



SELLER: ARE YOU READY TO SELL YOUR PROPERTY?

If at any point during the process of selling your property, including the signing of the Offer to Purchase, you are unsure or have any questions, please contact us. Any questions regarding the Offer to Purchase should be asked before you sign.

Once you have mandated an agent to market and sell your property kindly obtain the following in order to ensure a smooth transfer of your property:

1 SPEAK TO YOUR BANK:

Advise your existing bond holder of your intention to cancel your bond. The Banks require 90 days written notice in which case you will not be penalised. Keep this written notice at hand to give to your transfer attorney once your property has been sold.

2 COMPLIANCE CERTIFICATES:

You are obliged to produce the following certificates:

- Electrical compliance certificate;
- Electrical Fence certificate of compliance (if applicable);
- Gas compliance certificate (if applicable).

Make the necessary arrangements for these certificates to be ready to be handed over once a transfer attorney has been appointed.

Take note the compliance certificates are only valid for a limited period of time.

3 ARE YOUR MUNICIPAL / LEVY / BODY CORPORATE AFFAIRS IN ORDER:

Ensure that you are receiving your monthly consumption accounts in respect of rates, electricity and water each month. Check that your meters are installed and in working order. If not, contact the Municipality to urgently attend to this as this could cause a delay in your transfer.

As a seller you are obliged to produce the following clearance certificates:

- Rates clearance certificates;
- Home owners clearance certificate (if applicable);
- Body corporate clearance certificate (if applicable).

You are obliged to pay 4 months in advance to obtain these certificates.

4 PREPARE YOUR DOCUMENTS:

It is imperative to provide these documents to the estate agent / transfer attorney / bond cancellation attorney when called upon to do so. These documents are required to comply with FICA and to draft the documents.

For individuals, these will include:

- A copy of your ID;
- Proof of residence (not older than 3 months);
- Income tax registration number;
- A copy of your marriage certificate / ANC;
- The latest copy of your rates account;
- The latest copy of your levy account / body corporate account (if applicable)
- Your existing bond account number

IMPORTANT: ENSURE THAT YOUR TAX AFFAIRS ARE IN ORDER SO AS NOT TO CAUSE DELAYS WHEN APPLYING FOR THE TRANSFER DUTY RECEIPT.

5 PREPARE FOR THE COSTS

Bond cancellation fee - the fee paid to the bond cancellation attorney to cancel your existing bond.

Compliance certificates

Rates / levies / body corporate clearance certificates

Contact:

Hirschowitz Flionis Attorneys 011 880 3300 8 Arnold Road Rosebank dunn@hfattorneys.co.za

A QUICK GUIDE TO THE PROCESS OF REGISTERING A BOND:

STEP 1: RECEIPT OF THE INSTRUCTION FROM THE BANK

The bond attorney receives instructions to register the bond from the Bank electronically.

The bond attorney contacts the client to confirm receipt of the instruction; ensure the client is happy with any conditions the Bank might have imposed on the registration of the bond; to check that the information and client's details on the instruction are correct and to request documentation from the client to enable them to draft the bond documents and comply with any conditions of the bond (for example, home owners insurance, borrowers education, cancellation of an existing bond).

STEP 2: PREPARATION OF DOCUMENTS

In the event that the bond is being utilised to purchase a property the bond attorney will contact the transfer attorney and request the draft title deed and guarantee requirements to cover the purchase price of the property.

In the event that the bond is a further loan on an existing property the bank will deliver the Title Deeds to the bond attorney to prepare the bond documents for signing by the client and registration.

The bond attorney will attend to a deeds search of the property to ensure that the property is registered correctly.

STEP 3: SIGNING OF DOCUMENTS

Once the bond attorney has received all the information needed from the transfer attorney the bond documents will be drafted.

The bond attorney will contact the client to sign the bond documents, bring their FICA documents (Refer to "prepare your documents") and make payment of the bond registration fees and the initiation fee imposed by the Bank.

All fees are required to be paid before the bond will be registered.

STEP 4: DELIVERY OF GUARANTEES

Once the client has signed the bond documents, paid the bond registration fees and complied with the conditions imposed by the Bank, the bond attorney will:

- forward all supporting documents to the Bank to obtain a "proceed to register". This process can take up to 5 working days;
- deliver the guarantee in respect of the purchase price to the transfer attorney;
- advise the transfer attorney that they are ready to lodge.

STEP 5: LODGMENT

In the event that the bond is a further bond, the bond attorney will lodge at the deeds office.

The transfer attorney will advise the bond attorney when the matter will be lodged and linked (with the transfer and bond cancellation) at the deeds office.

The registration process at the deeds office takes 10 - 15 working days.

STEP 6: DELIVERY

After registration the deeds office microfilms the deeds and then returns the deeds (which may take up to 4 months) to the bond attorney to be delivered to the bank for safekeeping.

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A QUICK GUIDE TO THE TRANSFER PROCESS:

There are 3 attorneys involved in the normal transfer transaction. The transfer attorney who attends to transfer the property and leads the pack, so to speak; the bond attorney who is instructed by the Bank to register the Bond and the bond cancellation attorney who is instructed by the Bank to cancel the existing bond on the property being purchased.

