CONTRACT OF SALE : STRELITZIA TERRACE - RESIDENTIAL

entered into by :

Name

.....

.....

("the SELLER")

Postal Address

.....

.....

Physical Address

.....

.....

Tel. No (Home)……Tel. No (Work) .....

Fax No. ……..Cellular No.....

E-mail Address.....

Identity No./Registration No. .....

Marital Status (if the SELLER is an individual) .....

and

Name

.....

.....

(the "PURCHASER")

Postal Address

.....

.....

Physical Address

.....

.....

Tel. No (Home)……Tel. No (Work) .....

Fax No. ……..Cellular No.....

E-mail Address .....

Identity No./Registration No. .....

Marital Status (if the PURCHASER is an individual) .....

1 **SCHEDULE**

1.1 Property Description : .....

.....

.....

Extent in square metres (approximately) .....

1.2 Parking Bay Exclusive Use Area No : .....

1.3 Total Consideration R .....

1.4 Less

deposit due on . . . . . ……. R .....

1.5 Balance R .....

1.6 Amount of loan for which PURCHASER will apply R .....

Date by which loan is to be granted .....

(See paragraph 2 of the CONDITIONS OF SALE)

1.7 Monthly Levy payable by the Purchaser to the Body Corporate of the SCHEME

in accordance with the provisions of the ACT .....

1.8 DATE OF POSSESSION .....

1.9 Occupational Rental R……...……per month

1.10 Monthly Levy payable by the Purchaser to the ASSOCIATION in accordance

with the ASSOCIATION's Articles of Association R……...per month

1.11 ESTATE AGENT ……..

1.12 ESTATE AGENT'S COMMISSION R……...

2 **SALE**

Subject to and in accordance with the provisions hereof and the CONDITIONS OF SALE annexed hereto as Annexure "A", the SELLER sells and the PURCHASER purchases the PROPERTY.

3 **PREPAYMENTS AND GUARANTEES**

3.1 The amount referred to in 1.4 of the CONTRACT OF SALE shall be paid to the CONVEYANCERS. Such payment shall be invested by the CONVEYANCERS in their financial institution's Corporate Saver Account, all

interest to accrue for the benefit of the PURCHASER until the DATE OF TRANSFER whereupon the CONVEYANCERS shall release the capital to the SELLER and all accrued interest, less their usual commission, to the PURCHASER. (The PURCHASER acknowledges that the CONVEYANCERS are not able to invest the aforesaid deposit, nor any other amount paid into trust with the CONVEYANCERS, on the PURCHASER's behalf, until such time as the PURCHASER has complied with al the requirements of the Financial Intelligence Centre Act No 38 of 2001 and has signed the necessary investment mandate, both of which the PURCHASER undertakes to do as soon as reasonably practical in the circumstances.)

3.2 The PURCHASER shall secure the due payment of the amount referred to in 1.5 of the CONTRACT OF SALE by furnishing the SELLER with a guarantee from a South African registered commercial bank, in a form and on terms acceptable to the SELLER, for such amount. The guarantee will be expressed payable on DATE OF TRANSFER.

3.3 The guarantee referred to in 3.2 above shall be furnished by the PURCHASER within 7 (SEVEN) days after request therefor by the CONVEYANCERS; provided that if the PURCHASER requires a loan for the amount stated in 1.6 of the CONTRACT OF SALE, such guarantee shall not be called for until the loan has been granted or until expiry of the 7 (SEVEN) day period referred to in 2 of the CONDITIONS OF SALE (whichever occurs first). Alternatively the PURCHASER shall be entitled to pay the amount referred to in 3.2 above in cash which amount shall be dealt with mutatis mutandis as provided for in 3.1 above.

3.4 Unless otherwise provided, all payments hereunder shall be made without deduction or demand to the SELLER at the office of the CONVEYANCERS. All bank charges incurred by the CONVEYANCERS in connection with this transaction shall be for the account of the PURCHASER.

DATED at . . . . . this . . . . . day of . . . . . 20 . . . . .

AS WITNESS:

..... _____

PURCHASER: I acknowledge that I am acquainted with and understand the contents of this CONTRACT and that all the annexures referred to in this CONTRACT were attached hereto when I signed same.

_____

CONSENTING SPOUSE

This portion to be signed by spouse / father / legal guardian / member / director/ trustee in the event of the PURCHASER being a person married in community of property / minor / close corporation / company / trust.

.....

(Full names)

of .....

.....

