



AGREEMENT OF SALE

between

Fairmile Group (Pty) Ltd
(Registration No. 2017/133949/07)

("the Seller")

and



(Identity No: _____)

("the Purchaser")

<p>Sale of:</p> <p>Building: Offord Manor – Phase 1</p> <p>Unit No.: _____</p>
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COVERING SCHEDULE

1. PARTIES	
1.1 Seller:	Fairmile Group (Pty) Ltd
Address:	25 Bonair Road Rondebosch 7700
1.2 Purchaser:	
Identity/Registration No:	
Income Tax Number:	
VAT Number:	
Name of person representing Purchaser where the Purchaser is a legal entity:	
Physical Address: [Street address]	
Postal Address:	
Marital Status:	
(Work)	
(Cell)	
Telefax:	
E-mail Address:	
2. SUBJECT MATTER	
2.1 Building:	Offord Manor – Phase 1
2.2 Unit :	
2.3 Parking Bay/s:	One exclusive parking bay will be allocated by the Body Corporate as close to the unit as possible

3. PURCHASE PRICE	
3.1 Purchase Price of Unit and Exclusive use areas: (Exclusive of VAT)	R781 739,13
3.2 VAT at zero/standard (15%) rate:	R117 260,83
3.3 Total Purchase Price (Inclusive of VAT):	R 899 000,00
3.4 Deposit on Signature: The Purchaser acknowledge that R40 000, 00 (Forty Thousand Rand), inclusive of VAT, of the deposit amount will be paid to the Broker prior to registration of transfer as per signed Reservation Request.	
3.5 Bond Amount:	
3.6 Balance Purchase Price on Transfer:	
4. BOND APPROVAL DATE	
Date for bond approval – initial period (21 days from date of signature):	
5. OCCUPATION	
5.1 Estimated Occupation Date:	31 October 2019
5.2 Occupational rental (incl. VAT):	R8 500,00 (Eight Thousand Five Hundred Rand)
6. ESTIMATED TRANSFER DATE	
Date:	31 October 2019
7. ESTIMATED LEVIES AND RATES	
Levies to be charged by the Body Corporate: Note: Rates & Taxes levied separately by the City of Cape Town	R 900,00 (Nine Hundred Rand)
8. TRANSFERRING ATTORNEY	
Name of Attorney:	ESI Attorneys – Jacques Esterhuyse

9. BROKER	
Name:	Just Inprop (Pty) Ltd
Telephone No:	021 872 0028
Telefax:	
Amount payable to Agent, including VAT	As per mandate signed with the Seller
Email Address:	charlieneh@justinvest.co.za
10. SURETY (IF APPLICABLE)	
Name:	
Telephone No:	
Telefax:	
Email Address:	

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ANNEXURES TO THE AGREEMENT

- A. Unit identification and floor plans (incorporating parking and yard layouts)
- B. Phase 2 layout - Right of Extension

PREAMBLE:

WHEREAS –

- (a) The Seller will be the registered owner of Erf 1063 Ottery upon the opening of a Sectional Title Register;
- (b) The Seller intends to register a sectional title scheme on Erf 1063 Ottery comprising:
 - (i) Residential Sections;
 - (ii) parking bays; andsuch other common property as shall form part of the scheme including drive ways, passages, etc.
- (c) The Seller has agreed to sell to the Purchaser who has agreed to purchase a sectional title section, together with its undivided share in the common property, subject to and upon the terms and conditions contained in this agreement.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 In this agreement, unless inconsistent with the context:

- 1.1.1 "parking bay(s)" means the parking bay(s) to be allocated to the Section in terms of the Body Corporate Rules;
- 1.1.2 "body corporate" means the controlling body of the scheme as contemplated in terms of section 2 of the Sectional Title Scheme Management Act;
- 1.1.3 "building" means the building/s as constructed on the property;
- 1.1.4 "common property" means such parts of the Scheme which do not form part of a section as indicated on the sectional plan;
- 1.1.5 "covering schedule" means the covering schedule on pages 2 – 4 of this agreement;
- 1.1.6 "project" means the development of the Property by the servicing thereof and the erection thereon of the building, parking bay(s), landscaping and the registration in respect thereof of a Sectional Title Scheme with a name to be allocated by the Seller and approved by the Surveyor General.

- 1.1.7 "estimated transfer date" means the estimated transfer date of the subject matter being the date specified in **paragraph 6 of the covering schedule**;
- 1.1.8 "estimated occupation date" means the date of the unit allowing beneficial occupation, being the date specified in **paragraph 5 of the covering schedule**;
- 1.1.9 "exclusive use areas" mean such parts of the common property reserved for the exclusive use and enjoyment so conferred upon the registered owner for the time being of the unit in terms of section 27(1) and/or section 27A of the Sectional Titles Act,
- 1.1.10 "floor area" means the floor area as defined and determined in accordance with the provisions of the Sectional Titles Act and depicted on the sectional plan;
- 1.1.11 "occupation date" means the date upon which occupation of the unit is tendered to the Purchaser;
- 1.1.12 "prime rate" means a rate of interest per annum which is equal to ABSA BANK Limited or its successor/s in title's, published minimum lending rate of interest per annum, compounded monthly in arrears, charged by the said bank on the unsecured overdrawn current accounts of its most favoured corporate clients in the private sector from time to time. (In the case of a dispute as to the rate so payable, the rate shall be certified by any manager or assistant manager of any branch of the said bank, whose decision shall be final and binding on the parties);
- 1.1.13 "principal agent" means the principal agent/s appointed by the Seller from time to time for the purposes of the project;
- 1.1.14 "property" means the land comprised in the scheme being Erf 1063 Ottery;
- 1.1.15 "Purchaser" means the purchaser of the subject matter being the party described in **paragraph 1.2 of the covering schedule**;
- 1.1.16 "register" means the sectional title register opened in respect of the scheme in terms of the Sectional Titles Act;
- 1.1.17 "regulations" mean the regulations promulgated under section 55 of the Sectional Titles Act from time to time;

