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CONDITIONS

PART B

1 DEFINITIONS

- 1.1 **"Additional Deposit"** means the amount as set out herein below, which is equal to the Purchase Price less the First Deposit and less the amount of the Home Loan;
- 1.2 **"Architect"** means Arc Du Plessis Group or any other professional Architect nominated or appointed by the Seller;
- 1.3 **"Agreement"** means the terms and conditions as set out in this Agreement of sale, including the annexures hereto;
- 1.4 **"Agent"** means _____
- 1.5 **"Bank"** means any approved registered financial credit provider acceptable to the Seller which will grant a Home Loan to the Purchaser;
- 1.6 **"Body Corporate"** means the Body Corporate referred to in Section 35 of the Sectional Titles Act, which is to come into existence on transfer of the first Unit of the Development;
- 1.7 **"Bond Attorneys"** means Joubert Scholtz Inc.;
- 1.8 **"Conveyancers"** means Joubert Scholtz Inc.;
- 1.9 **"Conveyancers Trust Account"** means Standard Bank of South Africa, Account Number 020151632, Branch Code 012442;
- 1.10 **"Council"** means Ekurhuleni Metropolitan Municipality;
- 1.11 **"Development"** means the sectional title development which the Seller will build and develop on the Property;
- 1.12 **"Estimated Levy Schedule, Initial Participation Quotas & Exclusive Use Areas"** means the schedule attached hereto as **annexure 6**, as may be amended in accordance with the provisions of this Agreement;
- 1.13 **"Exclusive Use Area"** means an area or areas allocated to the Purchaser as contemplated in section 27(A) of the Sectional Titles Act and as indicated on **annexure 3**;
- 1.14 **"First Deposit"** means an amount of R20,000 (twenty thousand Rand), payable by the Purchaser to the Conveyancers;
- 1.15 **"Fixtures and Fittings"** shall include, but not limited to, wall plaster, tiles, plumbing, windows and doors, cupboards and electrical wiring and fittings;

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- 1.16 "Home Loan" means the loan applied for and to be granted by the Bank to the Purchaser to pay for the Unit for an amount as set out in the table herein below;
- 1.17 "NHBRC" means National Home Builders Registration Council;
- 1.18 "Occupation Date" means the date of registration of transfer or such sooner or later date as may be communicated by the Seller to the Purchaser in writing by giving at least 30 (thirty) days prior written notice of the actual occupation date, which writing may be in the form of a data message, such as e-mail;
- 1.19 "Participation Quota" means a decimal fraction correct to four places derived by dividing the floor area of the Unit, correct to the nearest square meter, by the total floor area of all the Units in the buildings, correct to the nearest square meter;
- 1.20 "Party" means the Purchaser or the Seller, and "Parties" means both of them;
- 1.21 "Prime Rate" means the publicly quoted basic rate of interest (expressed as a nominal annual compounded monthly in arrears rate) levied by Nedbank Limited from time to time on overdraft, calculated on a 365 (three hundred and sixty five) day year, irrespective of whether the applicable year is a leap year, and proved, prima facie, in the event of a dispute and in the absence of manifest error or fraud, by a certificate under the hand of any divisional director or manager of Nedbank Limited, whose appointment and authority need not be proved;
- 1.22 "Property" means **ERF 3597 POMONA EXTENSION 75 TOWNSHIP**;
- 1.23 "Purchase Price" means the amount as set out in 1.5 of Part A, which Purchase Price includes VAT;
- 1.24 "Purchaser" means the Purchaser(s) whose details are set out on the first page of this Agreement and in **annexure 2** hereto;
- 1.25 "Schedule of Finishes" means the specification of finishes of the Unit as detailed in **annexure 5** hereto;
- 1.26 "Sectional Titles Act" means the Sectional Titles Act No 95 of 1986, as amended from time to time;
- 1.27 "Seller" means **MEILIJIAN CONSTRUCTION AND DEVELOPMENT CC** a private company duly incorporated according to the Laws of the Republic of South Africa;
- 1.28 "Site Plan" means the layout plan of the Development marked **annexure 3** hereto;
- 1.29 "Structure" means the foundations, brickwork, concrete and re-enforcing and shall expressly exclude wall plaster and tiling;
- 1.30 "Unit" means the Unit number and type as set out on page 1 and in **annexure 4** hereto as chosen by the Purchaser, which will be built and constructed by the Seller

as per the Site Plan, the Schedule of Finishes and this Agreement as part of the Development;

1.31 "VAT" means value added tax in terms of the VAT Act;

1.32 "VAT Act" means the Value Added Tax Act, Act 89 of 1991 as amended, of the Republic of South Africa;

2 INTERPRETATION

2.1 In this Agreement:

2.1.1 Words importing the singular shall include the plural and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders and *vice versa*.

