

## STEPS TAKEN TO EFFECT TRANSFER OF A PROPERTY

1. Receive instructions to attend to the transfer.
2. Immediately request the original title deed, original mortgage bond and the cancellation figures from the existing bondholder. The cancellation figure is the amount which the existing bondholder requires to be paid before it will cancel the bond over the property.
3. Immediately request a statement from the local authority setting out the rates and taxes payable for a period of approximately five months in advance. No transfer can be effected until the Registrar of Deeds is satisfied that the rates and taxes have been paid up to date of transfer.
4. Immediately obtain the relevant information from either the purchaser or the agent or the mortgage originator regarding where the bond has been granted.
5. Obtain payment of the deposit in terms of the Agreement of Sale (if applicable).
6. Once the purchaser's bond has been granted, one then has to request guarantees from the attorneys attending to the registration of the bond and draw the transfer documents. The guarantees are letters from the financial institution concerned guaranteeing that payment of certain monies will be made on registration of the property. One of the guarantees is utilized to guarantee the payment to the existing bondholder in respect of the cancellation figures. See example of a guarantee. A second guarantee is normally issued in favour of the transferring attorney and represents the seller's proceeds.
7. Call upon the purchaser and seller to sign the documents drafted to give effect to the transfer of the property. The purchaser is required to pay the transfer duty, the transfer fees and other costs upon signature of the documents.
8. The transfer duty is then paid to the Receiver of Revenue in order to obtain a transfer duty receipt as proof of such payment. See example of transfer duty receipt.
9. Payment is made to the Local Authority for the rates and taxes as per the statement in order to obtain a clearance certificate as proof of payment. See example of clearance certificate.
10. Upon receipt of the guarantees from the bond attorneys, the guarantee required to cancel the existing bond is sent to the attorneys attending to the cancellation of the bond.
11. Once the transfer duty receipt and the clearance certificate have been obtained, arrangements are made with the attorneys involved to have all the documents lodged simultaneously in the deeds office.
12. After examination of the documents by the deeds office (which takes approximately 7-10 working days) the transfer will be registered. See example of diagram once documents have been lodged.
13. Upon registration of the transfer the purchaser then becomes the owner of the property.
14. The guarantees are then presented at the various financial institutions and after the guarantees have been cashed, the seller receives payment of the balance of the purchase price after payment of the monies which have to be paid on behalf of the seller. This normally takes place on the first working day after the registration date.

The above is only a brief guide and should not be interpreted as being an extensive lay-out of all the steps to be taken to effect transfer of a property.