

MONTCALM  
OCEANSIDE ESTATE

**SALE AGREEMENT**

between

**IRONWOOD VENTURES (PTY) LTD**  
**(Registration number 2016/175827/07)**

and

---

**TABLE OF CONTENTS**

1	INTRODUCTION.....	3
2	SALE & PURCHASE.....	4
3	PURCHASE PRICE.....	4
4	LOAN FINANCE.....	4
5	PURCHASER AS A TRUSTEE OR A REPRESENTATIVE OF A COMPANY OR CLOSE CORPORATION.....	5
6	OBLIGATIONS.....	5
7	OCCUPATION, RISK AND BENEFIT.....	6
8	VOETSTOOTS.....	6
9	ELECTRICAL INSTALLATION COMPLIANCE CERTIFICATE.....	7
10	ENTOMOLOGIST CERTIFICATE.....	7
11	DEVELOPMENT OF THE ESTATE.....	7
12	IMPROVEMENT TO PROPERTY.....	7
13	HOMEOWNERS' ASSOCIATION.....	8
14	REGISTRATION OF TRANSFER AND THE COSTS THEREOF.....	9
15	DOMICILIUM.....	10
16	BREACH / DEFAULT.....	10
17	MORA INTEREST.....	11
18	GENERAL CONDITIONS.....	11
19	JURISDICTION.....	12
20	EFFECTIVE DATE.....	12
21	PURCHASER'S RIGHT TO REVOKE OFFER.....	12
22	AGENT'S COMMISSION.....	12
23	ACCEPTANCE PERIOD.....	12

## 1 INTRODUCTION

In this Agreement unless the context otherwise requires:

- 1.1 The seller is IRONWOOD VENTURES (PTY) LTD (Registration Number 2016/175827/07) together with its administrators or assigns (“the Seller”) with its registered office at 5 Umkhuhla Close Simbithi 4420.
- 1.2 The purchaser is \_\_TBA\_\_\_\_\_ (Identity Number/ Registration Number \_\_\_\_\_ (together with his/her heirs, executors, administrators and assigns; alternatively, its administrators or assigns) (“the Purchaser”) who resides/ registered of office is at: \_\_TBA\_\_\_\_\_
- 1.3 The property is Erf No. 393 in the Estate cross-hatched on the Estate site plan annexed hereto marked “Schedule A” (“the Property”).
- 1.4 The purchase price is R3,300,000 (THREE MILLION THREE HUNDRED THOUSAND RAND) including or excluding VAT (delete as applicable) (“the Purchase Price”).
- 1.5 The deposit is R\_\_TBA\_\_\_\_\_ (\_\_\_\_\_ Rand) (“the Deposit”).
- 1.6 The loan amount is R\_\_TBA\_\_\_\_\_ (\_\_\_\_\_ Rand) (“the Loan”).
- 1.7 The balance of the Purchase Price is R\_\_\_\_\_TBA\_\_\_\_\_ (\_\_\_\_\_ Rand) (“the Balance”).
- 1.8 The estate is the land development area known as Montcalm on Erf 366 Sheffield Beach, Registration Division FU, situate in the KwaDukuza Municipality, Dolphin Coast Entity, Province of KwaZulu-Natal (“the Estate”)
- 1.9 The association is the Sheffield Bay Home Owners and or Montcalm Home Owners Association (“the Association”).
- 1.10 The constitution is the constitution of the Association, a copy of which is annexed hereto marked “Schedule B” (“the Constitution”).
- 1.11 The MDRC is the Montcalm Design Review Committee constituted under the Montcalm Architectural Guidelines, Building Code & Procedure, a copy of which is annexed hereto marked “Schedule C” (“the Architectural Guidelines”)
- 1.12 The Rules of Conduct are annexed hereto marked “Schedule D” (“the Rules”).

1.13 The conveyancers are de Rauville Inc, 13 Main Road, Chaka's Rock, 4399, Tel: 032 525 4177 Email: diana@derauville.com/ www.derauville.com ("the Conveyancer").

1.14 The estate agent is Home & Country Property ("the Estate Agent").

## **2 SALE & PURCHASE**

The Seller hereby sells to the Purchaser who hereby purchases certain immovable property upon the terms and conditions contained in this Agreement.