- 1.1.18 "rules" mean the management and conduct rules relating to the scheme;
- 1.1.19 "scheme" means the sectional title scheme to be established on the property;
- 1.1.20 "section" means a section as defined in the Sectional Titles Act;
- 1.1.21 "sectional plan" means the sectional plan/s to be prepared and registered in respect of the scheme;
- 1.1.22 "Sectional Titles Act" means the Sectional Titles Act No 95 of 1986 (or any statutory modification or re-enactment thereof) and includes the regulations made thereunder from time to time;
- 1.1.23 "Sectional Titles Scheme Management Act" means the Sectional Titles Scheme Management Act No 8 of 2011 and includes the regulations made thereunder from time to time;
- 1.1.24 "Seller" means Fairmile Group (Pty) Ltd;
- 1.1.25 "Seller's attorneys" mean the firm of attorneys specified in **paragraph 8 of the covering schedule**;
- 1.1.26 "subject matter" means:
- 1.1.26.1 the unit;
- as finally described in the sectional plan read together with the register, it being recorded that the exclusive right of use and enjoyment of the balcony/ies (if any), shall be conferred upon the registered owner for the time being of the unit in terms of section 27(1) of the Sectional Titles Act;
- 1.1.27 "transfer date" means the date of registration of transfer of the unit and the cession of the exclusive use areas into the name of the Purchaser in the Deeds Office;
- 1.1.28 "parking bay/s" mean the parking bay/s referred to in **paragraphs 03 of the covering schedule** and indicated in the unit identification and floor plans annexed hereto (marked "A");
- 1.1.29 "unit" means the sectional title unit comprising the unit described in **paragraph 2.2 of the covering schedule** and indicated in the unit identification and floor plans annexed hereto (marked "A") including an undivided share in the common property as apportioned to the section/s in

accordance with the participation quota/s to be determined in accordance with the Sectional Titles Act;

- 1.1.30 "VAT" means value-added tax at the applicable rate in terms of the Value-Added Tax Act No 89 of 1991 (or any statutory modification or re-enactment thereof) and includes any regulations made thereunder from time to time.
- 1.2 Words and expressions defined in the Sectional Titles Act shall have the meanings therein defined.
- 1.3 Words importing the singular shall include the plural and *vice versa* and words importing the masculine gender shall include females and words importing persons shall include partnerships and bodies corporate and *vice versa*.
- 1.4 The head notes to the paragraphs to this agreement are inserted for reference purposes only and shall not affect the interpretation of any of the provisions to which they relate.
- 1.5 Reference to the agreement means this agreement and shall include all annexures thereto.
- 1.6 If any provision in the preamble to this agreement and/or in this clause 1 is a substantive provision conferring rights or imposing obligations on any party, then notwithstanding that such provision is contained in the preamble and/or this clause 1, as the case may be, effect shall be given thereto as if such provision were a substantive provision in the body of the agreement.
- 1.7 Any reference to a day shall mean a normal calendar day. If a number of days are prescribed in this Agreement, the first day shall be excluded and the last day shall be included in the calculation of the number of days prescribed. Where the last day falls on a Saturday, Sunday or Public Holiday, the first business day thereafter shall constitute the last day. A reference to business days, shall mean all days of the week, excluding Saturdays, Sundays and Public Holidays.

2. **CONDITIONS OF SALE**

2.1 Mortgage loan

- 2.1.1 If an amount is specified in **paragraph 3.5 of the covering schedule** next to the item "Bond Amount" then this sale shall be subject to and conditional upon the Purchaser obtaining a loan, in the amount specified or such lesser amount as the Purchaser may accept, from a bank or recognised financial institution on its normal terms and conditions relating to

sectional title Units and Exclusive Use Areas against the security of a first mortgage bond over the Unit and Exclusive Use Area/s on or before the bond approval date set out in **paragraph 4 of the covering schedule** (the "**initial period**"), which period shall automatically be extended, without notice or reference to the Purchaser for the benefit of the Seller for as long as the Seller wishes to allow (the "**extended period**"). The Seller shall in its sole discretion be entitled to terminate the extended period by giving the Purchaser 7 (seven) days written notice to that effect.

- 2.1.2 The Purchaser undertakes to sign all documents and do all things necessary to ensure the successful granting of the loan referred to herein. Without derogating from the generality of the foregoing, the Purchaser shall make a written application for a bond within 5 (Five) business days of signature of this Deed of Sale and should such application be unsuccessful, the Purchaser shall, until the expiry of the initial period or extended period, as the case may be, nevertheless continue to use his best endeavours and to do all things that may be necessary in order to obtain the loan elsewhere.
- 2.1.3 The Purchaser acknowledges that it is fully aware of the requirements of the banks with regard to maximum loans which banks are prepared to grant on the basis of income and commitments of the borrower, and the Purchaser hereby warrants that its income is sufficient in relation to its commitments to meet the requirements of the banks in this regard and having regard to the amount of the loan to be applied for.
- 2.1.4 This suspensive condition shall be deemed to have been fulfilled as soon as the Purchaser or its agent has received confirmation that the loan in question has been approved by the financial institution (and for the purposes hereof a quotation in terms of the National Credit Act shall constitute such confirmation), irrespective of any loan agreement between the Purchaser and the institution and regardless of any conditions imposed by the institution in granting such loan.