2.1.2 References to a "**Person**" include any natural person, firm, company, corporation, legal entity, government, state or agency of a state or any association, trust or partnership (whether or not having a separate legal personality) or two (2) or more of the foregoing.

2.1.3 The word "**including**" and its other grammatical forms shall not limit the general effect of the words which precede and shall be construed without any limitation.

2.1.4 Any notice required to be given under this Agreement shall be deemed to be a notice in writing.

2.1.5 Any reference to any legislative provision shall be deemed to include any statutory instrument, by-law, regulation, rule, subordinate or delegated legislation or order and rules and regulations which are made under it, in each case, as modified, consolidated or re-enacted.

2.1.6 Any reference to "**month**", "**monthly**", "**year**" and "**yearly**" and any other references in time shall be construed by reference to the Gregorian calendar.

2.1.7 Any reference to "**day**" or "**daily**" shall be construed as a reference to a calendar day.

2.1.8 Any acceptance by the Seller under this Agreement shall not release the Purchaser from any of its obligations under this Agreement.

2.1.9 The head notes to the clauses to this Agreement are inserted for reference purposes only and shall not affect the interpretation of any of the provisions to which they relate.

2.1.10 When any number of days is prescribed in this Agreement, the same shall be reckoned exclusively of the first and inclusively of the last day.

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- 2.1.11 The use of any expression in this Agreement covering a process available under South African law such as winding-up (without limitation *eiusdem generis*) shall, if any of the Parties is subject to the law of any other jurisdiction, be construed as including any equivalent or analogous proceedings under the law of such defined jurisdiction.
- 2.1.12 The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement which expressly provide that they shall operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.
- 2.1.13 No provision herein shall be construed against or interpreted to the disadvantage of any Party by reason of such Party having or being deemed to have structured, drafted or introduced such provision.

3 OFFER TO PURCHASE

- 3.1 Signature of this Agreement by the Purchaser shall be deemed to constitute an offer by the Purchaser to the Seller.
- 3.2 Prior to the Seller's acceptance of the offer, no obligation or liability on the part of either Party shall be deemed to exist.

4 PURCHASE AND SALE

- 4.1 The Purchaser acknowledges that the Exclusive Use Areas are to be registered in terms of the rules as contemplated in section 27(A) of the Sectional Titles Act do not constitute urban immovable property capable of being mortgaged.
- 4.2 The Purchaser further acknowledges that he may not, without the prior written consent of the Seller, sell or alienate his exclusive use rights to anyone except to the person to whom the Purchaser sells the Unit.
- 4.3 The Unit is sold subject to the conditions contained or endorsed against the Property in the title deeds and conditions of establishment.
- 4.4 The Seller agrees to build the Unit in the Development for the Purchaser. On registration of transfer the Seller will deliver the completed Unit to the Purchaser as per this Agreement.
- 4.5 The Seller is a VAT vendor and the Purchase Price as indicated herein includes VAT at 15% (fifteen percent).

5 SUSPENSIVE CONDITION AND SECURING THE PURCHASE PRICE

- 5.1 Once the Seller accepts the offer, this Agreement will be conditional upon the Purchaser obtaining the Home Loan at a Bank, within 21 (twenty one) days of the

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signing of this agreement, or such further period as the parties may agree to in writing, failing which the agreement will be of no force and if a deposit has been paid by the Purchaser, it will be refunded.

OR:

The agreement is not conditional that the Purchaser must obtain a loan and the payment of the purchase price is not dependent on a loan being obtained.

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[Delete whatever is not applicable]

5.1.1 The Purchaser agrees to pay the Purchase Price as follows:

5.1.1.1 **First Deposit**

5.1.1.1.1 The Purchaser agrees to pay the First Deposit to the Conveyancers on the day that the Purchaser signs this Agreement, or in the event of the agreement being subject to a loan being granted, within 7 (seven) days of the loan being granted, into the Conveyancer's Trust Account.

5.1.1.2 **Balance of Purchase Price and bond**

5.1.1.2.1 The Purchaser agrees within 30 (thirty) days of the signing of the agreement to pay the balance into the Conveyancers Trust Account, or in the case where the agreement is subject to a loan being granted, within 60 (sixty) days of such loan being granted, by furnishing bank guarantee/s or guarantee/s by a financial institution as approved by the Seller, to the Conveyancer and to pay within the same 60 (sixty) day period such Additional Deposit as may be required, into the Conveyancers Trust Account.