(Full address)

Telephone Number: ……Facsimile Number ……

hereby consents to the conclusion of this CONTRACT and guarantees and binds himself as surety for and co-principal debtor in solidum with the PURCHASER to the SELLER for the due and punctual fulfilment and discharge of all the conditions and obligations undertaken by the PURCHASER to the SELLER pursuant to this CONTRACT, under renunciation of the benefits of excussion and division with the meaning and effect of which benefits and the renunciation thereof he acknowledges himself to be acquainted. No variation or amendment or novation of the CONTRACT OF SALE shall prejudice the surety obligations hereby undertaken by the undersigned Guarantor, the object being that the undersigned Guarantor will at all times be liable as surety and co-principal debtor even if the CONTRACT OF SALE is varied or amended or novated and even if the PURCHASER is granted an indulgence by the SELLER.

Signed by the guarantor at . . . . . this . . . . . day of . . . . 20 . . . . .

AS WITNESSES :

1. .....

2. ....

GUARANTOR

DATED at . . . . . this . . . . . day of . . . . . 20 . . . . .

AS WITNESS:

....

SELLER

ANNEXURE "A"

CONDITIONS OF SALE

1 **DEFINITIONS AND INTERPRETATION**

For the purposes of the CONTRACT OF SALE and the CONDITIONS OF SALE, unless the context indicates to the
contrary :

1.1 "this CONTRACT" means the CONTRACT OF SALE and all Annexures thereto;

1.2 "CONTRACT OF SALE" means the contract of sale to which these conditions of sale are Annexure "A";

1.3 "CONDITIONS OF SALE" means these conditions of sale;

1.4 "CONVEYANCERS" means any firm of attorneys that the SELLER may in its sole discretion nominate to attend to the transfer of PROPERTY;

1.5 "DATE OF POSSESSION" means the date specified in 1.8 of the CONTRACT OF SALE;

1.6 "DATE OF TRANSFER" means the date of registration of transfer of the PROPERTY into the name of the PURCHASER;

1.7 "DEVELOPER" means SPENCER-GORE DEVELOPMENTS (PTY) LTD, Registration No. 1996/012796/07;

1.8 "PARENT PROPERTY" means the immovable property described as Portion 100 of Erf 3 Garden Park No. 15308, Registration Division FT, Province of Kwazulu-Natal, in extent 2,0258 (TWO comma ZERO TWO FIVE EIGHT) hectares;

1.9 "PROPERTY" means the immovable property referred to in 1.1 of the CONTRACT OF SALE;

1.10 "PURCHASER" means the purchaser in terms of this CONTRACT;

1.11 words importing a gender shall include all genders and the singular shall include the plural and vice versa;

1.12 clause headings are inserted purely for convenience and shall not be relevant in interpreting the contents of the clauses to which they relate;

1.13 no indulgence or relaxation which the SELLER may allow to the PURCHASER in regard to the carrying out of the PURCHASER'S obligations in terms of or pursuant to this CONTRACT shall prejudice the SELLER'S rights under this CONTRACT in any manner whatsoever, or be regarded as a waiver of the SELLER'S rights in terms of this CONTRACT, or be construed to act as an estoppel against the SELLER to otherwise strictly enforce compliance of the PURCHASER'S obligations in terms of this CONTRACT;

1.14 the respective parties are designated as set out in brackets after their respective names in the heading to this CONTRACT;

1.15 reference to a natural person shall include a legal person and/or an association of persons and vice versa;

1.16 any reference to any statute, legislation or regulations shall be deemed to include any lawful amendments thereto or re-enactments thereof;

1.17 where a number of days are prescribed, they shall consist of all days (i.e. including Saturday, Sunday and Public Holidays) and shall exclude the first day and include the last day;

1.18 where an expression has been defined and such definition contains a provision conferring rights or imposing obligations on any party, effect shall be given to that provision as if it were a substantive provision contained in the body of this CONTRACT;

1.19 if a number is referred to in numerals and words, the words shall prevail in the event of any conflict between the two;

1.20 if there is more than one seller or more than one purchaser, they shall be deemed to be jointly and severally liable for their obligations in terms of this CONTRACT and unless otherwise stated, the PURCHASERS shall be deemed to purchase the PROPERTY in equal and undivided shares;

1.21 if any provision of this CONTRACT is unenforceable for any reason whatsoever, such provision shall be deemed to be separate and severable from this CONTRACT, without in any way effecting the validity of the remaining provisions of this CONTRACT;

1.22 the provisions of this CONTRACT shall be governed by and construed in accordance with the Laws of the Republic of South Africa.