2.2 Surety/ies:

- 2.2.1 This agreement is subject to the suspensive condition that the person/s (if any) named as surety/ies in **paragraph 10 of the covering schedule**, shall within 7 (seven) days of request by the Seller or the Seller's attorneys, sign and deliver to the Seller a Deed of Suretyship approved by the Seller,

guaranteeing the obligations of the Purchaser to the Seller in terms of this Agreement.

In the event of the said suspensive conditions not being timeously fulfilled and no extension being granted, where permitted, then this sale shall lapse and be of no further force or effect between the parties and neither party shall have any claim against the other, save that the Purchaser shall be entitled to be refunded all funds paid by him in anticipation hereof, together with any interest accrued thereon.

3. SUBJECT MATTER

- 3.1 The Seller hereby sells to the Purchaser who hereby purchases the subject matter upon the terms and conditions contained in this agreement.
- 3.2 This transaction shall constitute an indivisible sale of the subject matter as specified in **paragraphs 2 of the covering schedule**.

4. PURCHASE PRICE AND PAYMENT

- 4.1 The purchase price of the subject matter shall be the amount specified in **paragraph 3.1 of the covering schedule** (exclusive of VAT) which shall be paid to the Seller against registration of transfer of the unit to the Purchaser.
- 4.2 The Purchaser shall pay the purchase price as follows:
 - 4.2.1 The deposit amount specified in **paragraph 3.4 of the covering schedule** upon signature of this agreement by the Purchaser to the Seller's attorneys, which amount shall be held in trust by the Seller's attorneys. The Purchaser hereby instructs the Seller's attorneys to invest the deposit in the name of the Purchaser in terms of Section 86(4) of the Legal Practice Act 28 of 2014 with a bank with whom they hold such an account with interest to accrue to the Purchaser. The Purchaser is hereby advised that such investment can only be made as from the date of compliance by the Purchaser with the requirements of the Financial Intelligence Centre Act, Act 38 of 2001 ("FICA") by the provision of all the prescribed documentation (a list of which is available on request) to the Seller's attorneys; and
 - 4.2.2 The balance of the purchase price to the Seller's attorneys or such party nominated by them against registration of transfer of the unit into the name of the Purchaser in the deeds office.

- 4.2.3 The balance purchase price shall be secured, pending transfer, by the Purchaser delivering to the Seller an irrevocable bank guarantee or guarantees, which guarantee/s shall be issued by a recognised commercial bank in a form acceptable to the Seller's attorneys and shall provide for payment as aforesaid and which shall be delivered to the Seller's attorneys within 14 (fourteen) days after the Purchaser is requested to do so by the Seller's attorneys, which request shall not, however, be made prior to the date upon which the mortgage loan referred to in clause 2.2 above, if any, is granted in terms thereof. It is recorded that the furnishing of the guarantees aforesaid is necessitated by the requirement of the Seller's bondholder to enable it to make advances under the development bond for the completion of the Unit and Exclusive Use Areas.
- 4.2.4 The Purchaser shall be entitled in lieu of the provision of a guarantee to pay the balance purchase price, within the same time allowed for delivery of guarantees, to the Seller's attorneys to invest in the same manner and on the same conditions as provided for in clause 4.2.1 hereof.
- 4.3 All amounts payable by the Purchaser in terms of this agreement shall be paid to the Seller's attorneys free of exchange or bank commission at Bellville and without deduction or set off by means of an electronic funds transfer, a cheque drawn by a registered commercial bank or a bank guaranteed cheque. The trust account details of the Seller's attorneys is as follows:

ESI Attorneys

Nedbank Limited Trust Account

Account No: 1036332667

Branch Code: 103610

Reference No: Unit _____client's surname

Any deposit payable by the Purchaser to the Seller's Conveyancer, will be invested in an interest-bearing trust account, for the Purchaser's benefit, in accordance with the provisions of Section 86(5) of the Legal Practice Act (Act No. 28 of 2014).

5. TRANSFER AND CESSION OF THE SUBJECT MATTER

- 5.1 Transfer of the unit shall be effected by the Seller's attorneys and shall be given and taken on the estimated transfer date, as set out in **paragraph 6 of the covering schedule**, or as soon thereafter as

the Seller is able to give transfer and cession (as the case may be) thereof.

- 5.2 Within 5 days of being requested to do so by the Seller's attorneys, the Purchaser shall sign all such documents and furnish the Seller's attorneys with all such documents as may be necessary or requisite for the purposes of the transfer of the unit and cession of the exclusive use areas (as the case may be).
- 5.3 The Seller shall be liable for and shall on demand pay the Transferring Attorneys any transfer fees plus VAT that may be payable by reason of this Agreement. If the Purchaser has to register a mortgage bond over the Property the Purchaser shall pay all costs in respect of the registration of such a mortgage bond.