## **3 PURCHASE PRICE**

3.1 The Purchase Price shall be paid as follows:

3.1.1 The Deposit shall be paid by the Purchaser to the Conveyancer within 7 (SEVEN) days of signature hereof.

3.1.2 The Loan shall be subject to the terms and conditions at clause 4 below.

3.1.3 The Balance shall be paid within 7 (SEVEN) days of the Conveyancers Pro Forma Account.

3.2 All payments made on account of the Purchase Price shall be paid to the Conveyancers' Trust Account:

Chetwynd-Palmer de Rauville Inc  
Trust Account  
62523225383  
FNB Branch 250102

3.3 The Purchaser hereby authorizes the Conveyancers in terms of Section 78(2A) of the Attorneys Act no. 53/1979 to invest any monies held in trust into an interest bearing account with Grindrod Bank pending registration of the transfer. The interest accruing thereon to the due date for payment thereof to the Seller shall be for the benefit of the Purchaser and after such date for the benefit of the Seller.

## **4 LOAN FINANCE**

4.1 This sale is subject to the condition that the Purchaser obtains a Loan from a Bank or Financial Institution in the amount recorded in Clause 1.6 above or such lesser amount as the Purchaser accepted on the condition that the shortfall is paid prior to the expiry of the period at 4.2 below.

4.2 The Purchaser shall obtain the said Loan within 21 (TWENTY ONE) days of signature of this Agreement or by such extended date as the Seller may agree upon in writing.

4.3 Advice in writing from the lender advising of approval of the Loan in principle on usual Bank or Financial Institution's terms and conditions and to be secured by

the registration of a mortgage bond over the Property shall be deemed to be compliance with this condition.

- 4.4 Should such written advice not be received from the Bank or Financial Institution within the stipulated time period, this Agreement shall automatically fail and be of no further force and effect whatsoever.
- 4.5 This condition has been inserted for the benefit of the Purchaser and can be waived by the Purchaser; provided that, such waiver is recorded in writing and is lodged with the Conveyancers for the date referred to at paragraph 4.2 above.
- 4.6 The Loan shall be secured by the issuing of a bank guarantee drawn in a manner acceptable to the Conveyancers and shall be delivered to the Conveyancers within 14 (FOURTEEN) days of request from the Conveyancers (which shall be after the expiry of time provided for in clause 4.2). This time period may be extended in the sole discretion of the Seller.
- 4.7 The Purchaser warrants that he is aware of the financial requirements of the Bank relating to the Loan and or mortgage bond pursuant to the National Credit Act and undertakes to the best of his ability to provide the relevant Bank or Financial Institution concerned all information and other documentation which may be required by it in order to consider his loan application. The Purchaser will provide any required documents and or information within 7 (SEVEN) days of a request by the Bank or Financial Institution and or the Bank or Financial Institution's legal representative for such documents and or information. The Purchaser warrants that he knows of no lawful impediment to the grant of such application.

## **5 PURCHASER AS A TRUSTEE OR A REPRESENTATIVE OF A COMPANY OR CLOSE CORPORATION**

- 5.1 If this Agreement is entered into by or on behalf of a person profession to act as representative for a Company not yet incorporated, such person shall be personally liable as Purchaser in terms of this Agreement unless such Close Corporation is incorporated and ratifies or adopts this agreement within 30 (Thirty) days of the date of signature hereof, in which event the party signing this Agreement as Purchaser will be deemed to have bound himself as surety and co-principal debtor with such company.
- 5.2 If this Agreement is entered into by a person in their capacity as trustee and or director and or member and or as representative such person warrants that they are duly authorized to enter into this Agreement. In the event that they are not duly authorized and or their authority is not subsequently ratified they will be bound by the terms and conditions of this Agreement as if they had entered into this agreement in their personal capacity.

## **6 OBLIGATIONS**

- 6.1 The parties agree and undertake to provide all documents requested by the Conveyancer, sign documents required to effect transfer, pay all amounts due on

presentation of a pro forma invoice, and comply with any other request by the Conveyancer within 7 (SEVEN) days of any request by the Conveyancer and or legal representative of the Bank or Financial institution in order to give effect to this Agreement.

- 6.2 The parties warrant that their tax affairs are in order. Should either party be informed by the South African Revenue Service that their tax affairs are not in order they shall have 10 (TEN) days to resolve the outstanding issues failing which this Agreement will automatically be cancelled and the innocent party entitled to claim damages.

## **7 OCCUPATION, RISK AND BENEFIT**

- 7.1 The Seller shall give vacant occupation and possession of the Property to the Purchaser on Transfer.
- 7.2 All risks in and to the property shall pass to the Purchaser on the date of transfer from which date the Purchaser shall be liable for all rates and other outgoings in respect of the Property.
- 7.3 The Purchaser acknowledges that as from the date of transfer he will be liable for the payment of the monthly levy payable to the Association.

