

# BUYERS GUIDE



**Serviced Logistics Parks**

Industrial | Storage | Office

**inospace**

[www.inospace.com](http://www.inospace.com)

# Your handy guide to buying at Inospace

We have written this guide to help you navigate buying properties in one of our serviced logistics parks, from finding a suitable investment through to transfer. You can use this guide to help you with all the legal, financial, and practical issues which need to be considered.

We work closely with our investors to select the right property deals tailored to meet your investment requirements. Inospace is dedicated to their investors' education and upliftment, teaching them how to identify, acquire, and manage top-performing properties that provide above-average rental income and capital growth yields.

When you buy into an Inospace park, you are not only getting a significant investment, but you are also investing in a growing brand with select locations across South Africa.

Before we get into the step-by-step process of buying a property, it is crucial to understand why commercial property is a good investment.



## Why invest in commercial property?

1. Multi-let industrial property has outperformed the main property segments worldwide, with rental and occupancy rates growing yearly.
2. If you are an owner-occupier, you can secure your business's future by owning your property and paying off initial loans within ten years. You still then have the option of leasing out your property.
3. The e-commerce boom has fuelled demand for warehouses globally. South Africa follows this trend as supply chains change and more consumer goods move directly from warehouses to customers.
4. Traditional industrial areas on the edge of residential and retail nodes are becoming more valuable as land supply decreases and have moved away from manufacturing to wholesale, dedicated retail, business storage, and logistics.
5. The changing retail landscape has fuelled the industrial sector as businesses move away from expensive retail space to goods being sold directly from warehouses, giving rise to a new type of retail called wholeletail or retail warehousing.

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# Getting started

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Buying the  
right space

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the offer



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your investment



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# Buying the right space

## View some properties



It is advisable to see a few different properties to get some perspective on what is available. It will allow you to quiz us on some of the finer details. Take lots of photos to help remember the important things like what services are available or for future space planning and fit-out.

## Take notes while visiting our parks



It is always a good idea to look around the park while viewing your unit as this gives you a good idea about how the park is maintained. It is best if you also looked at other Inospace parks to get an idea of how the company operates. If you see other tenants or owners while there, have a chat with them and check that they are happy.

## Ask the right questions



When you buy in an Inospace serviced logistics park, you will most likely be purchasing a sectional title unit. The land and common property are jointly owned by all owners in the sectional title scheme. The scheme is managed by a body corporate, and all the owners share costs of maintaining the property.

## Find out about obtaining finance



Inospace can assist you with your mortgage bond funding application, so please speak to our Sales Executives about this. We have approved banks that know our parks schemes and this should speed up the process. There is no cost for this process.

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# Signing the Offer

## Sign an Offer to Purchase



Once you've decided to proceed with the purchase, you need to sign the Inospace Offer to Purchase (OTP), which is a valid contract relating to the sale of the property. It contains all the terms and conditions of the property transaction. An Offer to Purchase, once signed by the buyer and seller, constitutes a deed of sale.

## Use this quick checklist when completing an Offer to Purchase



- Check all details are correct in the document, including the entity listed as the owner of the unit and the purchase price.
- Indicate your VAT Registration number.
- Make sure you are aware of any suspensive conditions related to obtaining a bond.

## Reservation Deposit



With your signed Offer to Purchase, you will be required to pay a refundable reservation deposit to reserve the unit while you arrange finance.



# Organising payment

## Finance Application

Should you need to finance your investment, you will need these documents to get your loan application processed.

1. Copy of your company registration documents or trust deed
2. Copy of the sales agreement (OTP)
3. Your business's and personal six-month bank statements
4. Financial statements for the last two years



### Step 1 - Submit your finance application

Apply for a loan through Inospace's finance originator or your existing banker.



### Step 2 - Get approval in principle

Once your application is submitted you will receive approval in principle, subject to a valuation.



### Step 3 - Bank valuation

The bank will value the property you want to buy to determine its market value.



### Step 4 - Loan approved

Once your loan is approved, you will receive a letter showing an approved loan amount together with the interest rate amount and other key terms and conditions.



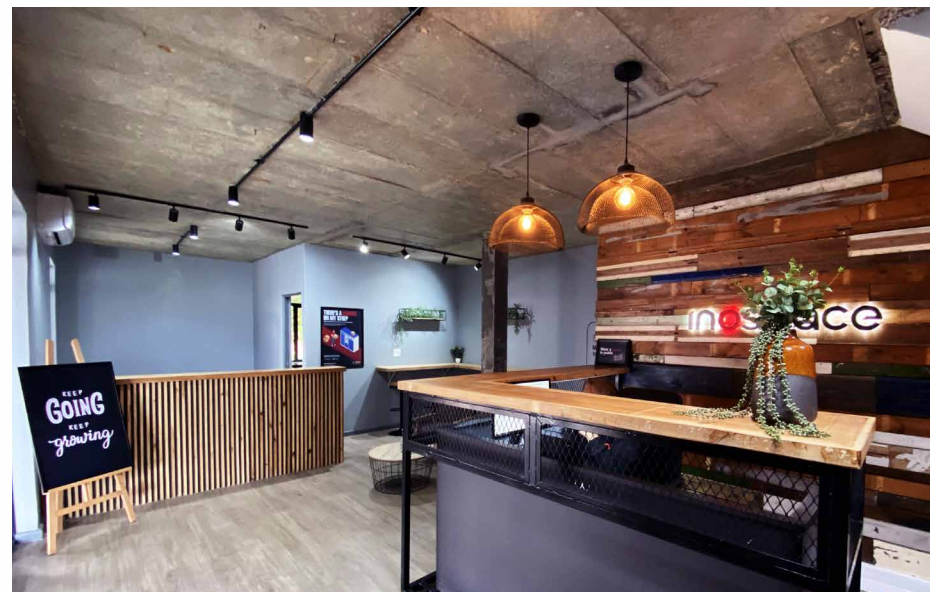
### Step 5 – Deposit payment

You will be required to pay a 5% deposit of the purchase price. Your reservation deposit forms part of your total deposit payment, and you will only need to pay the balance.