5.1.1.2.2 If a loan is to be obtained by the Purchaser, the Purchaser shall do or cause to be done all that may be required to ensure that a loan be granted as speedily as possible and that guarantees be furnished to the Conveyancers timeously.

5.1.1.2.3 The Purchaser agrees to sign all of the Bank's documents as soon as the Purchaser is called upon to sign and to do or cause to be done all that may be required to ensure that the Seller will be paid on the date of transfer.

5.1.1.2.3.1 The Conveyancer will invest the Deposit in a Bank account upon written request to the Conveyancer from the Purchaser until date of registration of transfer of the Unit. The interest on the Deposit paid by the Bank will be paid to the Purchaser on the day that the Unit is transferred to the Purchaser.

5.1.1.2.3.2 The Conveyancer shall only be able to invest any monies paid to the Conveyancer upon signature and delivery of all required documentation, including but not limited

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to the documentation required in terms of the Financial Intelligence Centre Act, 38 of 2001.

5.1.1.2.3.3 Amounts that are not paid on the due date in terms of this Agreement shall attract interest at the Prime Rate from the due date until the date that the payment is received.

5.1.1.2.3.4 All payments in terms of this Agreement shall be made free of Bank exchange and any deductions.

6 TRANSFER AND BOND COSTS

6.1 As soon as the Unit is complete and the Council issues an occupation certificate and the Purchase Price is secured, the Seller agrees to transfer the Unit to the Purchaser.

6.2 The transfer will take place on the day that the Purchaser is registered as the owner of the Unit in the Deeds Office, Pretoria.

6.3 The registration of transfer will be done by the Conveyancer, who is appointed by and paid for his work by the Seller.

6.4 The Seller shall be liable to pay the Agents commission in respect of this transaction in terms of a separate Agreement between the Seller and the Agent. This condition shall be earned upon fulfillment of any suspensive conditions contained in this Agreement and shall be payable on registration of the Unit into the name of the Purchaser. However, if this Agreement is cancelled as a result of the Purchasers unremedied breach of this Agreement, then the Purchaser shall be liable to pay the Agent the commission on demand, which commission shall be 8,55% (eight comma five five percent), VAT included, of the VAT exclusive Purchase Price of the Unit.

6.5 The Purchaser shall sign all transfer documents immediately upon the request of the Conveyancer.

6.6 Should a bond be registered over the Unit the Purchaser irrevocably elects the Bond Attorneys to register the bond simultaneously with transfer of the Unit into the Purchasers name. The Purchaser agrees that he or she will instruct the Bank to send the bond to the Bond Attorneys appointed herein to register the bond and in which case the Seller will cover these costs. In the event of another Conveyancer, for whatever reason, receiving instructions to register the bond over the Unit, the Purchaser shall be responsible for payment of the bond registration costs, as well as a once of administration fee of R2 500,00 (Two Thousand Five Hundred Rand) plus VAT to administer the supporting documents to Bond Attorneys may require which relate to the Unit (e.g. NHBRC and occupation certificates).

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6.7 The Purchaser agrees that the First Deposit may be used to pay the initiation fee charged by the Bank.

6.8 Should there exist any latent defect or defects with the Fixtures and Fittings prior to registration of transfer and should the Seller have provided the Purchaser with a guarantee that the defects are to be rectified, the Purchaser shall not in any way delay the transfer and do what is necessary to effect the transfer.

7 COMPLETION OF THE UNIT

7.1 The Seller agrees that, before the Purchaser can take transfer of the Unit:

7.1.1 The Unit will be built as part of the Development in accordance with the agreed Site Plan and Schedule of Finishes attached to this Agreement;

7.1.2 The Seller will connect the water and electricity supply of the Unit;

7.1.3 The Purchaser will pay the Council's consumption deposit to the Conveyancer when the Purchaser signs his or her transfer documents with the Conveyancer or otherwise when called upon to do so by the Conveyancer.

7.1.4 The Council will issue an occupation certificate to certify the construction work of the Development, including the Unit, is accepted and approved by the Council. Should the Council not be able to issue an occupation certificate the Unit will not be transferred to the Purchaser.

7.1.5 The Seller will register the Unit with the NHBRC and the Conveyancer will not register the Unit into the name of the Purchaser without an NHBRC certificate.

8 PARTICIPATION QUOTA

8.1 The initial Participation Quotas allocated to the respective Units is reflected in **annexure 6** hereof.

8.2 Such Participation Quotas shall, however, be subject to change as provided for in the Sectional Titles Act or in the event of the actual floor area of any Unit differing from that indicated on the Site Plan.

