

MKANTSI RIVER LIFESTYLE ESTATE

DEED OF SALE
(Sectional Title)

Entered into by and between

KIDDS BEACH LIFESTYLE ESTATE (PTY) LTD
Registration Number 2015/403474/07

("the Seller")

Whose full particulars appear from Schedule hereto.

And

.....
.....
.....

("the Purchaser")

Whose full particulars appear from the Schedule hereto.

And

LEWCON CONSTRUCTION (PTY) LTD
REGISTRATION NUMBER 2016/214637/07

("the Contractor")

Whose full particulars appear from the Schedule hereto.

In respect of

- 1) Unit in the MKANTSI RIVER LIFESTYLE ESTATE sectional scheme**
- 2) Exclusive Use area**

As will appear from the attached plans and specifications marked "A", "B" and "C"

It is recorded that the Unit and exclusive use area numbers on the sectional plan to be registered in the Deeds Office, may differ from the numbers reflected in this agreement and the attached plans.

- 1. MKANTSI RIVER LIFESTYLE ESTATE is an Estate which the Seller is in the process of developing on Erf 717 Kidd's Beach**

The Body Corporate, which shall come into existence by operation of law on transfer of the first Unit forming part of the Scheme into the name of an end Purchaser, as well as the MKANTSI RIVER LIFESTYLE ESTATE Management Association, shall be responsible for the control, administration and management of the estate as well as this sectional scheme as well as such other functions as referred to in this agreement and the Act.

2. DEFINITIONS

"certificate of practical completion" means a certificate of practical completion issued by the Architect.

"the Attorneys" means Gravett Schoeman Incorporated.

"the Architect" means the architect appointed by the Seller.

"the Scheme" means the sectional title scheme of which the unit hereby sold, forms part.

"the Contractor" means Lewcon (Pty) Ltd, Registration number 2016/214637/07

"the Body Corporate" means the Body Corporate referred to in Clause 11 of this agreement.

"the Management Association" means the management association which will come into existence by operation of law when the first erf forming part of MKANTSI RIVER LIFESTYLE ESTATE or the first unit forming part of a sectional scheme is registered in the name of an end purchaser.

"the Owner" means Kidd's Beach Lifestyle Estate (Pty) Ltd Registration number 2015/403474/07.

"the estate" means the MKANTSI RIVER LIFESTYLE ESTATE of which the Scheme forms part.

"the Act" means The Sectional Titles Act, 1986.

"the Sectional Titles Act" means the Sectional Titles Act, 1986.

"regulations" means the regulations published under the Sectional Titles Act, 1986.

"the property" means the Unit and the exclusive use area (if applicable) as described in the Schedule hereto.

3. PURCHASE AND SALE

3.1 The Seller hereby sells and the Purchaser hereby purchases the Property as defined in the Schedule forming part of a sectional scheme, the buildings forming part of such scheme to be constructed by the Contractor. When taking transfer the Purchaser shall acquire ownership of the Unit, a real right in respect of the exclusive use area (if applicable) and an undivided share in the common property forming part of the sectional scheme. The Purchaser acknowledges that he is satisfied that the Unit is sufficiently described herein, as read with the attached Annexures A-C, for identification thereof even though the Unit might at the time of signature not have been constructed.

3.2 The Seller undertakes that :

3.2.1 subject to the availability of materials and the discretion of the Seller to use other suitable materials, the Unit shall be completed substantially in accordance with:

3.2.1.1 the plans approved by the local authority;

3.2.1.2 the plans and specifications attached hereto marked "A", "B" and "C" respectively;

