



Congratulations on your purchase!

A **Sale Agreement** is only final when all suspensive conditions ("subject to" clauses) are fulfilled. Until then, celebrations would be premature! If there are any suspensive conditions (such as a bond clause) there will normally be time limits and you should keep an eye on these time limits, failing which your **Sale Agreement** might lapse.

THE NEXT STEP

The Conveyancer

The **Conveyancing Attorney**, appointed by the **Seller**, will play a central role in the sale transaction. Your estate agent (if applicable) will forward the **Conveyancers** a copy of the **Sale Agreement** and mandatory FICA documents.

This will start the process leading up to the eventual registration of transfer of the property in the **Deeds Office** in motion.

Note that there are several role players involved in the conveyancing process as indicated on our flow-chart. The success and the pace of the transfer will largely depend on how well each of these role players performs their respective roles.

The **Conveyancers** do their best to encourage all the parties to perform their roles properly, but there is a limit to what they can do.

Please keep in mind conveyancing is not an exact science. Set realistic expectations. Your **Conveyancer** will explain the potential obstacles that might or can occur. It is therefore very important to maintain open communication.

CONVEYANCING ROLE PLAYERS

(As Illustrated on our flow-chart)

Your Bond

(Applicable to bond applications ONLY)

Your bond involves at least two role players

The **FIRST** role player is either a **Bond Originator** or the **Bank** itself. Both parties will act on your behalf in drafting and submitting a bond loan submission to the **Bank**. If your application is successful, the **Bank** will produce a summary of the mortgage loan it is willing to offer you.

Read this document carefully and promptly react to or correct any aspects which you think are incorrect or unacceptable to you.

CHECK THE ACCURACY OF

- ☐ Your full name
- ☐ Your identity number

- ☐ Your marital status
- ☐ The property description
- ☐ The loan amount as requested by you
- ☐ The interest rate as specified by you

Bank appointed **Bond Attorneys** are the **SECOND** role players who step into play on acceptance of the bank loan. They act on the **Bank's** behalf in preparing and registering the bond at the **Deeds Office** simultaneously with the registration of transfer of the property in your name.

The **Bond Attorney** will require a lot of documentation that the **Bank** has insisted on from you. Failure to deliver the documents will delay the entire process.

Your Deposit

Most **Sale Agreements** provide for an obligation on the part of the **Purchaser** to pay an arbitrary portion of the purchase price (deposit) after signature of the **Sale Agreement** by both parties.

The deposit is normally payable to the **Conveyancers**. Timeous payment of the **deposit** is important to avoid breaching the terms of

the **Sale Agreement**. **Deposit** monies are normally kept in trust until the transfer is registered.

Ensure your deposit is deposited into a separate interest-bearing account in terms of **Section 86(4) of the Legal Practice Act, 2014 (Act 28 of 2014)**.

Banker's Guarantee

WHAT IS A GUARANTEE?

A **guarantee** is a document issued by a registered **South African Bank** that **guarantees** the payment of funds upon the occurrence of registration of transfer at the **Deeds Office**. On registration of transfer of the Property from the **Seller** to the **Purchaser** in the **Deeds Office**, the **Conveyancer** will notify the issuer of that **guarantee** of the registration. The **guarantee** is then payable, and funds are paid in terms of that **guarantee** into the nominated trust account.

Many **Sale Agreements** oblige the **Purchaser** to produce a **Banker's guarantee**. In case of a **bond** the **Bond Attorney** will produce a **Banker's guarantee** for the loan amount.

If the **Purchaser** elects to furnish the **Conveyancer** with a guarantee instead of a cash payment the **Purchaser** will be having to request the **guarantee** from his / her bank. Bankers ask a fee to issue the **guarantee**.

OUR PERSONAL APPROACH IS UNIQUE.



J.A. COETZEE
ATTORNEYS
CONVEYANCERS