6. POSSESSION AND OCCUPATION

- 6.1 The Seller shall give the Purchaser possession of the unit on date of registration on which date all risk and benefit in respect of the unit and exclusive use areas shall pass to the Purchaser. Vacant occupation of the unit areas shall be given by the Seller to the Purchaser on the occupation date.
- 6.2 If transfer of the unit is registered after the occupation date, the Purchaser shall pay to the Seller, monthly in advance, occupational interest at the rate set out in **paragraph 5.2 of the covering schedule** from the occupation date until the transfer date (both dates inclusive). Any occupational interest paid in advance for the period following the transfer date, shall be refunded by the Seller to the Purchaser on the transfer date.
- 6.3 Should the Purchaser:
- 6.3.1 fail to pay any amount due in terms of this agreement or sign any document which the Purchaser is required to sign in terms of this agreement; or
- 6.3.2 commit any other breach of the provisions of this agreement;
- and fail to remedy such failure and/or breach within 7 days after receipt of a notice from the Seller's attorneys to do so, then the interest payable by the Purchaser in terms of clause 6.2 above shall be the rate of 3% above the prime rate and the Purchaser shall also be liable for such period for such levies and rates and taxes as may be levied in respect of the unit.

- 6.4 The Seller shall use its best endeavours to procure that the unit is available for occupation by the estimated occupation date.
- 6.5 If for any reason whatsoever the Seller is unable to give the Purchaser occupation of the unit by the estimated occupation date, then the Purchaser shall have no claim of whatsoever nature against the Seller as a result thereof but should the unit not be available for occupation within one year after the estimated occupation date, then the Purchaser shall be entitled to resile from this agreement by written notice to the Seller to such effect in which case the Purchaser shall have no further claim against the Seller other than a refund of the deposit together with any interest earned thereon.

7. VOETSTOOTS, TITLE CONDITIONS

- 7.1 It is hereby placed on record that the Seller shall remedy any material patent and latent defect in the Unit due to faulty workmanship or materials, manifesting itself within 90 (ninety) days of the completion date, provided that the Purchaser notifies the Seller thereof in writing within the said period of 90 (ninety) days.
- 7.2 The final extent of the Unit may vary from the extent indicated on the plan. If the difference in the extent is less than 10% (ten) than the extent stipulated on the Plan, the Parties will have no recourse against each other. If the difference is more than 10% (ten) than the extent stipulated on the Plan, the Purchase Price will be amended pro rata.
- 7.3 The Purchaser shall accept transfer of the unit, subject to the rules and all conditions and servitudes benefiting or burdening same and the property whether existing or hereinafter imposed by any competent authority or by the Seller.
- 7.4 It is agreed that the Seller shall be entitled to modify or add to the rules prescribed by the Sectional Titles Act prior to the opening of the register provided that this does not prejudice the rights of the Purchaser in terms of this agreement. The rules shall be available for inspection at the offices of the Seller's attorneys, prior to the registration of the scheme.

8. VARIATIONS OF SPECIFICATIONS

- 8.1 The unit shall be substantially in accordance with Annexure "A" and the specifications as built provided that the Seller shall be entitled to:

- 8.1.1 vary the unit identification and floor plan should the Seller consider same reasonably necessary for technical or aesthetical reasons; and
 - 8.1.2 vary the unit layout plan and/or sectional plan/s for the building in such manner as may be required by the local and/or any authorities and/or any of the professional consultants appointed by the Seller in respect of the development; and
 - 8.1.3 determine the exact location of the unit, it being recorded that their position will be approximately as indicated on the unit identification and floor plans annexed hereto (marked "A").
- 8.2 In the event of any dispute between the parties as to the nature of the variations referred to in clause 8.1 above, this dispute shall be referred for determination to the principal agent, whose decision shall be final and binding on the parties.
- 8.3 Neither the Purchaser nor any person or firm employed by the Purchaser shall carry out any work on or to the unit prior to registration of transfer of the unit without the prior written consent of the Seller. Any work subsequent thereto shall not be carried out without the permission of the body corporate in terms of the rules.
- 8.4 The Seller shall not be obliged at any stage to agree to any extras, omissions, variations and/or changes of any nature whatsoever to the unit and/or the exclusive use areas.

9. WARRANTIES & UNDERTAKINGS

All warranties and undertakings given by the Seller to the Purchaser in terms of this agreement are personal to the Purchaser who shall not be entitled to cede, assign or make over its rights thereto.

10. CONDITIONS APPLICABLE PENDING TRANSFER

- 10.1 With effect from the occupation date of the unit and pending registration of transfer of the subject matter, the following conditions shall apply:
 - 10.1.1 save insofar as may be inconsistent with the provisions of this agreement, the provisions of section 44(1) of the Sectional Titles Act shall apply;

- 10.1.2 the provisions of the rules insofar as they cast any duty upon the owner or occupier of a unit, shall bind the Purchaser and be enforceable by the Seller;
- 10.1.3 the Purchaser may not make any alterations or additions to the section and/or the exclusive use areas;
- 10.1.4 the Purchaser shall maintain the section and the exclusive use areas in good order and condition;
- 10.1.5 The Purchaser shall pay for all water and electricity consumed in the unit and all availability charges.
- 10.1.6 The Purchaser shall not sell, or any other manner dispose of or part with (whether temporarily or otherwise) the unit or its rights of occupation thereof, except with the written consent of the Seller. However the Purchaser shall be entitled to let the unit once occupation has been provided, without consent of the Seller.

10.2 Pending the establishment of the body corporate:

- 10.2.1 The Purchaser shall not be entitled to sell, transfer or cede the rights in respect of, or offer for sale or advertise for sale, the unit;
- 10.2.2 The Seller shall insure the building and all improvements, fixtures and fittings in or upon the property for the full replacement value thereof against such risk as the Seller deems appropriate;
- 10.2.3 The Seller shall maintain the common property, and keep same in a state of good and serviceable repair and in a neat, tidy and sanitary condition;
- 10.2.4 The Seller shall administer the property and make all payments in respect of rates, taxes and other imposts, electricity and water consumed upon the common property and all other charges in connection with the common property.