All 3 attorneys work closely together to ensure a speedy registration at the Deeds Office.

STEP 1: OFFER TO PURCHASE

When the transfer attorney receives the Offer to Purchase and the instruction to attend to the transfer, they will attend to the following:

- Request FICA documents from both the seller and purchaser;
- Request clearance figures from the Municipality and/or Eskom
- Request clearance figures from the body corporate/home owners association and their consent to the transfer
- Request the Title Deed and cancellation figures from the existing bond holder over the property

STEP 2: FULFILLMENT OF SUSPENSIVE CONDITIONS

The purchaser will need to comply with the suspensive conditions in the Offer to Purchase. Suspensive conditions refer to those conditions where a time period is stipulated to pay a deposit, obtain a Bond or sell your existing property.

Non-Fulfillment by the purchaser of the suspensive conditions renders the Offer to Purchase null and void.

STEP 3: SELLER AND PURCHASERS OBLIGATIONS

The Purchaser will be requested to sign their transfer documents and will also be contacted by the bond attorneys to sign the bond documents. Once the bond documents have been signed by the purchaser the bond attorneys will issue and deliver guarantees to the transfer attorneys. There are typically 2 guarantees, 1 for the payment of the existing bond to be cancelled and the other for the balance of the purchase price.

The purchaser will also be called upon to pay their transfer fees. All fees are required to be paid before registration will take place.

The seller will be requested to sign their transfer documents and will be called upon to pay the figures received from the Municipality (4 months in advance) to provide the necessary clearance certificates required to be lodged at the Deeds Office.

The seller will also be called upon to furnish the transfer attorney with an electrical compliance certificate and gas/electric fence certificate, if applicable. Once the seller and purchaser have signed the transfer documents the transfer attorney will pay the transfer duty and apply at SARS for the transfer duty receipt

STEP 4: LINKED TRANSACTIONS

The transfer attorney will provide the bond attorney with the draft deed and communicate with them with regards to the delivery of the guarantees and when the transaction will be lodged at the Deeds Office.

On receipt of the guarantees (from the bond attorney) the transfer attorney will deliver the guarantees to the bond cancellation attorneys and ensure that the funds/guarantees received cover the full purchase price.

The transfer attorney will arrange the lodgement at the Deeds Office with the bond and bond cancellation attorneys, this occurs simultaneously. The registration process at the deeds office it takes up to 10 - 15 working days

STEP 5: DELIVERY

After registration the Deeds Office microfilms the deeds and then returns the deeds (which may take up to 4 months) to the relevant attorneys. The deeds are then delivered to the Bank for safekeeping

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PURCHASER: ARE YOU READY TO PURCHASE A PROPERTY?

If at any point during the process of purchasing a property, including the signing of the Offer to Purchase, you are unsure or have any questions, please contact us. Any questions regarding the Offer to Purchase should be asked before you sign.

1 HAVE I CONSIDERED ALL THE COSTS?

When purchasing a property, the following costs are involved:

- Deposit towards the purchase price of the property - most Banks do not approve loans for the full purchase price.
- Transfer costs, which include the transfer attorney's fees and transfer duty payable to SARS in respect of a property over the purchase price of R100,000.00.
- Bond registration costs, which include the bond attorney's fees and an initiation fee imposed by the Bank.

IMPORTANT: SAVE APPROXIMATELY 10% OF THE PURCHASE PRICE WHICH IS LIKELY TO COVER THE ABOVE COSTS.

2 PREPARE FOR THE APPLICATION FOR A LOAN:

The approval of a loan will be suspensive condition in an Offer to Purchase and you will be given a time period within which to obtain the loan approval. It is therefore wise to prepare your proof of income and expenses and bank statements in advance so that you are able to submit your application as soon as an Offer to Purchase has been accepted by a seller.

It is prudent to sell your property before you purchase a new property as more often than not the Bank will make the sale of your existing property a condition of the new bond. It is best to contact your bank / bond originator before signing an Offer to Purchase to enquire as to any possible conditions you should be aware of.

IMPORTANT: MAKE USE OF A BOND ORIGINATOR, YOUR CHANCES OF OBTAINING FINANCE WITH THE BEST INTEREST RATE IS INCREASED SIGNIFICANTLY

3 PREPARE YOUR DOCUMENTS:

It is imperative to provide these documents to the estate agent / transfer attorney / bond attorney when called upon to do so. These documents are required to comply with FICA and to draft the necessary documents.

For individuals, these will include:

- A copy of your ID;
- Income tax registration number;
- A copy of your marriage certificate / ANC;
- A copy of your divorce order (if applicable);
- Proof of residence (not older than 3 months).

IMPORTANT: ENSURE THAT YOUR TAX AFFAIRS ARE IN ORDER SO AS NOT TO CAUSE DELAYS WHEN APPLYING FOR THE TRANSFER DUTY RECEIPT.

4 INSURANCE:

The Banks require insurance to cover the bond. Your bond originator can assist with this. It is also advisable to insure the property itself from the date of transfer and most often the Banks will offer insurance cover if your don't already have.

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