



Pincus Matz

ATTORNEYS

PROPERTY TRANSFERS

Opening the door to successful registration

Speed and efficiency in property transactions makes a world of financial difference to our clients. At Pincus Matz we understand this. The property team comprising a Transfers and Homeloans division, does its best to make sure that the transactions run as smoothly as possible.

Our role is to manage a complex process which requires the co-operation of numerous stakeholders, such as the local authority, estate agent, mortgage originator, buyer, seller, banks and other law firms. We achieve this by using the latest systems and technology, and most importantly, by maintaining sound relationships. We keep in close contact with our clients and stakeholders so that all parties involved in the transaction are kept informed during the entire process.

SERIOUS ABOUT LAW - PASSIONATE ABOUT PEOPLE

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The Transfer Process

1 The Sale Agreement

The Deed of Sale (offer to Purchase) is a binding contract signed by the Buyer and Seller. In the case of a private sale, a conveyancer is instructed to draw up the Agreement.

The **Estate Agent** ensures that the parties understand the terms of the Sale Agreement before signing. **Seller** appoints Transferring Conveyancer.

Transferring Conveyancer:

- receives the Deed of Sale from the Estate Agent and notes the Conditions of Sale (if any)
- acknowledges the receipt of instruction to Seller, Buyer and Estate Agent and requests information and documents required to draft documents.

2

Suspensive Conditions

These must be fulfilled before the Transfer Process can begin. The most common conditions are the securing of a bond by the buyer, or the conditional sale of another property. If these are not fulfilled, the sale will lapse.

Buyer secures bond (if required).

Buyer/Seller/Estate Agent supply conveyancer with FICA requirements.

Transferring Conveyancer:

- confirms that all suspensive conditions have been met.
- obtains final bond approval from Buyer's bank or mortgage originator.

3

Cancellation of Existing Bond

If the Seller has an outstanding balance on his bond, the amount due will be settled on transfer, and the bond cancelled. The Seller's bank appoints a conveyancer to attend to the cancellation of the bond.

Seller advises bank to cancel existing bond. Bank requires 3 months' notice, to avoid penalties. **Seller** pays bond cancellation costs.

Transferring Conveyancer:

- obtains cancellation figures from Seller's bank
- issues undertaking to Bond Cancellation Conveyancer

Bond Cancellation Conveyancer:

- receives instruction from Seller's bank
- requests Transferring Conveyancer to arrange issue of guarantees
- on receipt of the Title Deed and existing bond from Seller's Bank, draws consent to cancellation.
- lodges simultaneously with Transferring Conveyancer and Bond Conveyancer, if applicable.

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Registration of a New Mortgage Bond

The Sale Agreement specifies a time period in which to secure a bond if required. Should this suspensive condition not be met, the sale lapses. The bank granting the bond appoints a conveyancer to register the bond. The Buyer's bond will be registered on transfer.

Buyer supplies Bond Conveyancer with FICA documents. **Buyer** signs bond documents. **Buyer** pays bond registration costs.

Transferring Conveyancer:

- requests guarantees from Bond Conveyancer for balance of purchase price
- forwards draft deed to the Bond Conveyancer
- lodges simultaneously with Bond Conveyancer.

Bond Conveyancer:

- receives instruction from Buyer's bank
- obtains FICA requirements from Buyer
- requests draft deed from Transferring Conveyancer
- draws bond documents
- meets with Buyer to sign documents
- lodges simultaneously with Transferring Conveyancer and Bond Conveyancer if applicable.

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Transfer of Property

Once all documents are signed and costs paid, the transfer, bond and cancellation documents are prepared for lodgement at the Deeds Office.

Seller signs transfer documents. **Buyer** signs transfer documents. **Buyer** pays transfer costs and Transfer Duty.

Transferring Conveyancer:

- confirms that the deposit is paid
- peruses the Title conditions
- obtains required FICA documentation from Buyer and Seller
- conducts a Deeds Office search and orders a copy of the Title Deed
- draws documents
- meets with Buyer and Seller to sign documents
- applies for rates clearance figures/levies (for sectional title)
- obtains payment of transfer duty and pro rata rates/levies (sectional title) from the Buyer
- obtains payment of pro rata rates/levies (sectional title) and advance services from the Seller
- makes payment to Local Authority/ managing agents (sectional title)
- submits transfer duty application together with transfer duty to SARS
- receives rates clearance certificate from Local Authority
- receives transfer duty receipt/ exemption from SARS
- ensures Electrical and Beetle Certificates received (not sectional title)
- arranges lodgement with Bond and Bond Cancellation Conveyancers, if applicable.

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Registration

Once documents are lodged at the Deeds Office they are examined. This process takes approximately 10 working days. If all in order, the Transferring Conveyancer, the Bond Cancellation Conveyancer and the Bond Conveyancer can register. This must be done simultaneously.

Transferring Conveyancer:

- lodges at Deeds Office
- attends to any notes at Deeds Office
- links up with Bond and Bond Cancellation Conveyancers and registers transfer
- accounts to Seller, Buyer, Estate Agent, beetle and electrical inspectors
- on receipt of original Title Deed, forwards it to Bond Conveyancer/Buyer
- sends a copy of Title Deed to Buyer (if bonded) together with original Electrical and Beetle Certificates.

Bond Cancellation Conveyancer:

- lodges at Deeds Office
- attends to any notes at Deeds Office
- registers bond cancellation

Bond Conveyancer:

- lodges at Deeds Office
- attends to any notes at Deeds Office
- registers bond and advises client bank of registration
- advises Buyer that bond is registered
- on receipt of original bond, delivers it to Buyer's bank.