11. BODY CORPORATE RULES

- 11.1 It is recorded that the body corporate shall be deemed to be established on the registration of the first transfer in terms of section 2 of the Sectional Titles Schemes Management Act.
- 11.2 The Purchaser agrees that:

- 11.2.1 immediately on becoming a registered owner of the property, the Purchaser will automatically become a member of the body corporate and will be and remain bound by its rules for so long as the purchaser is a registered owner;
- 11.2.2 should the Purchaser sell the property, the Purchaser will ensure that its purchaser is made fully aware of the existence of the body corporate and the fact that such successor purchaser will automatically become a member of the body corporate.
- 11.3 The Seller shall be entitled, when applying for the opening of the register, to add to and/or amend the management rules and the conduct rules (prescribed by regulation in terms of the Sectional Titles Schemes Management Act) by inserting the provisions of paragraph 12 in the rules and such other rules as the Seller in its sole discretion may consider appropriate provided that such rules do not materially affect the Purchaser's rights in terms of this agreement of sale.

12. LEVIES AND PARTICIPATION QUOTA

- 12.1 In terms of section 32(2) of the Sectional Titles Act, the participation quota of a section shall be expressed to four decimal places, and derived at by dividing the floor area (correct to the nearest square metre) of the section by the floor area (correct to the nearest square metre) of all the sections comprised in the scheme.
- 12.2 The modification of the liability of the owners of sections to make contributions in terms of clause 12.1 above shall not affect the value of the vote of the owner of any section or the undivided share in the common property of the owner of any section which shall be determined in accordance with the participation quota relating to that section as reflected in the sectional plan.

13. RIGHT TO EXTEND THE SCHEME

- 13.1 The Purchaser acknowledges that the Scheme will be registered pursuant to the exercising of a right of extension in favour of the Seller. The Seller, with the consent of the registered owner of the Property, intends to modify the current layout of the Scheme and amend the Sectional Plan over time by, inter alia, applying for the demolition of section 1 and 2 and extending the Scheme as set out in Phase 2 layout plan attached as Annexure B. As such the

Purchaser intends registering a new or modified right of extension, simultaneously with the registration of the Scheme generally in accordance with the plans attached ("the Phase 2 Right of Extension").

13.2 The Purchaser acknowledges that:

13.2.1 it is aware of the proposed new layout and amendment of the sectional plan and building plans;

13.2.2 The Seller may, due to changed circumstances, over time amend the sectional plan and building plans;

13.2.3 The registration of a new sectional plan pursuant of the exercising of the Phase 2 Right of Extension will entail the modification of the participation quotas applicable to the Scheme.

13.2.4 The Seller shall not be held liable for any inconvenience or damages that flow from the exercising of this right and shall be entitled, where necessary, to enter upon the Property for purposes of obtaining access to adjacent erven in the course of such construction work.

13.3 The Purchaser, in terms of the Sectional Titles Schemes Management Act and the Sectional Titles Act, whichever may be applicable, consents:

13.3.1 to the amendment of the sectional plan and registration of the Phase 2 Right of Extension in favour of the Seller;

13.3.2 to the execution by the Seller of the Phase 2 Right of Extension;

13.3.3 to any reasonable amendments made by the Seller to the Phase 2 Right of Extension due to changed circumstances;

13.3.4 to vote in favour of any amendment of the participation quota and the sectional plan to provide for the Phase 2 Right of Extension.

14. **ACKNOWLEDGEMENTS BY THE PURCHASER**

The Purchaser acknowledges and agrees that:

14.1 the sectional plan of the scheme has not been prepared nor has it been approved and that accordingly the exact and final boundaries and area of the unit areas in the scheme will be those

shown on the sectional plan as approved from time to time, subject thereto that the approved plan will not materially differ from plans and specifications annexed to this agreement;

- 14.2 the areas reflected in the plans and specifications are estimated and do not constitute floor areas and rental areas or the areas as measured in terms of the Sectional Titles Act;

15. MANAGING AGENT

- 15.1 The Seller shall be entitled to select the managing agent to be appointed for the scheme for the first year after the Inaugural General Meeting, which appointment shall be valid and binding on the body corporate for a period of 1 (one) year after the Inaugural General Meeting of the body corporate.
- 15.2 The Purchaser hereby grants the Seller the irrevocable power and authority to vote on his behalf regarding the appointment of the managing agent of the scheme for the aforementioned period.

16. RESALE OF THE SUBJECT MATTER

- 16.1 The Purchaser shall not be entitled to sell, transfer and/or cede the section until the registration of transfer and cession thereof to the Purchaser in terms of this agreement.
- 16.2 Whilst waiting on registration of the Sectional Scheme and subject matter herein, the Purchaser shall not appoint or engage any estate agent or other person to market, advertise and/or sell the unit other than the agent appointed by the Seller to market the development from time to time.
- 16.3 Whilst waiting on registration of the Sectional Scheme, the Purchaser shall not be entitled to sell, transfer or cede the unit, unless the purchaser and/or transferee of the unit agrees in writing to observe the terms and conditions of this agreement.

17. ADVERTISING ON THE COMMON PROPERTY

- 17.1 The Seller shall be entitled at any time(s) to erect such signage, flagpoles, messages or any other form of notices or advertising on the common property and/or the building as may be legally permissible solely for the purposes of selling and/or letting sections

in the scheme, provided that it does not inconvenience the owners of other sectional title units in the scheme.