## **8 VOETSTOOTS**

- 8.1 The Purchaser agrees and acknowledges that:
- 8.1.1 The Property is purchased voetstoots, absolutely as it stands and without any warranties, express or implied. The Purchaser is deemed to have made himself acquainted with the Property, its nature, condition, extent, beacons, locality and subject to all defects, whether latent or patent, and all servitudes and conditions to which the property may be subject whether contained in the Title Deeds or otherwise, the Seller and/or the Agents being entirely free from all liability in respect thereof.
- 8.1.2 In amplification of the foregoing, the Seller does not warrant the development potential of the Property and is in no way responsible to the Purchaser for any seemingly extraordinary cost or expense that the Purchaser may incur in the construction of any building and/or driveway access and/or swimming pool or the like consequent upon soil conditions, steepness of site or the like.
- 8.1.3 Notwithstanding the above, the Seller shall be obliged to point out to the Purchaser all such beacons relating to the boundaries of the Property but shall have no further obligation to the Purchaser either to establish or point out the beacons having done so in terms of this clause.
- 8.1.4 The Seller shall have the right to make minor alterations and modifications to the township layout as may be deemed necessary either by the Local Authority or by the relevant Government Department.

## **9 ELECTRICAL INSTALLATION COMPLIANCE CERTIFICATE**

The parties acknowledge that the Property, is undeveloped and therefore there is no existing electrical installation. As a consequence, there is no obligation on the Seller to ensure that any such electrical installation is in accordance with SABS 0142 or needs to be certified by an accredited person who is registered with the Electrical Contracting Board of South Africa as being in compliance with Government Regulation No.2920 of 1992.

## **10 ENTOMOLOGIST CERTIFICATE**

The parties acknowledge that the subject matter of the sale; namely the Property, is vacant land and as a consequence, there is no building on the property necessitating the issue of a report and certificate by a Government approved Entomologist to the effect that the property is free of wood destroying insects and all forms of harmful borer infestation.

## **11 DEVELOPMENT OF THE ESTATE**

The Purchaser acknowledges that when he takes occupation of Property the development of the Estate will be incomplete and that owners and occupants must necessarily suffer inconvenience from building operations and from noise and dust resulting therefrom; and that the Purchaser shall have no claim whatsoever against the Seller nor the Association by reason of any such inconvenience. Owners and occupants must however comply with building procedures to minimize any inconvenience.

## **12 IMPROVEMENT TO PROPERTY**

12.1 The Purchaser acknowledges that, unless their Property has a residential dwelling:

12.1.1 he is obliged to construct a residential dwelling on the Property; and that,

12.1.2 it is necessary that the Montcalm Home Owners Association:

12.1.2.1 impose specific conditions relating to the improvement of the Property in respect of, inter alia:

12.1.2.1.1 the architectural design, specification of materials to be used, building codes and procedures to be followed; and

12.1.2.1.2 the time period for the commencement and completion of construction.

12.2 The Purchaser shall not be entitled to effect any improvements of whatever nature to the Property until Transfer.

12.3 The Purchaser shall be obliged within a period of 18 (EIGHTEEN) months from date of Transfer, to commence construction; provided that:

- 12.3.1 the Purchaser shall complete such construction within a period of 18 (EIGHTEEN) months from the date of commencement of construction; and,
- 12.3.2 the periods referred to in clauses 12.2.and 12.3 above may be extended at the discretion of the Seller.
- 12.3.3 Where the Purchase fails to comply with clause 12.2 the Seller or the Association, shall at any time after the milestone recorded above having passed, be entitled but not obliged, to impose a penalty for non compliance. The penalty shall be 5% per annum of the Purchase Price from the date of the milestone not reached to and including the date of compliance.
- 12.3.4 Where the Purchaser, his successors in title and assigns fail to comply with this clause, the Seller or the Association shall at any time after the milestones recorded above having passed, be entitled, but not obliged, to give the registered owner of the Property, being either the Purchaser or his successor in title or assignee, thirty (30) days written notice of its intention to repurchase the Property against payment of an amount equivalent to the Purchase Price of the Property, less:
  - 12.3.4.1 the agents commission paid by the Seller that accrued at the time of this sale to the Purchaser;
  - 12.3.4.2 the costs of transferring the Property (including Vat or transfer duty and the costs of cancellation of any mortgage bonds) into the name of the Seller or his nominee.
  - 12.3.4.3 The Purchaser by his signature hereto irrevocably nominates, constitutes and Appoints the Seller or his nominee, with power of substitution, to be the Purchaser's lawful attorney and agent in his name, place and stead, to sign the Deed of Sale and any necessary transfer documents for the purpose of reacquisition of the Property by the Seller or his nominee, and generally for effecting the purposes aforesaid, to do or cause to be done whatsoever shall be requisite, as fully and effectually, for all intents and purposes, as it might or could do if personally present and acting herein; hereby ratifying, allowing and confirming all and whatsoever the said Attorney and agent shall lawfully do or cause to be done by virtue of these presents.
- 12.4 The Purchaser undertakes to ensure that the architectural guidelines and controls as may be approved by the MCRC and thereafter from time to time by the Association are strictly adhered to. The Member expressly confirms that they have read, understood and agree to abide by the Architectural Guidelines and procedures.

