



BRIDGING FINANCE FOR PROPERTY SELLERS/BUYERS

1. WHO IS RODEL

Rodel Finance is a specialist financial services company which has been supplying bridging finance to personal injury claimants as well as property sellers and buyers for the past 10 years. It has a solid track record and is well respected in the legal fraternity, having successfully provided over 35,000 bridging finance solutions since inception.

Rodel is a subsidiary of the Buffet Group, one of South Africa's largest property and private equity groups, and is funded by two of South Africa's leading banks, who sit on its credit committee and take an active role in credit making and business decisions. Rodel has its head office in Durban and has branches in Sandton, Cape Town and Port Elizabeth.

2. THE PRODUCT

By taking cession of the equity in a property Rodel is able to advance to a property seller/owner up to **80%** of the equity in the property, prior to transfer in the case of a sale, or prior to registration of a bond as in the case of new bonds or bond switching transactions.

The transaction is structured as a **discounting transaction** whereby Rodel acquires/purchases the equity in the property for a fixed fee and obtains an undertaking from the conveyancing attorney that it will be repaid on transfer/registration.

In addition bridging finance is also provided to **buyers** to fund costs (transfer duty and legal fees) prior to registration, where a bond for more than the purchase price of the property has been approved. As in the case of a **seller**, Rodel acquires/purchases the surplus bond proceeds for a fixed fee and obtains an undertaking from the conveyancing attorney that it will be repaid on transfer/registration

3. WHAT IS THE FINANCE USED FOR

Rodel does not specify how the funds are used. Typically they are used for:-

- transfer duty on a new property
- outstanding rates/taxes and levies on the property being sold
- a deposit on a new property
- repayment of personal debt
- working capital funding for businesses

4. THE PROPOSAL

Rodel seeks to establish a long term, mutually beneficial relationship with Multinet Mortgages for the exclusive marketing of its product to their client bases.

Estate agents and bond originators are the first point of contact with the property owners at the time of selling or buying and are ideally positioned to market the product, having gained an understanding of the client's needs and financial position.

5. THE BENEFITS

To the Attorneys, Estate Agencies and Bond Originators:-

- it provides an additional complementary product which can be easily be marketed in conjunction with their core products.
- it provides addition revenue generation opportunities through the commission paid by Rodel for referrals.
- it helps to facilitate and speed up conveyancing transactions by funding transfer duty and outstanding rates and taxes, thereby reducing the risk of collapsed deals and enabling fees and commission to be earned at an earlier stage.
- it facilities further property transactions by supplying sellers with funds that can be used as deposits on new properties.
- it facilitates property transactions and satisfies client's financial needs, thereby improving client satisfaction and as a result has a positive impact on future repeat business.

6. RATES

Due to its substantial funding lines, Rodel is able to price its products competitively against any other bridging finance company in the country. Current rate is 0.133% per day on the loan amount, although this may fluctuate from time to time. The fee is deducted from the amount financed and Rodel will finance up to a maximum of 80% of the equity in a property or 80% of the surplus from a new bond. There is **no maximum or minimum amount**. Additional credit criteria may apply for amounts over R500,000 which may result in a longer approval process.

7. HOW TO APPLY

Simply complete the attached lead sheet and e-mail it to info@rodel.co.za **and** cc bridging@multinetgroup.co.za or fax to 031 303 9913 (landline 031 303 7722)