17.2 The Purchaser shall not be entitled to display any "For Sale" and/or "To Let" signs on the building or on the property or outside the land, unless such signage is in accordance with guidelines as approved by the Seller, and:

17.2.1 until such time as the Seller has completed and entirely sold the development; and

17.2.2 at all times without the prior written consent of the Seller.

18. WITHHOLDING PAYMENTS AND NON-LIABILITY

18.1 The Purchaser shall not be entitled to withhold, set off or retain any amounts owing by the Purchaser to the Seller nor shall the Purchaser be entitled to withhold or abate payment of any amount due to the Seller in terms of this agreement by reason of any breach or alleged breach of the Seller's obligations under this agreement.

18.2 Notwithstanding anything to the contrary herein contained, the Seller shall not be responsible for any loss or damage which the Purchaser may suffer by any act or omission whatsoever or neglect on the part of the Seller, its servants, employees, contractors or agents, nor shall the Seller be responsible for any loss or damage of any description whether to the property or person which the Purchaser or any other person may suffer by reason of any unit and/or any other part of the building and/or the property at any time falling into a defective state or by reason of any construction of any improvements conducted by the Seller on the property or any portion thereof. The Purchaser shall not be entitled for any of the said reasons or for any other reason whatsoever to withhold payment of any moneys due to the Seller in terms hereof.

19. DEFAULT PROVISIONS

19.1 Should the Seller or the Purchaser, as the case may be ("the defaulting party"):

19.1.1 fail to pay any amount due by the defaulting party in terms of this agreement on due date and remain in default for more than 7 days after being notified in writing to do so by the other party ("the aggrieved party"); or

19.1.2 commit any other breach of any of the provisions of this agreement and fail to commence remedying that breach within a period of 7 days after the receipt of written notice to that effect by the other party ("the aggrieved party") and complete the remedying of such breach within a reasonable time;

then and in either such event, the aggrieved party shall forthwith be entitled (but not obliged) without prejudice to any other rights or remedies which the aggrieved party may have in law, including the right to claim damages:

19.1.3 to cancel this agreement and in the case of the Purchaser being the defaulting party, the defaulting party shall forfeit all monies paid to the Seller or its attorneys in terms of this agreement; or

19.1.4 to claim immediate performance and/or payment of all the obligations of the defaulting party in terms of this agreement, including immediate payment of the balance of the purchase price of the subject matter in the event of the Purchaser being the defaulting party.

19.2 Should the Purchaser dispute the right of the Seller to cancel this agreement, then pending the determination of that dispute, the Purchaser shall be obliged to continue payment of all amounts payable by it in terms of this agreement on the due dates thereof and the Seller shall be entitled to recover and accept those payments without prejudice to the Seller's claim for cancellation of this agreement or any other rights of the Seller whatsoever.

19.3 Upon cancellation of this agreement for any reason whatsoever, the Purchaser hereby undertakes to vacate forthwith the unit

19.4 If transfer of the unit is delayed by the Purchaser for whatever reason, then the Purchaser shall pay the Seller interest on the purchase price at 3% above the prime rate calculated from the date on which transfer ought to have been registered but for such delay (as certified by the Seller's attorneys acting as experts) until the date of registration transfer thereof, both dates inclusive, less any interest paid by the Purchaser in terms of clauses 6.2 and/or 6.3 above.

20. **BROKERAGE**

20.1 The Purchaser warrants and undertakes to the Seller that the Purchaser has been introduced to the Seller and/or the scheme by

the broker referred to in **paragraph 9 of the covering schedule** and not by any other broker or third party.

- 20.2 The Purchaser hereby indemnifies the Seller against any claims, loss, damages or proceedings arising out of any breach of the warranty contained in clause 20.1 above.

21. **JOINT AND SEVERAL LIABILITY**

- 21.1 Should the Purchaser be a company, close corporation, trust or association of persons or a trustee for a company or close corporation to be formed, then the person/s signing this agreement on behalf of the Purchaser (by his/their signature/s thereto) hereby warrant that he has been duly authorised to enter into this agreement.
- 21.2 Should the Purchaser be more than one person, then the persons comprising the Purchaser shall be jointly and severally liable to the Seller for the due and proper fulfilment of all the obligations of, and the punctual payment of all amounts which are or may become due by the Purchaser in terms of, or in connection with or arising in any way whatsoever out of this agreement or any amendment or cancellation thereof.
- 21.3 Persons signing this agreement on behalf of a company or close corporation to be formed shall be obliged to ensure that such company or close corporation is formed within 30 days after the date of signature hereof by such person and furthermore that such company or close corporation ratifies and adopts this agreement within the periods prescribed in the Companies Act, 71 of 2008.

22. **CO-OPERATION**

- 22.1 Each of the parties hereby irrevocably undertake to:
- 22.1.1 sign and/or execute all such documents (and without limiting the generality of the foregoing, same shall include the execution of the necessary resolutions, consents and conveyancing documents);
- 22.1.2 do and to procure the doing by other persons, and to refrain and procure that other persons will refrain from doing, all such acts;

22.1.3 pass, and to procure the passing of all such resolutions of directors or shareholders of any company, or members of any close corporation, or trustees of any trust;

22.1.4 pass, and to procure the passing of all such resolutions of the trustees or the granting of such consents of the trustees of the body corporate

to the extent that the same may lie within the power of such party and may be required to give effect to the import or intent of this agreement, and any contract concluded pursuant to the provisions of this agreement.