1.23 in interpreting this CONTRACT, no provision shall be construed in a limiting fashion or in accordance with the *Eiusdem Generis Rule.*

2 LOAN FROM FINANCIAL INSTITUTION

2.1 This CONTRACT is subject to and conditional upon the PURCHASER obtaining a loan from a South African commercial bank, for the amount stated in 1.6 of the CONTRACT OF SALE, on terms and conditions reasonably acceptable to the SELLER, by no later than the date stated in 1.6 of the CONTRACT OF SALE. Should the aforesaid loan not be granted by the date stated in 1.6 of the CONTRACT OF SALE, then in that event, this CONTRACT shall lapse and be of no further force and effect between the parties. In the event of the CONTRACT lapsing as contemplated above, the SELLER shall forthwith repay or procure the repayment of all

amounts paid by the PURCHASER in respect of the purchase consideration of the PROPERTY. It is recorded that this clause has been inserted for the benefit of both the SELLER and the PURCHASER.

2.2 It is the intention of the SELLER and the PURCHASER that the CONVEYANCERS be appointed by the bank, granting the loan referred to in paragraph 2.1, to attend to the registration of the mortgage bond over the PROPERTY, in favour of the aforesaid bank, on the DATE OF TRANSFER. The PURCHASER undertakes to utilize its best endeavours to prevail upon the aforesaid bank to appoint the CONVEYANCERS in this regard.

3 **VOETSTOOTS**

3.1 The PROPERTY is sold and purchased voetstoots, absolutely as it stands, with all its defects (if any) whether patent or latent.

3.2 The PROPERTY is sold subject to all conditions and servitudes contained in the existing title deeds.

3.3 The PURCHASER acknowledges that he has satisfied himself as to the nature, locality and extent of the PROPERTY and the SELLER shall not be liable for any deficiency in the extent thereof nor shall it benefit by any surplus.

4 **POSSESSION AND RISK**

4.1 The PURCHASER shall be entitled to vacant possession and occupation of the PROPERTY from the DATE OF POSSESSION.

4.2 The risk and benefit in and to the PROPERTY shall pass to the PURCHASER on DATE OF POSSESSION.

4.3 Liability to pay all rates, water rates, taxes, insurances, levies and other outgoings arising from the PROPERTY shall be the SELLER'S responsibility until DATE OF TRANSFER.

4.4 From the DATE OF POSSESSION to the DATE OF TRANSFER, both days inclusive, the PURCHASER shall pay to the SELLER monthly occupational rental in the amount stated in paragraph 1.9 of the CONTRACT. Such occupational rental shall be payable monthly in advance to the SELLER directly on or before the first day of every month. Occupational rental shall be adjusted for any period of less than one month, the final adjustment to be made on the DATE OF TRANSFER.

4.5 The PURCHASER undertakes, in the event of this CONTRACT being cancelled, for any reason whatsoever to vacate the PROPERTY and restore the PROPERTY to the same good order and condition in which it was at the DATE OF POSSESSION, fair wear and tear excepted. Further, in the event of this CONTRACT being cancelled due to the breach of the PURCHASER, the PURCHASER shall not be entitled to any compensation for any improvements of whatever nature he may have effected to the PROPERTY while in occupation thereof.

4.6 The SELLER undertakes to maintain the PROPERTY in the same condition as it is at the date of signature of this CONTRACT until the DATE OF POSSESSION, fair, wear and tear accepted.

4.7 The PURCHASER shall not in any way alter the PROPERTY prior to the DATE OF TRANSFER without the prior written consent of the SELLER first having been obtained.

5. **SELLER'S WARRANTIES**

The SELLER warrants that :

5.1 the PROPERTY shall not, on the DATE OF TRANSFER, be subject to:

5.1.1 any mortgage bond, pledge, lien or hypothec;

5.1.2 any servitude, whether usufruct, uses, right of way, water storage or transmission, electricity transmission or of any other nature whatsoever, save those set out in the current Title Deed to the PROPERTY;

5.1.3 any attachment or interdict;

5.1.4 any other restriction on the owner's right or any encumbrances not expressed or recorded in the current Title Deeds to the PROPERTY;

5.1.5 any lease.

5.2 on the DATE OF POSSESSION, the PROPERTY shall be vacant. In no way detracting from the generality of the aforesaid, the SELLER warrants that on the DATE OF POSSESSION, none of its employees, former employees, other workers or squatters shall be on the PROPERTY nor shall have any right to occupy the PROPERTY or any portion thereof.

It is recorded that all the aforesaid warranties are material to the PURCHASER in purchasing the PROPERTY.