### Step 6 – Bond registration

Once you have accepted the finance terms, the bank will instruct their bond attorneys to register the bond together with the transfer of the unit.





# Our Red Box security ensures all our parks are always fully secure.

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## Living with your investment

### When do I get possession of my unit?

A deposit will secure your purchase. Some spaces are available immediately, but others may need work done first, and some may need to change to your specifications. Plan and make sure you notify us of your timelines.

### What costs will I be liable to pay?

You will pay body corporate levies and municipal rates together with internal repairs and maintenance of your unit from the transfer date. You will also be responsible for sourcing your content insurance and pay for other regulatory requirements like health & safety certification.

### How do I deal with my tenants?

If you have purchased as a buy-to-let investor, any current leases will be ceded to you. Any changes to the existing lease will have to be negotiated with the current tenants by you. You will need to invoice your new tenant directly, or you can get Inospace to manage rent collection and property management.

### What type of security will there be?

All our parks have 24/7 security in place. Our security guards ensure our parks are always fully secure. The signature Red Box guard houses at the entrance to all our parks symbolize our safety-first ethos.

We're committed to creating and maintaining an environment in all our parks where our clients, their staff, and visitors feel safe at all times day and night.

### How will the park be managed?

You will be a member of the logistics park's body corporate, and the body corporate rules will bind you. As a sectional owner, you also buy an undivided share of the common property.

Trustees of the scheme will be appointed and elected by all the owners (including yourselves) to run the scheme. They are like the board of directors of a company. They administer the day-to-day management for the first three years. They will appoint Inospace as the managing agents to assist in carrying out their duties and running the park unless the trustees choose to nominate another managing agent.

### What happens when I want to lease my unit out?

You can. We encourage our Inospace clients to come and chat with us as we may have prospective tenants and can find you a new tenant.

### Will Inospace manage the property for me if I lease it out?

Yes. The company will handle the full property management service, including collecting the rent, dealing with tenants, invoicing, and sending you a monthly payment.

### What do I do when I want to sell my unit?

You can sell it whenever you want. You can either sell it yourself or contact Inospace, who will sell it for you.



# Frequently asked questions

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## Parking & Yards

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### Do I have designated parking?

Parking bays are sold to you as part of your sectional title unit as exclusive use areas. There may be more parking available, so please ask for this.

### Do I have designated yard space?

Like parking, yard and outdoor spaces are included in your unit as exclusive use areas. If you require additional yard space later, you will need to approach the body corporate or park manager to discuss options with them.

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## Signage

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### Will I get signage or a listing of the companies in the park?

We usually allow space for client signage when we sell the units. You must adhere to the signage guidelines, as incorporated in the body corporate rules.

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## Electricity & Water

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### How is the electricity rate calculated?

Your units will have electricity meters, and you can manage your electricity requirements on a "pay-as-you-go" basis.

### How is my water charge calculated?

Water is charged to each unit as per your consumption. A meter reading or proportionate share calculates this. If you don't have water in your unit, you won't be charged for it.

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## Other Inospace Parks

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### Can I still work from other Inospace parks?

Yes. Once you purchase in an Inospace park, you get a membership to the Inocircle, allowing access to other parks (terms and conditions will apply).

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## Park Management

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### Is there a staffed reception?

Most of our parks have a staffed reception run by a community manager for your convenience.

### What does the community manager do?

Our community managers are there to welcome your guests, provide information, and interact with couriers and delivery people. They are part of the park manager's team to assist with looking after clients and the overall maintenance of the park.

### What does the park manager do?

Most Inospace parks have a dedicated park manager who is your first port of call for all inquiries, requests, planning, and maintenance issues. The park managers and their teams are there to ensure everything runs smoothly and optimally.

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## Life At The Park

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### Can we use the meeting rooms and seating areas for free in the business hub?

As long as Inospace manages the park, all meeting rooms will be provided at no cost, subject to availability.

### Can I have access to the business hub after hours?

Park managers will arrange this if possible.

### Does the park have electrical generators?

The business hub may have an inverter to deal with electrical disruption (load shedding), but you will most likely have to get a generator for your unit.

### Does the park have fibre or wi-fi connectivity?

All locations with access to fibre have been fully wired and are ready for you to connect from the day you move in.

### How secure are Inospace parks?

Inospace has 24/7 security. Make sure to take note of security measures in place. Inospace is committed to maintaining an environment in all our parks where our clients and their staff feel totally safe always - day and night. Besides the friendly guards on duty 24/7, you'll find several other safety features from electric fencing to closed-circuit cameras.