8.3 The initial Participation Quota is an estimation and a final Participation Quota will be communicated by the Seller to the Purchaser in writing, which writing may be in the form of a data message, such as e-mail. The final Participation Quota will only be determined after the last phase has been build.

9 OCCUPATION

9.1 The Seller agrees to give the Purchaser occupation of the Unit on the Occupation Date.

9.2 The Seller does not warrant that the Unit will be ready for occupation on the anticipated Occupation Date. Should the Unit be available for occupation earlier or

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later than the anticipated Occupation Date then the Purchaser shall have no claim of any kind against the Seller arising from such earlier or later occupation.

- 9.3 The Seller shall deliver to the Purchaser at least 30 (thirty) days prior written notice of the date upon which the Unit will be available for occupation by the Purchaser and the Purchaser shall be obliged to take occupation on the date stipulated by the said notice, which date shall be referred to as the "Occupation Date" hereinafter.
- 9.4 Keys to the Unit will not be handed over for occupation to the Purchaser unless the Purchaser has paid the First Deposit and any Additional Deposit and has furnished the Conveyancer with the Home Loan approval; or in the event that the Purchaser is in breach of any of the provisions of this Agreement.
- 9.5 The Purchaser shall be responsible for the Unit and for paying the bond, the rates, the levies, the lights and the water, as may be applicable, from the Occupation Date. This is so even if the Purchaser does not move into the Unit on the Occupation Date.
- 9.6 Should the Purchaser take occupation of the Unit before registration of the Unit into the name of the Purchaser, the Purchaser will pay occupational rent to the Seller equal to the amount of 1% (one percent) of the Purchase Price of the Unit to the Seller monthly in advance from the Occupation Date until date of registration of the Unit into the name of the Purchaser.

10 **CONDITIONS OF OCCUPATION**

From the Occupation Date the Purchaser shall, until the Body Corporate comes into being:

- 10.1 comply with the provisions of the Sectional Titles Act and the rules, which will be applicable to scheme on the basis that the Seller shall, until the Body Corporate comes into being, enjoy the same rights and powers as the Body Corporate and the trustees, in terms of the Sectional Titles Act and the rules;
- 10.2 waive all claims against the Seller for any loss or damage to the property or for any injury to person which the Purchaser may sustain in or about the Property/Development and shall indemnify the Seller against any such claim that may be made against the Seller by any member of the Purchaser's family or the Purchaser's invitees, employees or Agents for any loss or damage to property or injury to persons suffered in or about the Property/Development howsoever such loss or damage to property or injury to person may be caused;
- 10.3 pay on demand all charges in respect of the electricity and other municipal services consumed or utilised in respect of the Unit on or before the due date, provided that if

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the Purchaser fails to pay such amount the Seller shall be entitled to make payment thereof on the Purchaser's behalf and to recover same from the Purchaser together with interest at the Prime Rate from the date on which such amount is paid by the Seller to the date upon which it is recovered, and to pay the charges raised by the Council for the commission and provision of electricity, water and any other utilities supplied to the Unit;

- 10.4 shall be liable for and pay the Seller or the appointed managing agent, monthly in advance on the first day of each and every month the estimated monthly levy calculated on the basis of the Participation Quota in respect of the actual total costs of managing, operating, administering, repairing, servicing and maintaining the common property including, without restricting the generality of the foregoing, rates, taxes, sewerage and sanitation, insurances of every description as determined by the Seller, services, salaries, wages, licenses, care and maintenance of common property, other expenses (including, without limitation, expenses on account of the provision of security to the scheme) and administration costs, including the cost of collection and recovery of the said costs (all of which costs and charges are hereinafter referred to as "**total costs**"). It is hereby recorded that the total costs have been estimated and that in the event of such costs being greater than the actual costs incurred the excess shall be paid to the Body Corporate on its establishment in order to create a reserve. In the event of the estimate being less than the actual costs incurred the shortfall shall be paid. The Purchaser's contribution shall be calculated in accordance with the Participation Quota;
- 10.5 not do or permit to be done any act, matter or thing as a result of which any insurance policy held by the Seller in respect of the Property/Development may be rendered void or voidable or as a result of which the premiums in respect thereof may be increased, in which event, the Seller shall be entitled, without limitation to any other rights it may have in terms of this Agreement or otherwise, to demand from the Purchaser the payment of the increased amount, which amount the Purchaser shall pay directly into the Seller's nominated account within 7 (seven) days of demand;
- 10.6 not make any alterations to the interior or exterior of the Unit of whatsoever nature;
- 10.7 maintain the Unit and common property in a clean and orderly condition;
- 10.8 acknowledge that on the Occupation Date the common property and other Units may be incomplete, and the Purchaser and other occupiers may necessarily suffer inconvenience from building operations and from the noise and dust resulting