6 RULES

6.1 The PURCHASER acknowledges that the directors of the ASSOCIATION shall be entitled at all times to lay down rules in regard to –

6.1.1 the preservation of the natural environment,

6.1.2 the vegetation and flora and fauna in the ESTATE (including, but in no way limited to, the use of exotic and indigenous plants),

6.1.3 the right to keep any animal, reptile or bird,

6.1.4 the storing of flammable and other harmful substances,

6.1.5 the conduct of any persons within the ESTATE and the prevention of nuisance of any nature to any owner of immovable property in the ESTATE,

6.1.6 the use of land within the ESTATE,

6.1.7 the use of private roads,

6.1.8 the imposition of fines and other penalties to be paid by members of the ASSOCIATION,

6.1.9 the management, and administration and control of the common areas and open spaces,

6.1.10 the erection of all buildings and other structures, including but in no way limited to, service connections to the buildings,

6.1.11 the establishment, installation and maintenance of gardens,

6.1.12 the use by owners or their tenants of buildings and all other structures and the upkeep, aesthetics and maintenance of such buildings,

6.1.13 the collection of the ASSOCIATION's levies by the Sectional Title Bodies Corporate and

6.1.14 generally in regard to any other matter which the ASSOCIATION from time to time considers appropriate, and the PURCHASER undertakes and shall be obliged, with effect from the DATE OF POSSESSION, to abide by such rules as if he was the owner of the PROPERTY and to ensure that all tenants, nominees, invitees and other persons who occupy the PROPERTY and/or go upon the ESTATE by virtue of the PURCHASER'S rights thereto, do likewise

7 TRANSFER

7.1 The CONVEYANCERS shall pass transfer of the PROPERTY to the PURCHASER as soon as is reasonably practicable in the circumstances, provided the PURCHASER has complied with all his obligations under this CONTRACT.

7.2 The PURCHASER shall, within 7 (SEVEN) days of being called upon to do so by the CONVEYANCERS

7.2.1 pay to the CONVEYANCERS all costs of and incidental to the passing of transfer of the PROPERTY to the PURCHASER, including transfer duty, bond costs, bank charges and all conveyancing fees and disbursements and

7.2.2 furnish all such information, sign all such documents and pay all such amounts that may be necessary or required to enable the CONVEYANCERS to pass transfer of the PROPERTY;

7.3 No liability of any nature whatsoever shall attach to the SELLER arising out of any delays in effecting transfer of the PROPERTY to the PURCHASER.

8 PURCHASERS ACKNOWLEDGEMENT

8.1 The PURCHASER acknowledges that he is aware of the intended future development of the ESTATE by the DEVELOPER. Such ESTATE is intended to involve the establishment of high quality residential units on various portions of the ESTATE so designed as to facilitate an aesthetic and harmonious style. The PURCHASER hereby undertakes that he will, at all times, co-operate with the DEVELOPER in an endeavour to facilitate the success of the said ESTATE. Also in this respect, the PURCHASER undertakes that he shall not unreasonably interfere with any such proposed development nor lodge an objection with any competent authority in respect of any such development. The PURCHASER agrees he will not unreasonably object to any application made by or on behalf of the DEVELOPER, its nominee or agent for any change of use or additional use in respect of any property within the ESTATE. In no way detracting from the generality of the aforesaid, the PURCHASER specifically acknowledges that owners of land surrounding the PARENT PROPERTY will be erecting buildings and other structures thereon which may block or otherwise interfere with the views from the PROPERTY. The PURCHASER agrees he shall have no right to object to the construction of any building or any other structure on any land within the ESTATE on the basis that such building or other structure blocks or otherwise interferes with the views from the PROPERTY nor will he have any claim for any alleged depreciation in the value of the PROPERTY arising out of any interference with the views from the PROPERTY by reason of the construction of any building or structure.

8.2 When selling the PROPERTY, the PURCHASER shall utilise such documentation (including any standard Sale Agreement), prescribed by the ASSOCIATION and shall pay the ASSOCIATION's prescribed administration fee in this regard.

8.3 The PURCHASER shall not be entitled to sell or otherwise transfer ownership of the PROPERTY unless it is a suspensive condition of such sale or other transfer that the transferee, in a manner acceptable to the ASSOCIATION, agrees to become a member and is admitted as a member of the ASSOCIATION.

8.4 In no way detracting from the generality of any other provision of this CONTRACT it is recorded that the design and layout of the ESTATE may vary as the ESTATE is developed and the DEVELOPER shall in no way be bound to its current plans for the design and layout of the ESTATE.

