

STEPS TAKEN TO EFFECT TRANSFER OF A PROPERTY

1. Receive instructions to attend to the transfer.
2. Request the original title deed, original mortgage bond and the cancellation figures from the existing bond holder. The cancellation figure is the amount which the existing bondholder requires to be paid before it will cancel the bond over the property.
3. Request a statement from the local authority setting out the rates and taxes payable for a period of approximately three months in advance. No transfer can be effected until the Registrar of Deeds is satisfied that the rates and taxes have been paid up to the date of transfer. In case of a Sectional Title Unit, a request is made to the Body Corporate or its Managing Agent for a statement setting out levies that needs to be paid in advance to obtain a levy clearance certificate.
4. Obtain the relevant information from the Purchaser regarding the institution that granted the bond and obtain payment of the deposit in terms of the Agreement of Sale (if applicable).
5. Once the Purchaser's bond has been granted, guarantees/undertakings are requested from the Attorneys who are attending to the registration of the bond and the transfer documents are drawn. The guarantees are letters from the financial institution concerned guaranteeing that payment of certain monies will be made on date of registration of the property. An undertaking is a letter from the attorney tending to the registration of the bond, in which he undertakes to pay certain monies to the transferring attorney on date of transfer. One of the guarantees/undertakings is utilized to guarantee/undertake payment to the existing bondholder in respect of the cancellation figures referred to in (2) above.
6. Call upon the Purchaser and the Seller to attend to the signing of the documents drafted to give effect to the transfer of the property.
7. Pay transfer duty and apply to the Receiver of Revenue for a transfer duty receipt/exemption.
8. Payment is made to the local authority of the rates and taxes as per the statement obtained in terms of (3) above in order to obtain a clearance certificate as proof that such rates and taxes have been paid. In case of a Sectional Title Unit, an undertaking is given to the Body Corporate or its Managing Agent that payment will be made to them in terms of the statement obtained in (3) above on date of registration.
9. Upon receipt of the guarantees/undertakings from the bond attorneys, the guarantees/undertakings which are required to cancel the existing bond are sent to the attorneys attending to the cancellation of the bond.
10. Once the transfer duty receipt/exemption and a clearance certificate have been obtained, arrangements are made with the Attorneys attending to the registration of the Purchaser's bond and the attorneys attending to the cancellation of the existing bond to have all the documents lodged simultaneously in the Deeds Office.
11. After examination of the documents by the Deeds Office (which currently takes about 5 – 10 working days) the transfer and the bond will be registered and the existing bond cancelled.
12. Upon registration of the transfer in the Deeds Office, the Purchaser becomes the registered owner of the property, the Bond Attorney pays the bond proceeds to the Transferring Attorney, the existing bond is settled, the Estate Agent receives his/her commission and the Seller receives payment of

the balance of the proceeds from the sale. In Cape Town, the foregoing takes place on date of registration, but in Johannesburg and Pretoria, this normally takes place on the first working day after the registration date.