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therefrom, and that the Purchaser shall have no claim whatsoever against the Seller by reason for any such inconvenience, provided that such inconvenience is not caused by the intentional or grossly negligent acts of the Seller or its agent/s or its employee/s;

10.9 if there is any dispute between the Seller and the Purchaser as to whether any materials or workmanship is of the required standard, then the dispute shall be resolved by the Architect. In the event of the Architect charging a fee for resolving the dispute, the cost shall be for the account of the Party against whose favour the decision was made;

10.10 subject to the provisions of the Sectional Titles Act, the Purchaser shall not by reason of any delay in the transfer of the Unit to him due to any cause whatsoever, be entitled to cancel this Agreement or to refrain from paying, or suspend payment of, any amount payable by him in terms of this Agreement or to claim and recover from the Seller any damages or compensation or any remission of rental.

11 CESSION OF RIGHTS

11.1 The Seller hereby undertakes wherever possible to cede to the Body Corporate all its rights in respect of any guarantees or warranties provided to the Seller by contractors employed by it during the construction of the scheme.

11.2 If any right is ceded in clause 11.1, the Purchaser acknowledges that the sole right to prosecute any claim in terms of any warranty shall vest in the Body Corporate only. The Purchaser therefore waives any claim which it might otherwise have had against the Seller in respect of any defect in workmanship or materials covered by the warranty or guarantee ceded to the Body Corporate by the Seller.

12 SNAG LIST

12.1 The Purchaser agrees to inspect the Unit within 5 (five) days after the Seller asks the Purchaser to inspect the Unit and sign the final letter of satisfaction.

12.2 At the inspection of the Unit the Seller and the Purchaser agree to make a snag list of the things that need to be remedied.

12.3 The Seller agrees to remedy the items on the snag list within 30 (thirty) days after the day that the Purchaser signs the letter of satisfaction.

12.4 Because the Seller has agreed to remedy the items on the snag list, the Purchaser agrees to sign the letter of satisfaction as soon as the snag list is made.

12.5 If the Purchaser does not sign the letter of satisfaction and the Seller and the Purchaser cannot agree what things need to be put on the snag list to be remedied, within 15 (fifteen) days after being called to sign the letter of satisfaction, the Parties

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shall call on the Architect or the Agent to decide which items may be placed on the snag list to be remedied. The Parties agree that the decision as made by the Architect or the Agent will be final.

13 SITE PLAN

- 13.1 The Purchaser acknowledges that the Site Plan has not yet been approved and hereby agrees that the exact boundaries forming a part of the Unit shall be those shown on the final approved Site Plan. The Seller warrants that, subject to clause 13.3 the boundaries will be substantially in accordance with those set out in the annexure hereto, and that the undivided share of the common property apportioned to the Unit shall be in accordance with the Participation Quota determined by the Surveyor-General.
- 13.2 The Parties record that should there be any alteration to the number, size or location of any Units or any increases in their number, then the Parties shall not be entitled to claim cancellation of this Agreement, or, subject to clause 13.3, any reduction or increase (as the case may be) in the Purchase Price by reason of any alteration and/or increase. The Seller undertakes to make every effort to ensure that the Units are constructed in accordance with the plans and that any alteration to the number, size or location of any Units or any increases in their number will be made only after due consideration with the Architect and the local authority.
- 13.3 Should there be a deviation in the size of the Unit, when complete, from the size shown on the plans, then the Purchaser shall be obliged to accept the Unit, without any variation in the Purchase Price, provided the deviation in the size of the Unit, when so complete, is no greater than 5% (five percent) from that reflected in the plans.
- 13.4 If the boundaries or area of the Unit or any other section or building or the Participation Quotas differ in minor respects from the boundaries or areas or Participation Quota shown on the Site Plan or the number of the Unit being altered or the undivided share in the common property attaching to the Unit is altered, the Purchaser undertakes to accept transfer of the Unit as defined and renumbered in the Site Plan approved by the municipality and the Surveyor-General.
- 13.5 The Purchaser acknowledges that the plans are subject to such changes as the Architect, the developer and the local authority may deem necessary and the Purchaser shall have no claim against the Seller in respect of such amendments.

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- 13.6 The Purchaser acknowledges that the specifications might differ from the standard unit specification in which case the Purchaser will not be entitled to a credit nor will it be amended or supplied after construction.
- 13.7 The Purchaser acknowledges that the Development will be done in phases and that the Developer will register a right of extension simultaneously with the opening of the Sectional Title register over the land.