22.2 Without derogating from the provisions of this clause 22 above or any other provisions of this agreement, the Purchaser hereby grants to the Seller an irrevocable power of attorney in *rem suam* (operative from the time that the Purchaser becomes the registered owner of the unit):

22.2.1 to attend any general meeting of all owners of sections in the scheme and to vote at such meeting on behalf of and to the exclusion of the Purchaser for such resolutions as may be required to give effect to the import or intent of this agreement, and any contract concluded pursuant to the provisions of this agreement;

22.2.2 to grant such consents as may be required to give effect to the import or intent of this agreement, and any contract concluded pursuant to the provisions of this agreement.

23. FICA REQUIREMENTS

23.1 The Purchaser acknowledges that it is aware of the provisions of the Financial Intelligence Centre Act (FICA) and by acquiring the Property the Seller's attorneys have to comply with the appropriate provisions of FICA.

23.2 The Purchaser accordingly agrees to grant the Seller's attorneys full co-operation and disclosure in order that they may meet their obligations in terms of FICA and to furnish the Seller's attorneys with all such information and documents as they may require in this regard.

24. WARRANTY BY PURCHASER - SARS

The Purchaser warrants that the Purchaser is not currently and until transfer of the unit into the name of the Purchaser, will not be in default of any

income or other tax law obligations to the South African Revenue Service, which would serve to delay the obtaining of the required transfer duty receipt/s or exemption certificate/s from the South African Revenue Service or serve to cause the financial institution, which is granting mortgage finance to the Purchaser [if applicable], to withdraw the mortgage finance offered.

25. NOTICES AND DOMICILIA

- 25.1 Each of the parties chooses *domicilium citandi et executandi* ("domicilium") for the purposes of the giving of any notice, the payment of any sum, the serving of any process and for any other purposes arising from this agreement at their respective addresses set forth in **paragraph 1 of the covering schedule**.
- 25.2 Each of the parties shall be entitled from time to time, by written notice to the others to vary its domicilium to any other address within the Republic of South Africa which is not a post office box or *poste restante*.
- 25.3 Any notice given and any payment made by a party to any of the others ("the addressee") which:
- 25.3.1 is delivered by hand during the normal business hours of the addressee at the addressee's domicilium for the time being shall be presumed, until the contrary is proved by the addressee, to have been received by the addressee at the time of delivery;
- 25.3.2 is posted by prepaid registered post from an address within the Republic of South Africa to the addressee at the addressee's domicilium for the time being shall be presumed, until the contrary is proved by the addressee, to have been received by the addressee on the fourth day after the date of posting.
- 25.4 Where, in terms of this agreement any communication is required to be in writing, the term "writing" shall include communications by electronic mail. Communications by telex or facsimile or electronic mail, unless the contrary is proved by the addressee, shall be deemed to have been received by the addressee 1 hour after the time of transmission.

26. GENERAL PROVISIONS

- 26.1 No alteration, cancellation, variation of, or addition hereto shall be of any force or effect unless reduced to writing and signed by all parties to this agreement or their duly authorised representatives.
- 26.2 This document contains the entire agreement between the parties and no party shall be bound by any undertakings, representations, warranties, promises or the like not recorded in this agreement.
- 26.3 No indulgence, leniency or extension of time which any party may grant or show to any other party, shall in any way prejudice such party or preclude it from exercising any of its rights in the future.

27. COMPLIANCE CERTIFICATES

27.1 ELECTRICITY CERTIFICATE

- 27.1.1 The Seller undertakes to furnish the Purchaser, prior to registration of transfer, with a valid Certificate of Compliance in terms of the Electrical Installation Regulations 31975 of 2009 framed under the Occupational Health and Safety Act, 85 of 1993, in respect of the Unit, after which the Seller's liability shall cease.
- 27.1.2 All costs incurred in obtaining such certificate, including costs of any repairs or replacements required in order for the certificate to be issued, shall be borne by the Seller.

27.2 COMPLIANCE CERTIFICATE IN RESPECT OF WATER INSTALLATION

The Seller shall at its cost, on or before date of registration of transfer, furnish to the Purchaser a certificate from an accredited plumber in terms of Section 14 of Water By-law, 2010 of The City of Cape Town, certifying that:

- (a) The water installation conforms to the National Building Regulations and this By-law;
- (b) There are no defects;
- (c) The water meter registers; and
- (d) There is no discharge of storm water into the sewer system.

The Seller shall be liable for the repair of any defects to the water installation, (including water meters) in order to obtain a Certificate of Compliance from an accredited plumber as aforesaid. This provision shall only apply to properties within the area of The City of Cape Town.

SIGNED at CAPE TOWN on this _____ day of _____ 2019

AS WITNESSES:

1. _____

2. _____

for **Seller** – who warrants that he/she is
duly authorised hereto

SIGNED at CAPE TOWN on this

day of

2019

AS WITNESSES:

1. _____

2. _____

for **Purchaser** - who warrants that he/she is
duly authorised hereto

I, the undersigned, being the spouse of
the Purchaser, do hereby consent to this
transaction as far as needs be in terms of
the Matrimonial Property Act 1984.