8.5 In order to maintain high standards and with a view to ensuring an attractive and harmonious development within the ESTATE, all property within the ESTATE shall be developed in accordance with the Development and Architectural Controls of the ASSOCIATION.

8.6 Notwithstanding the provisions of clause 8.5 above or anything to the contrary herein or elsewhere contained no dwelling or other structure shall to be erected on the PARENT PROPERTY and no alterations may be

made to the exterior of any building or other structure erected on the PARENT PROPERTY save strictly in accordance with plans which have been submitted to and approved of in writing by the Body Corporate of the SCHEME, the ASSOCIATION and the relevant Local Authority (In respect of the erection of the SECTION, it is recorded that the PURCHASER shall, at the PURCHASER's cost, obtain the necessary approvals in this regard).

8.7 In no way detracting from the generality of any other provision in this CONTRACT, it is specifically recorded that the PURCHASER shall at all times comply with the provisions of the Environmental Management Plan, a copy of which is annexure "D" hereto. In the event of the PURCHASER breaching the provisions of this clause 8.7, the DEVELOPER shall be entitled to claim from the PURCHASER all damages, including consequential damages, the DEVELOPER may suffer as a result of the PURCHASER'S breach of the provisions of this clause. In addition, should the PURCHASER breach any of the conditions of the Environmental Management Plan, it shall be liable for a fine imposed by the ASSOCIATION in its sole and absolute discretion, in an amount not exceeding R50,000,00 (FIFTY THOUSAND RAND).

9 MEMBERSHIP OF THE ASSOCIATION

By virtue of the purchase of the PROPERTY by the PURCHASER, the PURCHASER shall be obliged to become a member of the ASSOCIATION within the meaning of and subject to the conditions set out in the ASSOCIATION'S memorandum and articles of association (a summary of the proposed aims and objectives of the ASSOCIATION is attached hereto as ANNEXURE "G") and undertakes that he and all persons deriving use of the ESTATE or any part thereof through him will, from the DATE OF POSSESSION, duly comply with all the obligations imposed upon members under the ASSOCIATION'S memorandum and articles of association including, but in no way limited to, the obligation to pay a monthly contribution to the ASSOCIATION (an estimate of which monthly contribution is stated in paragraph 1.10 of the CONTRACT OF SALE), as determined from time to time, by the directors of the ASSOCIATION. (The above is intended merely as a general description of the rights and obligations of a member of the ASSOCIATION, the details of which will be more fully dealt with in the memorandum and articles of association of the ASSOCIATION. If there is any conflict with what is set out above and what is contained in the memorandum and articles of association, the latter shall prevail and the PURCHASER shall have no claim against the SELLER arising out of such conflict).

10 **AGENT'S COMMISSION**

10.1 The PURCHASER warrants that it was introduced to the PROPERTY by an agent of the agency referred to in 1.11 of the CONTRACT OF SALE who was the effective cause of the sale of the PROPERTY in terms hereof. The SELLER shall be liable for the payment of a selling commission to the agency referred to in 1.11 of the CONTRACT OF SALE in the amount referred to in 1.12 of the CONTRACT OF SALE. The aforesaid commission shall be deemed to have been earned on the DATE OF TRANSFER and shall be paid on the DATE

OF TRANSFER by the CONVEYANCERS to the aforesaid agency on the SELLER's behalf.

10.2 The PURCHASER warrants that no agent or agency, other than that referred to in 1.11 of the CONDITIONS OF SALE above, was responsible for introducing him to the PROPERTY and further warrants that no other agent or agency will have any claim against the SELLER for agent's commission arising out of this transaction. The PURCHASER indemnifies and holds harmless the SELLER against any loss, damage or expense sustained, suffered or incurred by the SELLER arising out of any breach of the foregoing warranty.

11 BREACH

11.1 Should any party (the "defaulting party") commit a breach of any of the provisions of this CONTRACT, then the party which is not in breach (the "aggrieved party") shall be entitled to give the defaulting party written notice to remedy the breach. If the defaulting party fails to comply with that notice within 10 (TEN) days of receipt thereof, subject to any other provisions of this CONTRACT to the contrary, the aggrieved party shall be entitled to cancel this CONTRACT or to claim specific performance, in either event without prejudice to the aggrieved party's right to claim damages. The aforegoing is without prejudice to such other rights as the aggrieved party may have in terms of this CONTRACT, common law or statute.