### **13 HOMEOWNERS' ASSOCIATION**

- 13.1 The Purchaser acknowledges that all owners of Property situated within the Estate are obliged to become members of the Association.



- 13.2 The Purchaser has read the Constitution and agrees to be bound by the terms thereof.
- 13.3 The Purchaser acknowledges that:
- 13.3.1 from the date of registration he will be liable for the payment of a monthly levy to the Association in respect of those items and amounts payable in terms of the Association's Constitution and/or Conduct Rules;
  - 13.3.2 the amount of the levy will be determined solely by the Association;
  - 13.3.3 the Association will require a stop/debit order from the Purchaser in respect of the payment of the aforesaid Levy unless the Purchaser elects to pay such levies annually in advance; and that;
  - 13.3.4 when addressing the electrical installation in the Estate, the Developer was advised by the KwaDukuza Municipality that improved electrical supply could be achieved if integrated to the proposed Zululami 11KV switch room, 1600 meters away, alternatively to the proposed Zululami switch room at the end of Colwyn Drive, 50 meters away; and that,
  - 13.3.5 as and when such event arises and when the KwaDukuza Municipality advises which switch room to connect to, the Association commits to and will make provision for the supply and installation of 95mm<sup>2</sup> X 3 core medium voltage underground cable to be used for that purpose and raise a special levy from Members in order to fund it; and that,
  - 13.3.6 he shall have no right to claim a refund from the Association in respect of any monies paid to it by way of a monthly levy or special levy.

#### **14 REGISTRATION OF TRANSFER AND THE COSTS THEREOF**

- 14.1 Registration of Transfer shall be effected by the Conveyancers.
- 14.2 The Purchaser shall be entitled to receive transfer once the Purchase Price as well as any interest, occupational interest, transfer costs and charges for which the Purchaser is liable have been fully secured; save that, should there be any delay in the Seller's ability to give transfer occasioned as a consequence of or as a result of a reason beyond the Seller's contemplation when entering into this agreement an equivalent extension will be permitted.
- 14.3 The Purchaser shall pay all conveyancing fees and disbursements relating to the preparation and registration of transfer according to the tariff approved under the Regulations of Deeds Registries Act and shall include, inter alia, fiscal duties; whether they be VAT or Transfer Duty, the Conveyancer's estimate of the Purchaser's pro rata share of municipal rates and any such other outgoing, plus the Purchaser's contribution to the Association's Levy fund and Levy Stabilisation Fund.

- 14.4 The Purchaser acknowledges that failure to comply with the request by the Conveyancers to furnish information or documentation required by them or to sign conveyancing documents or to pay conveyancing costs within the time limit stipulated by the Conveyancers shall constitute a breach by the Purchaser of his obligations.

## **15 DOMICILIUM**

- 15.1 The parties hereby select the addresses given clause 1 above as their domicilium citandi et executandi, provided that the Purchaser's address after the date of occupation and possession shall be the address of the property.
- 15.2 All notices given by the one party to the other shall be in writing and delivered by hand and or sent by prepaid registered post.
- 15.3 All notices shall be deemed to have been received on the date of hand delivery or three days after posting.

## **16 BREACH / DEFAULT**

- 16.1 Should the Purchaser be in breach or default of any of the terms and conditions of this contract and remain in breach or default after having received 7 (SEVEN) days written notice to remedy such breach or perform such default, then
- 16.1.1 the deposit paid by the Purchaser shall immediately forfeited to the Seller and the Conveyancers are hereby authorized by the Purchaser to pay the deposit to the Seller; and,
- 16.1.2 the Sellers may, at their discretion:
- 16.1.2.1 enforce performance of the terms and conditions of this contract and sue for recovery of any amount due, and/or
- 16.1.2.2 declare the full balance of the purchase price and any interest and other amounts due to be payable forthwith and sue for recover thereof, and/or
- 16.1.2.3 cancel this contract and retake possession and/or occupation of the property.
- 16.2 In the event of cancellation, then:
- 16.2.1 all moneys paid by the Purchaser; including the deposit that has already been forfeited, shall be forfeited as and by way of liquidated damages, and such moneys shall be paid to the Sellers;
- 16.2.2 the Sellers shall be entitled to payment of all arrear payments due and performance of all arrear obligations;
- 16.2.3 the Sellers shall have the right to claim damages for any loss he has suffered as a consequence of such breach or default.

