

WHO IS [NOT] PROTECTING THE CONSUMER?

Notwithstanding the National Credit Act, the pending Consumer Protection Act and other legislation, the Consumer is in distress and little is done to help him

DISTRESSED PROPERTIES

- * 73 properties are listed in Die Burger of 2 July 2010, soon to be sold in execution in the Western Cape (how many more on Quick Sale of Rapid Auctions or throughout the entire country?)
- Bank A has a list of 51 pages of repossessed properties on their website (properties bought back by the Bank which they could not sell in execution)
- Houses are sold on auctions, quick sales and rapid auctions for up to 40 % less than market value, leaving the distressed owner with thousands of arrears to pay back
- Bank A and Bank B jointly wrote off R2,3 billion rand in 2009 on the “home loan book”
- Liquidations and Insolvencies are on the rise

FAILED HOME LOAN APPLICATIONS

- * More bond applications are being turned down in 2010 (54 %) than in 2009 (50%)
- The Black Consumer’s application is most likely to be declined

THE SOLUTION BY RENT2BUY AND SETSMOL

- **DISTRESSED HOME OWNERS**
 - Rent2buy and Setsmol provide the following:
 - Negotiation with a Bank to assist the distressed home owner for an alternative solution than selling their home on auction.
 - Example : Husband retrenched and the family unable to pay the mortgage bond for 18 months.
 - On the day of the planned auction instigated by the bondholder, we managed to negotiate a rent2buy transaction and save the home for the family.
 - The bank was prepared to sell the house with a market value of R750 000 for R350 000.00, leaving the homeowner with an enormous shortfall to settle the bond of R630 000.00.
 - With the assistance of r2b, the house was saved, and the loan transferred from the “collection “department, back to “home loans”, three months later.
 - After Care Service.
 - How to stay financially “afloat” in these difficult financial times

- **DECLINED BOND APPLICATIONS**

- Rent2buy and Setsmol provide the following:
 - My Budget Fitness Training
 - Education, and assistance :
 - Manage your budget
 - Build up a proper credit and spending record

through educational workshops for individuals who target access to mortgage bonds, to increase their affordability and improve their credit rating

- **WHY RENT2BUY AND SETSMOL?**

- Setsmol is appointed by ABSA and FNB to conduct their Home Owner Borrowers Education www.setsmol.co.za
- r2b is appointed by oobalink and Bond Choice to assist with their declined bond applications www.irent2buy.co.za
- * (read more in the article of Advocate Joubert prepared in collaboration with Meyer de Waal <http://www.legalbrief.co.za/article.php?story=20100506095420758>)

- **HOW DO I APPLY ?**

- Consumer assistance/Debt relief
 - Meyer de Waal – meyer@oostco.co.za -021- 461 0065
 - Solly Molefe - sollymolefe@telkomsa.net 073 221 2003
- My Budget Fitness Seminars
 - Book with Juanita Juanita@oostco.co.za 021- 461 0065
 - Lerato leratomohohlo@telkomsa.net 011- 835 4042

The education will consist of

- * 3 hour training session (maximum of 20 delegates per session)
- * 6 month course during which a personal My Budget Fitness Coach will provide mentorship and guidance to enable the consumer to take control of his budget, build up and maintain a good credit record

to eventually submit a successful bond application and procure a home during such process

Setsmol is an accredited Training Provider with Construction Seta.

Contact Meyer de Waal – 083 653 6975 or 021- 461 0065 meyer@irent2buy.co.za
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