14 OPENING OF THE SECTIONAL TITLE REGISTER

- 14.1 The Parties record that it is not possible for the Seller to pass transfer of the Unit to the Purchaser until such time as the scheme is approved and the sectional title register is opened in terms of the Sectional Titles Act.
- 14.2 Accordingly the Seller undertakes, within a reasonable time and at its own expense, to take such steps as may be reasonably necessary to obtain approval of the scheme and the opening of the sectional title register.
- 14.3 Notwithstanding anything to the contrary herein contained, if the sectional title register is not opened within 18 (eighteen) months of the Occupation Date or such further period as may be agreed in writing between the Parties, the Purchaser shall be entitled to declare this Agreement null and void in which event:
- 14.3.1 the Purchaser and every person claiming occupation through the Purchaser shall vacate the Unit and the Purchaser shall redeliver the Unit to the Seller, in the same good order and condition as at the Occupation Date, fair wear and tear accepted;
- 14.3.2 the Seller shall refund to the Purchaser any deposits paid by the Purchaser in terms hereof plus interest thereon;
- 14.4 Save as herein provided neither of the Parties shall in such event have any further claim whatsoever against the other of them arising out of the termination of this Agreement.

15 RISK, DAMAGE AND DESTRUCTION

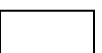
- 15.1 All benefit of and risk in and to the Unit shall pass to the Purchaser on the date of transfer.
- 15.2 Notwithstanding the provisions of clause 15.1, if before the Body Corporate comes into existence, the building is damaged or destroyed in such a way that:
- 15.2.1 the Purchaser is (or the Parties agree that he will be) deprived of beneficial occupation of the Unit for a period in excess of 3 (three) months, either Party shall have the right by notice to the other to cancel this Agreement; or

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- 15.2.2 if any of the other Units in the Development are damaged or destroyed and the Seller reasonably considers it advisable to terminate the Development the Seller shall have the right, by notice to the Purchaser to cancel this Agreement.
- 15.3 The Seller shall, unless the Agreement has been cancelled in terms of clause 15.2, apply any insurance proceeds received by it in respect of the damage or destruction of the building to the repair and reinstatement of the Unit, and any other damaged sections but shall not, in any way whatsoever, be liable to the Purchaser if there are no such proceeds or if such proceeds are inadequate to completely repair and reinstate the Unit.
- 15.4 It is recorded that the Seller intends before the Body Corporate comes into existence, but without any obligation or duty whatsoever to the Purchaser, to insure the buildings against risks and for such amounts as it may in its sole discretion determine.

16 RIGHTS OF SELLER

- 16.1 Pending establishment of the Body Corporate, the Seller shall be entitled to:
- 16.1.1 make conduct rules for the use and enjoyment of the common property;
- 16.1.2 enter the Unit at all reasonable times or to authorise its agents or workmen so to enter, to inspect same or to carry out repairs;
- 16.1.3 to exercise all the rights and powers which a Body Corporate would be entitled to exercise in terms of the Sectional Titles Act in respect of the building, the land and the owners and or occupants of the Units.
- 16.2 The Purchaser hereby appoints the Seller's nominee, irrevocably and with power of substitution, to be his lawful Agent and attorney:
- 16.2.1 to convene a meeting of the Body Corporate and there to vote in favour of any resolution of the Body Corporate to amend the rules or pass any other resolution as may be required:
- 16.2.1.1 by any bond holder for the grant of its consent to the opening of the sectional title register;
- 16.2.1.2 by the local or provincial authority and or by a mortgagee prior to the grant of a sectional mortgage bond over the Unit in the Development;
- 16.2.1.3 by the Seller in order to ensure the proper and efficient management and control of the scheme or to ensure that the developer is able to exercise in full his rights to develop the scheme further.



16.2.1.4 to sign all documents necessary or required to comply with the Purchaser's obligations in terms of this Agreement.

17 **SERVITUDES**

17.1 The Purchaser acknowledges that the Seller may require the registration of servitudes of access, services and the like to be registered over the land in favour of adjoining erven. In order to enable the developer to register the said servitudes the Purchaser hereby grants the Seller an irrevocable power of attorney to convene and attend as the Purchaser's proxy any meeting at which the granting and registration of such servitudes is on the agenda.

18 **ALLOCATION OF EXCLUSIVE USE AREAS**

18.1 By his signature hereto the Purchaser irrevocably and *in rem suam* appoints the Seller as his Agent and attorney to attend at any meeting of the Body Corporate at which the Purchaser is entitled to be present and there and then to vote on behalf of the Purchaser for the amplification of the rules to ensure that the Exclusive Use Area of the common property is awarded to the Purchaser in terms of this Agreement.

