

BEFORE REGISTRATION

- On fulfilment of suspensive conditions and approximately 6 weeks before transfer, the Conveyancer will request rates clearance figures from the municipality.
- Municipality will issue outstanding figures.
- Seller pays outstanding amount to Conveyancer (*not to the municipality*), who settles outstanding rates with the municipality on behalf of the seller, which includes any outstanding rates and services and a 60 day advance collection thereof.
- Conveyancer uploads supporting documents to the municipality, which include the rates refund form signed by the seller. In due course the seller will be refunded by the municipality any over payment i.e. rates paid beyond the date of transfer.
- Once the municipality has verified all uploaded rates documents, they will issue a Rates Clearance Certificate. This certificate is lodged and checked at the Deeds Office with all the other transfer documentation.

STEP 1

TRANSFER OF OWNERSHIP INTO PURCHASER'S NAME.

STEP 2

DEEDS OFFICE NOTIFIES MUNICIPALITY OF TRANSFER FROM SELLER TO PURCHASER. MUNICIPALITY UPDATES THEIR RECORDS 2-3 WEEKS AFTER TRANSFER.

STEP 3

PURCHASER'S ACCOUNT IS OPENED AND NEW ACCOUNT NUMBER GENERATED. AMOUNTS DUE (RATES AND SERVICES) ARE BACKDATED TO DATE OF TRANSFER .

SELLER'S ACCOUNT IS CLOSED.

THIS PROCESS CAN TAKE UP TO 3 MONTHS AFTER DATE OF TRANSFER.

STEP 4

ANY INCORRECT CHARGES LEVIED ON SELLER'S ACCOUNT, FROM DATE OF REGISTRATION ONWARDS, ARE REVERSED.

STEP 5

REFUNDS OWING TO SELLER WILL BE PAID OUT TO THE SELLER ONCE THAT ACCOUNT HAS BEEN CLOSED AND MUNICIPALITY HAS ADJUSTED THE CHARGES LEVIED AGAINST SELLER'S ACCOUNT.

- NOTE THAT RATES BILLS FOR SECTIONAL TITLE UNITS do not include water, sewerage and refuse, which are provided for in the monthly levy payable. Electricity is either pre-paid or included in the levy account. On the rare occasion, the owner of the unit may receive a separate account from the municipality for electricity consumption.
- ACCOUNTS FOR FREE STANDING PROPERTIES INCLUDE water, electricity, refuse removal, sewerage & municipal taxes.
- THE MUNICIPALITY WILL NOT issue a Rates Clearance Certificate without receiving clear copies of the seller and purchaser's FICA documentation from the Conveyancer.
- FOREIGN NATIONAL sellers and purchasers are required to produce a valid passport to the municipality in order to be issued with a Rates Clearance Certificate.