11.2 In the event of the SELLER cancelling this CONTRACT as aforesaid any amount or amounts paid to the SELLER or the CONVEYANCERS (including any amount paid in trust) shall be forfeited to and retained by the SELLER as rouwkoop; alternatively, if the SELLER so elects, he may recover any damages howsoever incurred as a result of such cancellation (including any losses and expenses on a re-sale, whether by public auction or private treaty), in which case the amount or amounts paid to the SELLER or the CONVEYANCERS as aforesaid (including any amount paid in trust) will not be forfeited as rouwkoop but may be retained by the SELLER by way of set off or partial set off against the damages claimed by the SELLER.

11.3 Notwithstanding the foregoing, should the SELLER exercise any of his rights in terms hereof and should the PURCHASER dispute the SELLER'S right to do so, then pending the determination of that dispute, the PURCHASER shall continue to pay all amounts payable in terms of this CONTRACT on the due date thereof, and to comply with all the terms hereof, and the SELLER shall be entitled to recover and accept such payments and/or other performance without prejudice to the SELLER'S claim to have exercised rights in terms hereof, and in the event of the SELLER succeeding in such dispute, the SELLER shall be entitled to retain such amounts received in the interim as payment for the occupational rights exercised and/or enjoyed by the PURCHASER in the interim.

12 JURISDICTION AND COSTS

12.1 In the event of any action or application arising out of this CONTRACT, the parties hereby consent to the jurisdiction of the Magistrate's Court otherwise having jurisdiction under section 28 of the Magistrate's Court Act of 1944, as amended. Notwithstanding that such proceedings are otherwise beyond the said court's jurisdiction, this clause shall be deemed to constitute the required written consent conferring jurisdiction upon the said court

pursuant to Section 45 of the Magistrate's Court Act of 1944, as amended.

12.2 Notwithstanding anything to the contrary herein contained, either party shall have the right at that party's sole option and discretion to institute proceedings in any other Court which might otherwise have jurisdiction.

12.3 In the event of it becoming necessary for either party to take any action against the other as contemplated herein, the unsuccessful party in any such action agrees to pay the successful party all the attendant costs and expenses incurred by the successful party as between attorney and client.

13 **SOLE CONTRACT**

13.1 The PURCHASER acknowledges that this CONTRACT constitutes the sole basis of the contract between himself and the SELLER, and that he has not been induced to enter into such contract by any representations or warranties (whether contained in any letter, brochure, advertising material or otherwise) other than those contained herein and he shall be deemed to have satisfied himself in regard to all other relevant matters of whatsoever nature not specially dealt with herein.

13.2 No agreement to cancel this CONTRACT or to vary the terms and conditions shall be of any force and effect unless reduced to writing and signed by the parties or their agents duly authorised in writing.

14 DOMICILIUM AND NOTICES

14.1 The parties choose as their domicilia citandi et executandi for all purposes under this CONTRACT OF SALE, whether in respect of court processes, notices or other documents or communications of whatsoever nature their physical address referred to in the heading of this CONTRACT OF SALE.

14.2 Any notice or communication required or permitted to be given in terms of this CONTRACT OF SALE shall be valid and effective only if in writing.

14.3 Any party may by notice to any other party change the address chosen as its domicilium citandi et executandi vis-á-vis that party to another address, provided that the change shall become effective vis-á-vis that address on the 7th business day from the deemed receipt of the notice by the addressee.

14.4 Any notice to a party:-

14.4.1 sent by prepaid registered post (by airmail if appropriate) in a correctly addressed envelope to it at its domicilium citandi et executandi shall be deemed to have been received on the 7th business day after posting (unless the contrary is proved); or

14.4.2 delivered by hand to a responsible person during ordinary business hours at its domicilium citandi et executandi shall be deemed to have been received on the day of delivery;

14.5 Notwithstanding anything to the contrary herein contained, a written notice or communication actually received

by a party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered to its chosen domicilium citandi et executandi.

15 **COSTS**

Each party shall bear its own legal costs incurred in connection with the negotiation, drafting and execution of this CONTRACT.

16 **ARREARS**

16.1 Any amounts in arrear in terms of this CONTRACT shall bear interest at the rate equal to the prime overdraft rate charged by the Standard Bank of South Africa Limited, from time to time, which interest will be calculated from the date such amount became due to the date of payment, both days inclusive

16.2 A certificate by any manager of the said bank as to such prime overdraft rate from time to time shall be prima facie proof of such rate.

17 **MORA INTEREST**

17.1 In the event of there being any delay in connection with the registration of transfer for which the PURCHASER is responsible, the PURCHASER agrees to pay, in addition to all other amounts payable in terms of the CONTRACT OF SALE, interest on the full purchase price at the prime overdraft rate charged by the Standard Bank of South Africa Limited from time to time calculated from the date the PURCHASERS is notified in writing by the SELLER (or the SELLER'S agent) as being in mora, to the date upon which the PURCHASER has ceased to be in mora, both days inclusive.

