

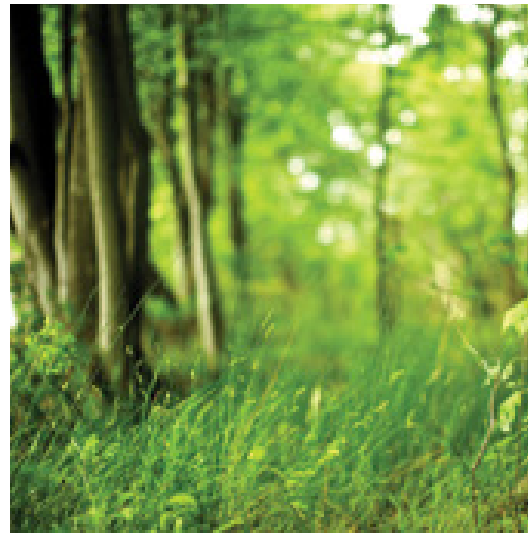
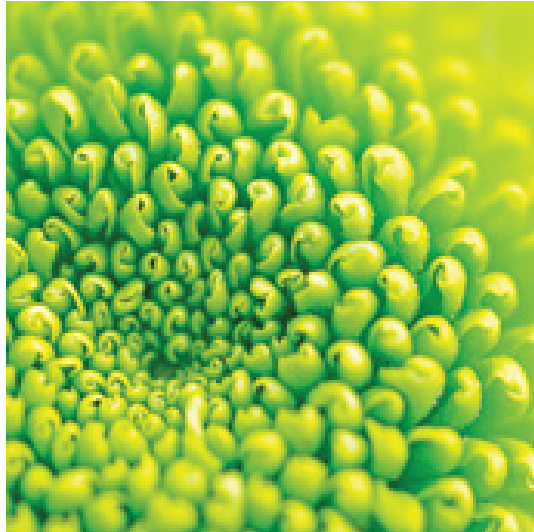
CONTACT US

- ☎ Pretoria: 012 425 3400
- ☎ Cape Town: 021 464 2400
- ✉ law@macrobert.co.za
- 🌐 www.macrobert.co.za
- 🌐 Property Law – Fee list

MacRobert
Attorneys

Your strategic partner at law

Sellers / Buyers Guide



----- PROPERTY LAW

A QUICK GUIDE TO THE TRANSFER CONVEYANCING PROCEDURE



1 Step 1 > Receipt of Contract of Sale

Receipt of Instruction acknowledged. Deed Searches done on Property, Seller, Purchaser and Copy of Title Deed requested.



Fica Documents and existing loan account details requested from the Seller. Fica Documents and confirmation of financial arrangements requested from Purchaser.



Cancellation figures requested from existing bondholder as well as rates assessment from relevant Municipality and Levy assessment from Home Owner Association / Body Corporate.

2 Step 2 > Fulfilment of Suspensive Conditions

Follow up on fulfilment of suspensive conditions (bond approval or sale of purchaser's property).



Prepare the transfer documentation for signature by both parties. Provide draft deed and guarantee requirements to the Bond Registration Attorneys.

3 Step 3 > Signature of Documents and Payment of Costs

The seller and purchaser signs the transfer documents. The purchaser signs the bond documents (if applicable).



Purchaser pays transfer costs and Transfer duty. Seller pays rates and taxes and levies.



Transfer duty receipt applied for electronically via SARS e-filing and payment made to relevant Municipality. Home Owners Association and/or Body Corporate for the necessary clearance certificates.

4 Step 4 > Finances (i.e. Guarantees / Prior Transfer)

Upon receipt of the guarantees, forward same to the Cancellation Attorneys (if applicable), pay cancellation costs.



Upon receipt of the transfer duty receipt, clearance certificates and the original title deed, collaborate with the Cancellation Attorneys and Bond Registration Attorney for simultaneous lodgement in the Deeds Office.

5 Step 5 > Lodgement

Deeds are lodged at the Deeds Office. Deeds are examined, which process takes approximately 6 to 8 working days.



From the 6th - 8th working day, the deeds are taken to the Prep Room and are 'up for registration'. The Conveyancer then has 5 working days to finalise any matters outstanding and hand in for registration the next day.

6 Step 6 > Registration

Once ready for execution, the deeds are taken to the Execution Room for registration. The Conveyancer can then register the deeds from 10h00 onwards.



