

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.**