## **17 MORA INTEREST**

- 17.1 In the event of their being any delay in the registration of transfer for which the Purchaser is responsible, the Purchaser undertakes to pay interest on the purchase price at the same rate charged at 15% per annum compounded monthly calculated from the date on which the Purchaser received written notice from the Conveyancers at the address in Schedule "A" as being in mora, to the date on which the Purchaser ceases to be in mora.
- 17.2 The Purchaser shall be obliged to secure payment of such sums to the satisfaction of the Conveyancers before registration of transfer and a Certificate signed by the Conveyancers shall be conclusive proof of the amount owing by the Purchaser to the Seller in respect thereof.
- 17.3 For the purposes of clause 15.1 the Purchaser shall be deemed to be responsible for any delay in the registration of transfer which is caused by failure on the part of the institution from which he obtains mortgage finance, or any conveyancer appointed by such institution to procure the issue of guarantees as contemplated above or to lodge documents with the Registrar of Deeds when called upon by the Conveyancers to do so.

## **18 GENERAL CONDITIONS**

- 18.1 This Contract correctly reflects the intention of the parties and constitutes the entire contract between the parties. No other terms, conditions, stipulations, undertakings, representations or warranties shall be of any force or effect save as expressly included herein. No variation of, addition to, cancellation or novation of this contract and no waiver by the Sellers of any of his rights hereunder shall be of any force or effect unless reduced to writing and signed by both parties or their authorised agents.
- 18.2 The parties undertake to do all such things, sign all such documents and take all such steps as may be necessary for the implementation of the terms, conditions and import of this contract.
- 18.3 If this contract is signed by more than one person as Purchaser, the obligations of all the signatories shall be joint and several. If this contract is not signed by all the persons name as Purchasers, this contract nonetheless shall be and remain binding on the Purchasers who have signed this contract.
- 18.4 No latitude, extension of time or other indulgences which may be given or allowed by the Seller s to the Purchaser in respect of any payment provided for in this contract or the performance of any other obligation hereunder shall under any circumstances be considered to be an implied consent by the Sellers or operate as a waiver or a novation of, or otherwise affect any of the Sellers rights in terms of or arising from this contract, or stop the Sellers from enforcing at any time and without notice, strict and punctual compliance with each and every provision or term hereof, nor shall any such attitude, extension or time or other indulgence

discharge or otherwise affect the liability of any person who may be or become bound in terms hereof as surety for and co-principle debtor with the Purchaser.

**19 JURISDICTION**

The parties hereby consent in terms of Section 45 of the Magistrate’s Court Act 32 of 1944 to the jurisdiction of any Magistrate’s Court having jurisdiction over their respective persons under Section 28 of that Act, notwithstanding that any action or proceeding arising out of this Agreement would otherwise be beyond the jurisdiction of such Court provided that the Sellers shall have the right to institute action in any other competent Court of jurisdiction.

**20 EFFECTIVE DATE**

The effective date of this sale shall be the date of signature of the acceptance by the Sellers.

**21 PURCHASER’S RIGHT TO REVOKE OFFER**

If the Purchase price is R250 000.00 or less and the provisions of Section 29A of the Alienation of Land Act, No. 68 of 1981, apply, the Purchaser has the right to revoke this offer to purchase or to terminate this Agreement by written notice to be delivered to the Seller or to the seller’s agent within five (5) days after signature hereof. The written notice shall only be valid if it is signed by the Purchaser or by the Purchaser’s agent acting on his or her written authority, identifies this offer as being the offer revoked and is unconditional.

**22 AGENT’S COMMISSION**

The Seller shall pay any estate agent’s commission accruing as a consequence of this sale on registration of transfer at 5% of the purchase price.

**23 ACCEPTANCE PERIOD**

This offer remains open for acceptance until \_\_\_\_\_.

SIGNED BY THE SELLER on \_\_\_\_\_ day of \_\_\_\_\_ 2016.

1. \_\_\_\_\_

Witness Name:.....

Identity Number:.....

2 \_\_\_\_\_

Witness Name:.....

Identity Number:.....

\_\_\_\_\_  
Seller

SIGNED BY THE PURCHASER on \_\_\_\_\_ day of \_\_\_\_\_ 2016.

1. \_\_\_\_\_

Witness Name:.....

Identity Number:.....

2 \_\_\_\_\_

Witness Name:.....

Identity Number:.....

\_\_\_\_\_  
Purchaser