Ownership passes from the seller to the purchaser. The purchaser's new bond (if applicable) is also registered. The seller's existing bond (if applicable) is cancelled.



Finalization of the finances are usually completed the day after registration has been effected as the funds from the purchaser's bond only reflects in the Transferring Attorneys Trust Account the next morning.

7 Step 7 > Delivery of Deeds

Once registered, the deeds are numbered and scanned. It can take up to 1 month for the Deeds Office to deliver the Title Deed and Mortgage Bond to the relevant Conveyancers. Once delivered, the Conveyancer will send the Title Deed to the relevant bank (if the property is bonded) or to the purchaser (if unbonded).



A QUICK GUIDE TO THE BOND REGISTRATION PROCESSES



1 Step 1 > Receipt of Instructions from Bank & Fica Documentation

Receipt of instructions from the Bank to register the bond. Instructions are received electronically via specialised software / programs. Deeds Searches are done to check if there are any interdicts, insolvencies, etc. that may be noted against the client or the property.



Client contacted to advise instruction received and requested to confirm that the instruction is in accordance with the Loan offered. Fica Documents and Transferring Attorney details requested.

2 Step 2 > Preparation of Documents

Draft Deed, guarantee requirements, etc requested by the Transferring Attorney.



If the instruction is a further advance, obtain a copy of the title deed from the relevant financial institution.

3 Step 3 > Signature of Documents

On receipt of the clients documents, draft deed and guarantee requirements from the transferring Attorneys, the bond documents are prepared for signature.



Arrangements are made with the Client for signature of the documents. Payment of costs are normally requested on date of signature or lodgement.

4 Step 4 > Process of Documentation and Guarantees Issued

The signed Home Loan documents, Fica and supplementary documentation are submitted to the Financial Institution and the guarantees are forwarded to the Transferring Attorneys. Once a Proceed has been issued by the Financial Institution lodgement will be arranged with Transferring Attorneys.



Further Bond - Lodged as soon as "Proceed" and Title Deed received from bank. First Bonds that are linked to transfers - are dependent on the Transferring Attorneys arranging lodgement as soon as they are ready.

5 Step 5 > Lodgement

Deeds are lodged at the Deeds Office. Deeds are examined, which process takes approximately 6 - 8 working days.



From the 6th - 8th working day, the deeds are taken to the Prep Room and are 'up for registration'. The Conveyancer then has 5 working days to finalise any items outstanding and hand it in for registration the next day.



If a further bond is involved, the bond is handed in for registration on "Prep" and registered the following day. If a transfer is involved then the transfer and bond attorneys arrange the date of simultaneous registration.

6 Step 6 > Registration

On the day of registration, the bond attorney notifies the Bank electronically of registration. The Bank effects payment of the guarantees after 3.00pm as per the Guarantees issued.



Client advised of Registration.

7 Step 7 > Delivery of Deeds

Once the bond is numbered and scanned, it is delivered to the bond attorney from the Deeds Office. This can take up to 1 month.



The Bond Attorney must obtain the Title Deed from the Transferring Attorney (if applicable) and deliver the Title Deed, Mortgage Bond and other security documents to the bank.



CERTIFICATES OF COMPLIANCE



Certificate	Law applicable	Purpose (what must it certify)	Valid for	Can be waived by the buyer	Who must issue it	When must it be provided
Electrical	Occupational Health and Safety Act, 1993 - Electrical Installation Regulations 2009	Safety of the electrical installations on the property and compliance with the South African National Standards 10142-1	Two years	Yes	A registered person in terms of Regulation 11 or Regulation 9 of the electrical Installation Regulations, 2002	Before registration of transfer
Electrical Fence	Occupational Health and Safety Act, 1993 - Regulation 12 of the Electrical Machinery Regulations	Safety of the electrical installation of an electric fence system.	Two years	Yes	A registered person in terms of Regulation 11 or Regulation 9 of the electrical Installation Regulations, 2002	Before registration of transfer
Gas	Occupational Health and Safety Act, 1993 - Pressure Equipment Regulations 2009	That the gas system was inspected, that the leak test was performed and that the gas system is safe	No legal requirement, but customary to require one not older than 2 years	Yes	A person registered with the Liquified Petroleum Gas Safety Association of Southern Africa	Before registration of transfer or occupation
Beetle	Not a legal requirement	That the property is beetle free.	Governed by terms of agreement	Yes	Usually an entomologist, but it will depend on agreement between parties	Before registration of the transfer
Plumbing	City of Cape Town Metropolitan Municipality Water By-Law	The water installation conforms to the National Building Regulations; no defect in water system; the water meter registers; no discharge of stormwater	No legal requirement	Yes, the by-law only requires the seller to submit the certificate to the City Council and not to the buyer	An accredited plumber	Before registration of transfer
Invasive Species	National Environmental Management: Biodiversity Act 2004 (Act 10 of 2004) and regulations promulgated there under	Prohibition of invasive species	No legal requirement	Yes	Department of Environmental Affairs	Before registration of transfer