18.2 Prior to the registration of the scheme or once all the Units have been sold, the Seller shall supply the Purchaser with its Exclusive Use Area.

19 **ESTIMATED LEVY AND ESTIMATED LEVY SCHEDULE**

19.1 It is to be noted that the estimated levy is an estimation for the first year of existence of the Body Corporate and is adjusted to reflect a more accurate assessment of expenses after the first year of the scheme's existence, at the second annual general meeting. As the estimated levy is a function of the Participation Quota of the Unit, the estimated levy will be adjusted once the final Participation Quota schedule has been finalised.

19.2 An updated and adjusted estimated levy schedule will be supplied to the Purchaser.

19.3 It is to be noted that the changes to the estimated levy schedule will not be material and the Purchaser will not be able to cancel the Agreement as a result of any such changes.

20 **APPOINTMENT OF A MANAGING AGENT**

20.1 The Seller shall be entitled to appoint the services of a managing Agent who shall manage the scheme until such time as the first annual general meeting is held by the members of the Body Corporate.

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21 BREACH OF AGREEMENT

- 21.1 Should any Party fail to fulfil any of the terms of this Agreement (the defaulting Party) on the due date and remain in default for a period of 5 (five) working days after the other Party (the aggrieved Party) delivered a written notice to the defaulting Party specifying the breach and demanding that it be rectified, then the aggrieved Party may without further notice and without prejudice to his rights:
- 21.1.1 claim specific performance by the defaulting Party of all his/her/its obligations under the Agreement; or
- 21.1.2 cancel this Agreements and claim damages.
- 21.2 If the defaulting party is the Purchaser, and the Purchaser has paid a deposit, the Purchaser agrees that the Seller can take the deposit in full settlement of any claim that the Seller may have for damages and in which event the Purchaser shall be deemed to have authorised the Conveyancer to pay to the Seller any amount that was paid by him or her, less the Conveyancer's investment fee.
- 21.3 Should the Purchaser, in the opinion of the Conveyancer, cause an undue delay in the transfer of the Unit, then the Purchaser shall pay to the Seller, interest on the Purchase Price at the Prime Rate from the due date until the amount is received. A certificate issued by the Conveyancer certifying a delay caused by the Purchaser, which delay has the effect of delaying transfer of the Unit into the Purchaser's name, shall be sufficient proof for the purposes of this Agreement. The Conveyancer shall act as expert and not as arbitrator in this regard.
- 21.4 In the event the Purchaser disputes the Seller's right to cancel this Agreement, then pending the determination of such dispute, the Purchaser shall be obliged to continue to pay all amounts payable by him in terms of this Agreement on the due dates thereof and the Seller shall be entitled to accept such payments without prejudice to its rights of cancellation as aforesaid. If such dispute is decided in favour of the Seller, then such amounts so received by the Seller after cancellation as aforesaid shall be deemed to have been paid to the Seller.

22 LIMITATION OF LIABILITY

- 22.1 The Seller shall under no circumstances be liable for any indirect or consequential damages or losses that the Purchaser may suffer, including but not limited to damages arising from any leakage or from any other cause whatsoever, for example any repair to or replacement of carpets, machinery, electrical appliances and the like, all of which shall be for the account of the Purchaser.

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22.2 The Seller shall not under any circumstances be liable to any Party for any defect, latent or patent, in the Unit or the common property of which the Seller is not advised as specified within the time periods stipulated in this Agreement or where the Agreement does not specifically stipulate a time period, within 10 (ten) days of the defect arising or coming to the knowledge of the Purchaser, whichever is earlier.

23 ALLOCATION OF AMOUNTS RECEIVED BY THE SELLER

23.1 The Seller shall be entitled, in its sole and absolute discretion, to allocate any amounts received from or for the account of the Purchaser to the payment of any debt or amount owing by the Purchaser to the Seller in terms thereof. If the Seller fails to make any such allocation all amounts paid shall be deemed to have been allocated firstly to the payment of interest, secondly to the payment of amounts other than the Purchase Price due in terms hereof and finally to payment of the Purchase Price.

24 NOTICES AND DOMICILIUM

24.1 The Parties choose as their address(es) for purpose of legal proceedings, their respective addresses set out **annexure 2** hereto; at which addresses all processes and notices arising out of or in connection with this Agreement, its breach or termination may validly be served upon or delivered to the Parties.

