

CHECKLIST FOR AGENTS

- **FICA for Seller and Purchaser** – ID and proof of residence, less than 3 months old, etc?
- Has Seller already given **notice to bondholder** to cancel bond?
- Does Seller have **original title deed** (if property unbonded)?
- Seller and Purchaser's **marital status**. And, if married by foreign law, ascertain what the husband's domicile was at the time of the marriage.
- Has Seller's **marital status** changed since taking ownership (divorced, widowed or now married)?
- Seller or Purchaser provisionally or finally **sequestered or liquidated**?
- Is an **Electrical Clearance Certificate** in place (i.e. one that is less than 2 years old)? If not, a new inspection and certificate is required.
- **Beetle Certificate** – inspection must be done after the sale unless sale agreement stipulates it would be valid for a period before the date of sale.
- **Gas Certificate of Compliance** – required where there is a gas installation on the property – to be issued before occupation or transfer, whichever is the earlier. Best to limit its period of validity to 2 years prior to the date of sale. This must be dealt with in the deed of sale.
- **Plumbing Certificate** – for properties in the jurisdiction of the City of Cape Town municipality.
- **Electric Fence Installation Compliance Certificate**. Check whether in place if property has such a fence.
- **Latent defects?** Seller to apply mind to leaks etc. Record these in Property Condition Report. Make a note whether Purchaser accepts as is or whether Seller is required to effect repairs before transfer and deal with this in the sale agreement.
- Ascertain property's **current zoning status**.
- What restrictive **title conditions apply?** Get a copy of the title deed from the Seller or deeds office and get Purchaser to look at it and acknowledge acceptance thereof. (It is best to discuss any onerous clauses with the conveyancer.)
- Is the Seller **non-resident for tax purposes?** Possible withholding tax scenario where purchase price over R2 million. Best to speak to accountant. Applies to Sellers as individuals or entities.
- **Tenant in the property?** Get copy of lease – tenant staying or going? Deal with it in the sale agreement at the occupation clause.
- **Is a special levy payable** (if sectional title)? Note: it is payable by the Seller if raised before transfer, unless sale agreement stipulates otherwise.
- **Signatory to contract signing under power of attorney?** Request a copy. (It must be dated prior to the deed of sale.)
- **If either party is a company or close corporation:** is the signatory authorised to sell or buy? Is there a resolution in place?
- If either party is a **company or close corporation:** is it still on the register of companies and not deregistered?
- **If Seller or Purchaser is a trust,** there must either be a resolution for a trustee to bind the trust, dated prior to the sale, or all trustees must sign the agreement of sale. If not, the agreement will be invalid. Get a copy of the latest Letters of Authority.
- Remember: Purchaser cannot sign as trustee **for a trust still to be formed** – invalid sale.
- **If sectional title unit,** check if a right to extend has been reserved in favour of developer. If so, Purchaser must be made aware and confirm that he/she wants to remain bound to the agreement.
- **Seller a VAT vendor?** If so, is it a VATable sale? Best to speak to Seller's accountant.
- **Income taxes of the Seller and Purchaser** up to date?
- **Rates and taxes** up to date?
- Home owners' association or **body corporate involved?** Get details.
- **Approved building plans** in place for all improvements on the property, where required by council?
- **Property Condition Report** obtained, signed and shared with Purchaser?