BUYERS AND SELLERS GUIDELINES



A Property is probably the most costly asset most people will acquire during their lifetime. For some it can be a complicated legal transaction. Likewise, selling a property might be a big decision. **Here are some tips to guide you.**



1. Consult an Attorney

Before entering into a contract of Sale or Offer to Purchase, make sure that you understand the terms, conditions and obligations you need to comply with. Obtain advice from an Attorney before you sign any Contract of Sale or Offer to Purchase. It will be time and money spent wisely!



2. Inspect the Property

Make sure that you inspect the property thoroughly. It is advisable to open windows, run taps, lift rugs and look behind curtains. If you are in doubt, obtain an expert opinion before concluding the deal.



3. Notice to your bondholder

Most banks require a 90 days' notice for the cancellation of your existing mortgage bond. By giving timeous notice, you can save yourself from paying penalty interest.



4. Invest your Deposit

Ensure that your deposit is held in an Attorneys' trust account and that it is invested for your benefit so that the interest accrues to you.



5. Know what costs you will be liable for *

The Purchaser pays the transfer fees, transfer duty (a tax to SARS), bond registration costs and the costs to obtain all relevant clearance certificates. The Seller will be liable for bond cancellation costs, rates, beetle, electrical, gas, electrical fence and plumbing certificates. The Seller will generally pay the estate agent's commission, albeit included in the purchase price.



6. Know when you may pay what

For cash flow purposes, the parties must be aware that certain costs are payable a few weeks prior to the scheduled date of transfer. The Purchaser must pay the transfer duty up front and the Seller the rates and levies so as to ensure the transaction can be registered timeously.



7. Timing

If the purchaser intends to use the profits generated from the sale of their existing house to pay for a new house, ensure that a clause be inserted in the Deed of Sale that the transfers must be registered simultaneously.



8. What items will be included in the Sale

Make a comprehensive list of the fixtures and fittings that are included and specify the items that are specifically excluded.



9. Valid Compliance Certificates

The Seller is obliged to provide you with a valid Electrical Compliance Certificate in respect of the electrical installation of the property and an electrical fence certificate (if applicable). If the Parties have agreed to, then the Seller must also provide a Beetle Free Certificate. Should there be any gas appliances in the property, such as a gas stove, then the Seller is obliged to provide the purchaser with a Gas Certificate of Compliance.

