

CONVEYANCING

THE TRANSFER PROCESS

STEP 1

SETTING THINGS IN MOTION

The Buyer & Seller sign the Sale Agreement
Then the Buyer's Bond is approved by the bank.

STEP 2

INSTRUCTIONS RECEIVED

The relevant Conveyancing Attorneys are instructed to carry out the transfer and bond registration.

The Attorneys collect:

- The Title Deeds
- Cancellation Figures
- Rates Clearance Figures
- Valuation Certificates
- Levy Figures*
- Guarantee Figures*

STEP 3

SALE CONDITIONS ARE MET

The deal only proceeds when the suspensive conditions in the Sale Agreement are met (such as the sale of an existing property).

STEP 4

SIGNING THE DOCUMENTS

Once all conditions have been met, the transfer and bond documents are drafted by the relevant Attorneys. On the signature of the documents, the Conveyancing attorneys will ask the purchaser to settle the transfer costs.

- The Conveyancing attorney will proceed to prepare the "preliminary documentation". These documents comprise the following:

(i) A Power of Attorney

(ii) Declarations by Purchaser and seller to the Receiver of Revenue for Transfer Duty purposes.

(iii) Affidavits to be signed by the purchaser and the seller

- The Buyer signs the bond documents with the relevant Attorneys.*

STEP 5

PAYMENTS

All relevant transfer costs are paid by the Buyer.

The account which the Conveyancer will present will comprise four elements being the following:

(i) The Conveyancer's own fees plus VAT thereon.

(ii) The cost of the valuation certificate,

(iii) The transfer duty.

(iv) Deeds Office Fee.

The Seller pays their rates, including advance rates if required.*

The Transfer Attorney applies for

(i) a transfer duty receipt from SARS

(ii) a Rates Clearance Certificate and a Levy Certificate*

(iii) and makes the necessary payments.

STEP 6

COMPLIANCE CERTIFICATES

The Seller is now required to provide these compliance certificates:

Electrical, Plumbing*, Beetle*, Gas*, Electric Fence*



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STEP 7 GUARANTEES

The Attorneys provide Guarantees from the Buyer's Bank for the purchase price, or the balance of the purchase price if a deposit is being paid up front.

- The Seller's existing bond on the property is prepared to be cancelled.
- The Attorneys ensure FICA Compliance as a protective measure against fraud.

STEP 9 REGISTRATION AND PROCEEDS

- The Conveyancers appear at the Deeds Office to register the Deeds.
- Ownership passes from the Seller to the Buyer.
- The Buyer's new Bond is registered.*
- The Seller's existing Bond is cancelled.*
- The Guarantees are paid.*
- The Seller is paid out the net proceeds.
- The Estate Agent is paid their commission.
- The new owner takes occupation of their new property

STEP 8 LODGEMENT

□ When all documents are signed, costs are paid and certificates obtained, the documents are prepared for lodgement in the Deeds Office.

- The documents are examined in the Deeds Office (±10 working days).
- After 7 - 10 working days, the Attorneys will be advised that the matter is "Up for Registration" and have 5 working days to finalise anything outstanding.

STEP 10 THE FINAL STEPS

- The Buyer and Seller have long-since forgotten the process and have settled into their new lifestyles.
- After approximately 3 months, the original Title Deed and Bond Documents are delivered back to the Attorneys by the Deeds Office.
- The original Title Deed is delivered to the Bank (if the property is bonded) or to the Owner (if unbonded).
- A copy of these documents is normally sent to the Buyer & Seller by the Attorney.

Each and every transfer is unique and comes with its's own challenges. The process is therefore often tailored to each transfers' specific challenges.