17.2 A certificate by any manager of the said bank as to such prime overdraft rate shall be prima facia proof of such rate.

17.3 Any delay in the registration of transfer of the PROPERTY into the name of the PURCHASER, caused by the action or inactions of the registered South African commercial bank issuing the guarantee, contemplated in paragraph 3.2 of the CONTRACT OF SALE, or any conveyancers appointed by such bank (including, but in no way limited to, any delay in the lodgement of the transfer documentation by the CONVEYANCERS with the relevant Deeds Registry due to the fact that the mortgage bond, to be registered in favour of the aforesaid bank, is not ready for lodgement) shall be deemed to be a delay on the part of the PURCHASER entitling the SELLER, *inter alia*, to claim interest from the PURCHASER as contemplated in paragraph 17.1 above

18 **TRUSTEE FOR A COMPANY OR CLOSE CORPORATION TO BE FORMED**

18.1 In the event of the PURCHASER having concluded this CONTRACT in his capacity as a Trustee for a company to be formed (which signatory is hereinafter in paragraphs 18.1, 18.2 and 18.3 referred to as "the

SIGNATORY"),then***:***

18.1.1 the SIGNATORY by his signature hereto warrants that the said company:

18.1.1.1 will be formed;

18.1.1.2 will ratify and adopt the terms and conditions of the agreement; and

18.1.1.3 will provide the SELLER with written proof thereof;

all within a period of 30 (THIRTY) days from the date of signature of this agreement by the SIGNATORY;

18.1.2 the SIGNATORY, in his personal capacity hereby under renunciation of the benefits of excussion and division with the full meaning and effect of which he declares himself to be fully acquainted, binds himself and agrees to bind himself as surety and co-principal debtor in solidum with the company to be formed by him in favour of the SELLER for the due and punctual performance of such company's obligations to the SELLER in terms of this agreement.

18.1.3 if the terms and conditions of Clause 18.1.1 above are not fulfilled then the SIGNATORY will by his signature to this agreement be deemed ipso facto to have concluded the agreement in his personal capacity as PURCHASER;

18.2 In the event of the signatory to this Agreement on behalf of the PURCHASER having concluded this Agreement in the capacity as a trustee for a close corporation to be formed (which signatory is hereinafter in paragraphs 18.4, 18.5 and 18.6 referred to as the "SIGNATORY"), then;

18.2.1 the SIGNATORY by his signature hereto warrants that the close corporation;

18.2.1.1 will be formed;

18.2.1.2 will ratify and adopt the terms and conditions of this agreement;

18.2.1.3 will provide the SELLER with written proof thereof;

all within a period of 30 (THIRTY) days from the date of signature of this agreement by the PURCHASER;

18.3 The SIGNATORY in his personal capacity hereby under renunciation of the benefits of excussion and division with the full meaning and effect of which he declares himself to be fully acquainted, binds himself and agrees to bind himself as surety and co-principal debtor in solidum with the close corporation to be formed by him in favour of the SELLER for the due and punctual performance of the close corporation's obligations to the SELLER in terms of the agreement;

18.4 If the terms and conditions of 18.2.1 above are not fulfilled then the SIGNATORY by his signature to this agreement shall be deemed ipso facto to have concluded the agreement in his personal capacity as PURCHASER.

19 **INDEMNITY**

The SELLER does not warrant any information given in respect of the PROPERTY, whether this information is given prior to or subsequent to the signing of this CONTRACT OF SALE, save for the information in respect of the PROPERTY specifically warranted in this CONTRACT. The SELLER shall not be liable for any claim of any nature whatsoever that may arise due to any inaccuracies in information given by the SELLER to the PURCHASER, his agent or his nominee in respect of the PROPERTY and the PURCHASER hereby indemnifies the SELLER and holds its harmless against and in respect of any injury, loss or damage however caused which the PURCHASER may suffer as a result of any inaccuracies in any information given by the SELLER (save for the information specifically warranted in this CONTRACT OF SALE).

20 **BORER CERTIFICATE**

Notwithstanding the provisions of paragraph 3 of the CONDITIONS OF SALE, whereby the PROPERTY is sold voetstoots, it is agreed that the SELLER shall procure from a Government approved Entomologist a Certificate to the effect that :

20.1 the PROPERTY has been inspected for infestation by timber destroying termites and/or insects;

20.2 at the date of the said inspection the PROPERTY is apparently free from infestation by any timber destroying termites and/or insects.