*** For Bond and Transfer costs/fees, please refer to the INSERT.**

BOND REPAYMENT SHEET



Bond Amount	Interest Rate	Instalment calculated over 20 years	Instalment calculated over 30 years	Interest Rate	Instalment calculated over 20 years	Instalment calculated over 30 years
R 100,000	7%	R 775	R 665	7.75%	R 821	R 716
R 200,000	7%	R 1,550	R 1,330	7.75%	R 1,642	R 1,432
R 300,000	7%	R 2,325	R 1,995	7.75%	R 2,463	R 2,148
R 400,000	7%	R 3,100	R 2,660	7.75%	R 3,284	R 2,864
R 500,000	7%	R 3,875	R 3,325	7.75%	R 4,105	R 3,580
R 600,000	7%	R 4,650	R 3,990	7.75%	R 4,926	R 4,296
R 700,000	7%	R 5,425	R 4,655	7.75%	R 5,747	R 5,012
R 800,000	7%	R 6,200	R 5,320	7.75%	R 6,568	R 5,728
R 900,000	7%	R 6,975	R 5,985	7.75%	R 7,389	R 6,444
R 1,000,000	7%	R 7,750	R 6,650	7.75%	R 8,210	R 7,160
R 1,100,000	7%	R 8,525	R 7,315	7.75%	R 9,031	R 7,876
R 1,200,000	7%	R 9,300	R 7,980	7.75%	R 9,852	R 8,592
R 1,300,000	7%	R 10,075	R 8,645	7.75%	R 10,673	R 9,308
R 1,400,000	7%	R 10,850	R 9,310	7.75%	R 11,494	R 10,024
R 1,500,000	7%	R 11,625	R 9,975	7.75%	R 12,315	R 10,740
R 1,600,000	7%	R 12,400	R 10,640	7.75%	R 13,136	R 11,456
R 1,700,000	7%	R 13,175	R 11,305	7.75%	R 13,957	R 12,172
R 1,800,000	7%	R 13,950	R 11,970	7.75%	R 14,778	R 12,888
R 1,900,000	7%	R 14,725	R 12,635	7.75%	R 15,599	R 13,604
R 2,000,000	7%	R 15,500	R 13,300	7.75%	R 16,420	R 14,320
R 2,100,000	7%	R 16,275	R 13,965	7.75%	R 17,241	R 15,036
R 2,200,000	7%	R 17,050	R 14,630	7.75%	R 18,062	R 15,752
R 2,300,000	7%	R 17,825	R 15,295	7.75%	R 18,883	R 16,468
R 2,400,000	7%	R 18,600	R 15,960	7.75%	R 19,704	R 17,184
R 2,500,000	7%	R 19,375	R 16,625	7.75%	R 20,525	R 17,900

* Abovementioned prime lending interest rate is subject to fluctuations.

Bond Amount	Interest Rate	Instalment calculated over 20 years	Instalment calculated over 30 years	Interest Rate	Instalment calculated over 20 years	Instalment calculated over 30 years
R 2,600,000	7%	R 20,150	R 17,290	7.75%	R 21,346	R 18,616
R 2,700,000	7%	R 20,925	R 17,955	7.75%	R 22,167	R 19,332
R 2,800,000	7%	R 21,700	R 18,620	7.75%	R 22,988	R 20,048
R 2,900,000	7%	R 22,475	R 19,285	7.75%	R 23,809	R 20,764
R 3,000,000	7%	R 23,250	R 19,950	7.75%	R 24,630	R 21,480
R 3,100,000	7%	R 24,025	R 20,615	7.75%	R 25,451	R 22,196
R 3,200,000	7%	R 24,800	R 21,280	7.75%	R 26,272	R 22,912
R 3,300,000	7%	R 25,575	R 21,945	7.75%	R 27,093	R 23,628
R 3,400,000	7%	R 26,350	R 22,610	7.75%	R 27,914	R 24,344
R 3,500,000	7%	R 27,125	R 23,275	7.75%	R 28,735	R 25,060
R 3,600,000	7%	R 27,900	R 23,940	7.75%	R 29,556	R 25,776
R 3,700,000	7%	R 28,675	R 24,605	7.75%	R 30,377	R 26,492
R 3,800,000	7%	R 29,450	R 25,270	7.75%	R 31,198	R 27,208
R 3,900,000	7%	R 30,225	R 25,935	7.75%	R 32,019	R 27,924
R 4,000,000	7%	R 31,000	R 26,600	7.75%	R 32,840	R 28,640
R 4,100,000	7%	R 31,775	R 27,265	7.75%	R 33,661	R 29,356
R 4,200,000	7%	R 32,550	R 27,930	7.75%	R 34,482	R 30,072
R 4,300,000	7%	R 33,325	R 28,595	7.75%	R 35,303	R 30,788
R 4,400,000	7%	R 34,100	R 29,260	7.75%	R 36,124	R 31,504
R 4,500,000	7%	R 34,875	R 29,925	7.75%	R 36,945	R 32,220
R 4,600,000	7%	R 35,650	R 30,590	7.75%	R 37,766	R 32,936
R 4,700,000	7%	R 36,425	R 31,255	7.75%	R 38,587	R 33,652
R 4,800,000	7%	R 37,200	R 31,920	7.75%	R 39,408	R 34,368
R 4,900,000	7%	R 37,975	R 32,585	7.75%	R 40,229	R 35,084
R 5,000,000	7%	R 38,750	R 33,250	7.75%	R 41,050	R 35,800

* Abovementioned is only the Capital and Interest calculation and does not include Administration fees or Insurance Premiums