- 3.3 The Purchaser shall be afforded the opportunity to inspect the Unit together with the Seller or his representative as soon as a certificate of practical completion has been issued by the Architect. At this meeting a snag list shall be prepared comprising all defects and faults, if any, not being of a frivolous nature.
- 3.4 The Seller shall ensure that the Contractor attend to the snag list within a period of 30 (Thirty) days from the date of inspection.
- 3.5 In addition, the Seller shall ensure that any latent defects caused by defective materials or workmanship, which may appear within 12 (Twelve) months of the date the said works were certified to be ready for occupation, shall be made good by the Contractor at its own cost and expense, provided that the Contractor or the Seller received from the Employer within 7 (SEVEN) days of expiry of the said 12 (Twelve) month period, written notice, stating that such defects exist
- 3.6 In the event of any dispute arising as to what constitutes a defect or fault in terms of 3.3 and 3.5 or as to whether the remedial work has been satisfactorily completed, the matter shall be referred to the Architect, whose decision shall be binding on the parties.

4. PURCHASE PRICE AND INTEREST

The Purchase Price of the Property shall be the sum of R_____ (_____) and shall be payable as follows:

- 4.1 A deposit for the amount of R_____ (_____) shall be paid into the trust account of the Attorneys, within 7 (Seven) days from date of last signature of this agreement. The said Attorneys shall invest the deposit in an interest bearing trust account until registration of transfer.
- 4.2 The Purchaser shall furnish the Attorneys with a guarantee approved of by them, in respect of the balance of the Purchase Price, or alternatively pay the amount in question to them to be held in trust in an interest bearing trust account until registration of transfer. The guarantees shall be furnished, or payment made, as the case may be, within 14 days from date of request by the Attorneys.
- 4.3 The Purchaser's signature hereto shall constitute the Purchaser's written consent in terms of Section 78 (2A) of the Attorneys Act, authorising the Attorneys to invest these monies in an interest-bearing account until registration of transfer. All interest shall be for the benefit of the Purchaser until the Seller becomes entitled thereto in terms of 4.4 below.
- 4.4 Notwithstanding anything to the contrary herein contained, the Seller shall become entitled to such portion of the interest accruing on the funds invested in terms of 4.1 - 4.3, as set out below, i.e.:
- 4.4.1 Once the Architect has certified that the building plans of the Unit have been approved by the local authority and that building work may commence:

The interest earned on the portion of the purchase price representing the land component and exclusive use area, if any, which shall be deemed to be 50% of the purchase price;

4.4.2 Once the Unit is 50% complete:

The interest earned on 50% of the building component of the purchase price (which shall be deemed to be 50% of the purchase price).

4.4.3 Once the Architect issues a certificate of practical completion in terms of Section 6 of Act 65 of 1988:

Interest on the whole of the purchase price invested as aforesaid.

Any dispute that may arise between the parties as to the amount on which interest becomes payable to the Seller shall be referred to the Architect or Quantity Surveyor whose decision shall be binding on the parties.

4.5 Only on registration of transfer shall the Seller be entitled to receive payment of the purchase price as well as accrued interest.

5. POSSESSION

5.1 Legal possession of the property shall pass to the Purchaser on registration of transfer from which date the property shall lie at the sole risk of the Purchaser and from which date the Purchaser shall become liable for rates levied by the Municipality.

5.2 Vacant occupation of the property shall be given to the Purchaser when the Architect issues a certificate of practical completion, from which date the Purchaser shall be liable for all electricity, water and other charges levied by the local authority (excluding rates which shall remain the responsibility of the Seller until registration of transfer) as well as the monthly levy payable to the Body Corporate.

5.3 In the event of the full purchase price having been paid into the trust account of the Attorneys, and interest consequently accruing to the Seller in accordance with 4.4, no occupational interest shall payable by the Purchaser. In the event however of guarantees having been issued in respect of the purchase price or part hereof, occupational interest as stipulated in the Schedule shall become payable to the Seller from date of occupation to date of registration of transfer, less any interest earned on the investment of the deposit and any other cash component of the purchase price in so far as such interest relates to the period from date of issue of the certificate of practical completion by the Architect to the date of registration of transfer.

