply for and afford.

- We work with you to complete a comprehensive Affordability Analysis
- This enables us to calculate – what you actual affordability is to pay towards Rent2buy rental and eventually a home loan.

- **How much will this cost ?**

- R500 – once off

- **What will happen then?**

Once you have paid your My Budget Fitness Subscription fee, you will receive the:

- My Budget Fitness Calculator to complete and work out your affordability
- you will be requested to return the MBF Calculator to us
- We will then contact you to discuss
 - your current credit status, debt, income and expenses –
 - your current rental power
 - and your current buying power – compared to your goal – the home that you want to buy and how much you may end up paying in the future for a new home loan.

- **What information do you “put into” the MBF Calculator?**
- You will add all your credit commitments quoting:
 - Institution you owe money to
 - Account number
 - Limit of the facility
 - Outstanding balance
 - Interest rate
 - Monthly repayment amount and period of loan or repayment
 - Date the account was first opened.
- Provide us per fax : 086 5611 618 or email to admin@budgetfitness.co.za with copies of the following documents:
 - ID
 - 3 months' salary slips
 - 3 months' bank statements
 - Proof of address
- Deposit R 500.00 into the following account:
 - Trust Account : OOSTHUIZEN MEYER DE WAAL INC Attorneys
Bank: Standard Bank, Branch: Paarl Branch Code: 05210
Account Number: 07 218 0587, Reference: Your surname, cell and ID number

Fax proof of deposit together with the documents above to 086 5611 618 or email to admin@budgetfitness.co.za
- We will then then contact you as soon as we have received all the above information to discuss drawing up your **Rent2buy Plan**. This plan will provide you with a detailed guide as to how to reach your goal. This may include methods to reduce your debt, methods to save for a deposit to buy you home.



Step 3

You may ask - Can I go “shopping” now for a rent2buy home?

Read further on the next page

Step 3

You may ask - Can I go “shopping” now for a rent2buy home?



Not so fast!

We must now first find out -

Where do you want to live?

What can you afford?

- rental per month
 - Remember your rent2buy rent will be very close to the bond repayment that you may pay in future – plus rates and taxes and levies (if applicable)
- Future bond repayment and purchase price

Only then will you receive our “go-ahead” and Rent2buy Certificate of Affordability & Approval.

Step 4

Once a rent2buy house is found-

- We will provide you with the tools to a survey to find out if you are not paying too much for the property – remember – it is your money and you need to educate yourself and do the homework yourself
 - Discuss and negotiate the rent2buy transaction with the Seller
 - Work out a rent2buy deal between you and the Seller
 - Record the transaction in writing – we have a full legal team on standby to assist you.
 - The fee to prepare this agreement is R2 500.00 plus VAT.

Step 5 What will happen during the Rent2buy period?

During the Rent2buy period – get and stay budget fit and improve your credit rating

You will pay the rent2buy rental as per the Rent2buy Agreement.

To keep you budget fit and get you even fitter - you will be part of the My Budget Fitness Home Owners Education programme and pay a monthly subscription fee of R150.00 - you will now take part in the My Budget Fitness programme for a First Time Buyer.

This will include a 6 step process to teach and show you all that you need to prepare yourself to own your own home – the value of the course is R500.00 and it is included in this course and your subscription of R150.00 per month. To get more information in this course – go to <http://consumerhousingeducation.co.za/>

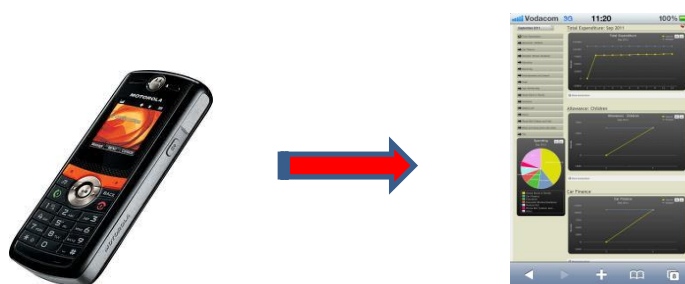
There are 6 steps to work through and you will receive regular tips and exercises to work through.

Remember – the only way to stay fit is to exercise regularly – the same with your budget.



MANAGE YOUR BUDGET

- We have now worked out a new budget and goal to enable you to reach your dream.
- You will be able to manage your money on your mobile phone
 - Capture your expenditure and control your budget with your mobile phone – a tool compatible with any phone.
 - capture all your spending, every day, on your mobile phone with mobile2budget.
 - Log in to the website to view how you are managing your expenses compared to your budget – your own personal username and password are provided.



- You will be allocated a personal trainer to look after your Rent2buy plan and make sure that you stick to your **Rent2buy plan**.
- Your personal Rent2buy trainer will contact you on a regular basis to discuss your progress and adjust your **Rent2buy Plan**, as required providing training and mentorship.



Follow regular budget tips at www.facebook.com/MyBudgetFitness to stay tuned to upcoming events and further information on how this program can change your spending habits for the better.



Follow us on Twitter <https://twitter.com/budgetfitness>

FINAL STEPS IN YOU RENT2BUY PLAN

- Once you achieve your Rent2buy Goal
- Obtain a final “clear” Credit Report
- Obtain the final Rent2buy – Certificate of Completion
 - Rent2buy recommendation on
 - Affordability
 - Credit Rating and profile
 - Deposit available
 - Record of conduct during the Rent2buy period
 - All supporting documents, to show affordability, credit status, good track record, “pay slips” bank statements etc
- You will be guided to apply for a home loan



And as soon as the home loan is approved

- You are now ready and in a position to:
 - Exercise the option to purchase and hand that over to the Seller
 - proceed with transfer of the property in your name!
- Rent2buy will calculate your Rent2buy savings that will be used as a deposit.
- Rent2buy will assist you with the transfer process and bond signature process.

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