Spouse of the Purchaser

UNIT IDENTIFICATION AND FLOOR PLANS

[to be annexed]

PHASE 2 RIGHT OF EXTENSION

FICA REQUIREMENTS

	Identification	Residential Address
1. Individuals	Obtain and photocopy identity document or valid passport (not expired) ONLY <ul style="list-style-type: none"> • Full names • Date of birth • Identity / passport number 	Obtain and photocopy: Please refer to LIST OF ACCEPTABLE DOCUMENTS LISTED BELOW
2. Foreign Nationals	Obtain and photocopy valid passport (not expired) ONLY <ul style="list-style-type: none"> • Full names • Date of birth • Passport number • Nationality 	Not applicable (Residential address details do not need to be verified for foreign nationals)
3. Minors (an individual who has not attained the age of majority as determined by local laws and acting in their personal capacity)	Obtain and photocopy Identity document or valid passport ONLY Minor <ul style="list-style-type: none"> • Full names • Date of birth • Identity / passport no. Guardian <ul style="list-style-type: none"> • Full names • Date of birth • Nationality (if not SA) 	Both Minor and Guardian's residential address details to be verified as per "individuals" category
4. Partnership	Obtain and photocopy: <ul style="list-style-type: none"> • Partnership agreement (reflecting the name of the partnership) For Partners and Authorised signatories (related parties) <ul style="list-style-type: none"> • Identification as per mandatory identification for "individuals" category 	Not required for the partnership category As per mandatory requirements for "individuals" category
5. Close Corporation	Obtain and photocopy: <ul style="list-style-type: none"> • Founding Statement / Certificate of Incorporation (CK1 or CK2) – registered name and number • Trade name (Any document reflecting the trade name) For Members/persons who act on behalf of the CC/ Authorised signatories (Obtain the resolution who may sign on behalf of the CC) <ul style="list-style-type: none"> • Identification as per mandatory identification for "individuals" category 	Obtain and photocopy: <ul style="list-style-type: none"> • Registered address (as per Founding Statement) • Physical business address (any related document; that of the head office if more than one office) Not applicable
	Identification	Residential Address

<p>6. Unlisted Company - (Pty) LTD</p>	<p>Obtain and photocopy:</p> <ul style="list-style-type: none"> • Certificate of Incorporation (CM1) bearing stamp of Registrar of Companies (reflecting registered name of the company and the registration number) • Trade name (Any document reflecting the trade name) <p>For Shareholders (25% or more of the voting right) / Persons who act on behalf of the Company / Authorised Signatories / Principal Executive Officer</p> <p>(Obtain the resolution indicating who may sign on behalf of the Company)</p> <ul style="list-style-type: none"> • Identification as per mandatory identification for “<i>individuals</i>” category 	<p>Obtain and photoco</p> <ul style="list-style-type: none"> • Registered address - notice of Registered Office and Postal Address (Form CM22) bearing stamp of Registrar; • Physical business address (any related document; that of the head office if more than one office) <p>Related parties:</p> <ul style="list-style-type: none"> • Not required for related parties
<p>7. Trusts</p>	<p>1. Obtain and photocopy:</p> <ul style="list-style-type: none"> • Trust Deed or other founding document reflecting the identifying name of Trust / identifying number of the Trust / names of beneficiaries; • List of authorised trustees (authorisation given by the master’s Office to each trustee to act in that capacity) <p>Trustees / Beneficiaries /</p> <p>Authorised signatories / Settlor / Founder / Persons who act on behalf of the trust</p> <ul style="list-style-type: none"> • Identification as per mandatory identification for “<i>individuals</i>” category 	<p>Obtain and photocopy:</p> <ul style="list-style-type: none"> • Address of the Master’s office where the trust is registered <p>Not required for related parties</p>

LIST OF ACCEPTABLE DOCUMENTS FOR VERIFICATION:

Identification

- Identity document issued by the Republic of South Africa; or
- Valid passport (if foreign national).

Documents that are acceptable for verification of physical address:

- A utility bill, such as water, electricity or rates (less than 3 months old). A utility bill that is addressed to a post box number is acceptable only if it shows the customer's name, address, erf/stand number, township and suburb;
- A bank statement or financial statement from another financial institution i.e. not within the Mortgagee Bank Group (less than 3 months old);
- A copy of a signed lease agreement (by both parties), (less than 1 year old);
- A municipal rates and taxes invoice (less than 3 months old);
- A mortgage statement from another financial institution i.e. not within the Mortgagee Bank Group (less than 6 months old);
- A telephone account i.e. a land-line or cell phone account (less than 3 months old);
- An official tax return/tax assessment (less than 1 year old);
- Official correspondence from the South African Revenue Services ("SARS") (less than 3 months old);
- A recent life insurance policy issued by an insurance company;
- Correspondence from a body corporate or share-block association (less than 3 months old);
- A recent life insurance policy issued by an insurance company;
- Correspondence from a body corporate or share-block association (less than 3 months old);
- A valid television license document;
- A recent short-term insurance policy document or a short-term insurance renewal letter (less than 1 year old);
- A retail account statement/invoice (less than 3 months old);
- Where the person lives in a residence such as a hostel/barracks, a letter from the administration department of such residence on an official letterhead; or a letter from a tribal chief confirming that the customer resides on tribal land
- A written confirmation of a visit to the residential/business address of the customer
- Where customer cohabits with another person obtain a letter of confirmation of the residential address where the customer is residing from the homeowner/lawful occupant as well as a copy of the utility bill or other acceptable address verification document reflecting the name of the owner/lawful occupant and the residential address.
- In the case of a husband and wife cohabiting, obtain an original copy of the marriage certificate and an acceptable address verification document reflecting the homeowner's name and residential address.
- Students residing at a hostel/boarding house/student residence, obtain a written statement from the educational institution confirming that the student is in residence and providing the physical address of such residence

- Contract workers overseas; obtain a letter from their employer stating that the person is on contract work, for what period and where they reside overseas. Alternatively, obtain a utility bill reflecting the customer's current residential address overseas.