Such Certificate shall be furnished before the DATE OF POSSESSION and shall be based on an inspection carried out in the 3 (THREE) month period preceding the DATE OF POSSESSION.

If it is discovered that there is or has been any infestation by any of the aforesaid pests, the SELLER shall, at its cost, have the PROPERTY treated and rendered free from apparent infestation provided the work is completed and the foregoing Certificate is issued before the DATE OF POSSESSION.

21 **ELECTRICAL INSTALLATIONS CERTIFICATE**

21.1 Notwithstanding the provisions of Clause 3 of the CONDITIONS OF SALE whereby the PROPERTY is sold voetstoots, the SELLER shall at the SELLER'S own expense, furnish a certificate of compliance from an accredited person in respect of all electrical installations on the PROPERTY in accordance with the requirements of the electrical installation regulations made under the Occupational Health and Safety Act No. 85 of 1993. Such certificate shall be delivered to the PURCHASER prior to DATE OF POSSESSION.

21.2 If the accredited person reports that he is unable to issue such Certificate of Compliance unless certain works are undertaken to the electrical installation, the SELLER shall, at its cost, have the work done so that the Certificate can be furnished by the aforegoing date.

22 **FITTINGS**

The PROPERTY is sold with all fixtures and fittings of a permanent nature, which the SELLER warrants are fully paid for and owned by the SELLER. In no way detracting from the generality of the aforesaid, it is specifically recorded that the following items are included as part of the PROPERTY in terms of this CONTRACT :

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23 **SPECIAL CONDITIONS**

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24 **SECTIONAL TITLE**

24.1 It is recorded that the PROPERTY is a unit in the Sectional Title Scheme known as STRELITZIA TERRACE, SS No. SS 85/2007 (hereinafter referred to as "the SCHEME"), as contemplated in the Sectional Titles Act 95 of 1986 (as amended) (hereinafter, in this paragraph, referred to as "the ACT").

24.2 It is recorded that there is no right to extend the SCHEME by the erection of further building(s).

24.3 The SELLER shall be responsible for the payment of the monthly levy, in respect of the PROPERTY, to the SCHEME's Body Corporate until the DATE OF TRANSFER.

24.4 The PURCHASER or any other persons entering upon the SCHEME by virtue of the PURCHASER'S right thereto shall, from the DATE OF POSSESSION comply with the provisions of the SCHEME'S Body Corporate rules and the ACT.

25 **PURCHASER ACKNOWLEDGEMENT IRO ADJOINING LAND**

The PURCHASER acknowledges that he is aware of the intended future development of a retail centre on the southern perimeter adjacent to the ESTATE. The PURCHASER hereby undertakes that he will, at all times, co-operate with the developers of the retail centre in an endeavour to facilitate the success of the retail centre.

Also in this respect, the PURCHASER undertakes that he shall not interfere with any such proposed development nor lodge an objection with any component authority in respect of any such development. In no way detracting from the generality of the aforesaid, the PURCHASER specifically acknowledges that developers of the retail centre will be erecting buildings and other structures which may block or otherwise interfere with the views from the PROPERTY. The PURCHASER agrees that he shall have no right to object to the construction of any building or any other structure in which the DEVELOPER or his elected agents has an interest on any land adjoining the southern or eastern perimeter of the ESTATE on the basis that such building or other structure blocks or otherwise interferes with the views from the PROPERTY nor will he have any claim for any alleged depreciation in the value of the PROPERTY arising out of any interference with the views from the PROPERTY by reason of the construction of any building or structure.

26 **LEASE OF CLUBHOUSE**

It is recorded that the proposed Grace Avenue Clubhouse, which the DEVELOPER intends erecting on the ESTATE, will be leased to the DEVELOPER by the ASSOCIATION for a period of 9(NINE) years or until such time as the DEVELOPER gives notice of the cancellation of the lease, whichever occurs first. All costs incurred in respect of and arising out of the aforesaid property shall be met by the DEVELOPER for the duration of the lease. The rental payable by the DEVELOPER to the ASSOCIATION in terms of such lease shall be the sum of R100,00 (ONE HUNDRED RAND) per annum. The PURCHASER hereby irrevocably agrees to the aforesaid, insofar as its consent may be necessary

27 **GENERAL OBLIGATIONS**

The SELLER and the PURCHASER undertake at all times, in good faith, to do all things necessary for and incidental to the putting into effect or the maintenance of the terms, conditions and imports of this CONTRACT.

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