24.2 Any notice or other communication to be given to either of the Parties in terms of this Agreement shall be valid and effective only if it is given in writing, provided that any notice given by means of e-mail correspondence shall be regarded for this purpose as having been given in writing.

24.3 Any notice given in terms of this Agreement shall be in writing and shall -

24.3.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;

24.3.2 if posted by prepaid registered post be deemed to have been received by

24.3.3 if sent electronically, shall be deemed to have been received on the first Business Day following the successful transmission thereof as evidenced by the electronic confirmation of receipt (unless the contrary is proven).

24.4 Notwithstanding anything to the contrary contained in this Agreement, a written notice or communication actually received by a Party at its chosen domicilium address, set out above, shall be an adequate written notice of communication to such Party.

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25 JURISDICTION

25.1 This Agreement will be governed by the laws of South Africa. Any Party will be entitled to institute legal action against the other in the High Court of South Africa and the Parties hereby agree to this Jurisdiction.

26 GENERAL

26.1 This document constitutes the entire Agreement between the Parties, and no provisions, undertaking, terms or condition will be binding between them unless it is contained herein.

26.2 No variation or amendment of the terms of this Agreement will be binding between the Parties unless it has been reduced to writing and signed by all Parties.

Signed at:-	
Date:-	
For and on behalf of the Seller:	
Name	
Designation	
I warrant that I have been duly authorised to sign this Agreement	

Signed at:-	
Date:-	
For and on behalf of the Builder	
Name	
Designation	
I warrant that I have been duly authorised to sign this Agreement	

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Signed at:-	
Date:-	
For and on behalf of Purchaser 1* :	
Name	
Designation	
I warrant that I have been duly authorised to sign this Agreement	

Signed at:-	
Date:-	
For and on behalf of Purchaser 2* :	
Name	
Designation	
I warrant that I have been duly authorised to sign this Agreement	

- * In the event the Purchaser signs this Agreement as trustee or Agent for a company or close corporation to be formed, the signatory shall be deemed to be personally liable in terms of this Agreement should the company or close corporation not be incorporated or not ratify and adopt this Agreement within 30 (thirty) days of the date of signature hereof. Upon incorporation and ratification as aforesaid the Purchaser by his signature hereto binds himself as surety for and coprinciple debtor *in solidum* with the company or close corporation for the due and punctual performance by the Purchaser of its obligations arising out of this Agreement.
- * If this Agreement is signed by more than one person as the Purchaser then the obligations of all the signatories shall be joint and several.

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ANNEXURE 1

DOCUMENTS REQUIRED FROM THE PURCHASER:

NATURAL PERSON

1. Copy of Identity Document.
2. Copy of Marriage Certificate & Antenuptial Agreement.
3. Proof of address.
4. Payslip
5. 3 months Bank statements

CLOSE CORPORATION

1. Founding Statement and Certificate of Incorporation
2. Amended founding statement
3. Proof of address of Close Corporation
4. Copies of Identity documents and proof of address for all members

COMPANY

1. Certificate of Incorporation
2. Registered office and postal address
3. Proof of address of the Company
4. Copies of Identity documents and proof of address for all directors

TRUST

1. Deed of Trust
2. Letters of Authority
3. Proof of residence of the Trust
4. Copies of identity document and proof of residence for all Trustees

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ANNEXURE 2**INFORMATION FOR THE PURPOSE OF THE TRANSFER:****SELLER'S DETAILS**

Name of Company	
Registration Number	
Name of Authorised Representative	
Identity Number of Authorised Representative	
Registered Address	
Work Telephone Number	
Email address	
Tax Number	

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Banking Details	
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PURCHASER 1 AND PURCHASER 2 DETAILS

	Purchaser 1	Purchaser 2
Surname		
Full names		
Maiden name (if applicable)		
Identity number		
Residential address		
Cell phone number		
Work telephone number		
Email address		
Spouse title and full name		

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Spouse identity number		
Date of marriage		
Place where antenuptial contract registered		
Income tax number		
Bank Account Details		

LEGAL ENTITY

Name of Company, Trust or Close Corporation	
Registration Number	
Name of Authorised Representative	
Identity Number of Authorised Representative	

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Registered Address	
Cell Phone	
Work Telephone Number	
Email address	
Tax Number	
Banking Details	

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ANNEXURE 3
SITE PLAN OF DEVELOPMENT

ANNEXURE 4
UNIT NUMBER AND TYPE CHOSEN BY PURCHASER

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ANNEXURE 5
SCHEDULE OF FINISHES

ANNEXURE 6

**ESTIMATED LEVY SCHEDULE, INITIAL PARTICIPATION QUOTAS & EXCLUSIVE USE
AREAS**

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