6. TRANSFER

6.1 Subject to the fulfilment of any suspensive conditions herein contained and the due compliance by the Purchaser of his obligations in terms of this agreement, registration of transfer shall be effected into the name of the Purchaser as soon as reasonably possible once all approvals pertaining to the

development are in place, a completion certificate has been issued in respect of the installation of services and the sectional title register has been opened.

- 6.2 Transfer from the Seller to the Purchaser shall be effected by Gravett Schoeman Inc (Hannes Schoeman).

7. COSTS

All costs of and incidental to transfer including the cost of this agreement shall be payable by the Seller. It is however recorded that the transaction is exempt from transfer duty. Bond registration costs, if applicable, shall be payable by the Purchaser. Bond registration costs shall be paid to the Attorneys immediately on request.

8. COMMISSION

- 8.1 The Seller shall upon registration of transfer pay to the Agent commission at the rate stipulated in the Schedule hereto. The Attorneys are hereby authorised to make payment of the commission directly to the Agent on registration of transfer. In the event of this transaction being cancelled due to default on the part of the Purchaser, the Purchaser shall be liable to the Agent for payment of such commission on demand.

- 8.2 The Purchaser warrants that he was introduced to the Seller and/or the property by the Agent referred to in the Schedule and not any other agent. In the event of a claim for payment of agents commission being made against the Seller by any other agent, the Purchaser hereby indemnifies the Seller against such claim.

9. DOMICILIUM

The Seller and the Purchaser hereby choose domicilium citandi et executandi for all purposes under this Agreement at the addresses reflected in the Schedule.

10. SANCTIONS CLAUSE

- 10.1 Should the Purchaser commit any breach of this Deed of Sale and fail to remedy such breach within SEVEN (7) days of the sending of a letter to the Purchaser by pre-paid registered post, hand delivery or by e-mail at the domicilium citandi et executandi chosen by him herein, the costs whereof shall be borne by the Purchaser, the Seller shall have the right to cancel this contract summarily by directing a letter, addressed to the Purchaser at the said domicilium citandi et executandi by pre-paid registered post, hand delivery or by e-mail notifying the Purchaser of such cancellation. The Purchaser shall be liable for any damage suffered by the Seller by reason of the cancellation as well as eviction from the said property if occupied by the Purchaser and repossession thereof by the Seller. Alternatively, to take action forthwith against the Purchaser for the recovery of the whole of the purchase price together with any other amount payable by the Purchaser under this Agreement.
- 10.2 No indulgence, latitude or extension of time which may be allowed by the Seller to the Purchaser in respect of any payment provided for herein or any matter or anything which the Purchaser is bound to perform in terms hereof, shall be deemed to be a waiver of the Seller's right at any time and without notice to require strict and punctual compliance with each provision and term hereof.

10.3 Interest at the prime overdraft rate charged by Absa Bank Ltd from time to time, plus 2 (Two) percent, shall become payable on any amount due and payable by the Purchaser to the Seller which is not paid on due date. Such interest shall be calculated from the due date thereof to the date of actual payment, both days inclusive.

11. BODY CORPORATE

11.1 The Purchaser shall on registration of transfer become a member of the Body Corporate which will be constituted by operation of law in terms of the Sectional Titles Act, 1986, of which the Seller and all purchasers of units will also be members.

11.2 The Body Corporate, shall be responsible for the control, administration and management of the Scheme, including, but not restricted to the control of the common property, common facilities and services for the benefit of all members. The Seller may cede and assign any of its rights and obligations to the MKANTSI RIVER LIFESTYLE ESTATE Management Association if deemed to be in the interest of the Scheme.

12. LEVY

12.1 All costs relating to the general administration and efficient running of the Scheme as well as the estate and required to enable the Body Corporate and Management Association respectively to fulfil their duties and responsibilities in terms of the Management and Conduct rules, the Constitution of the Management Association and in terms of this agreement, shall be covered by a monthly levy/levies to be paid by each Purchaser with effect from the date on which a Certificate of Practical Compliance has been issued in respect of his Unit.

12.2 The services to be covered by the levy aforesaid shall include inter alia:

- Insurance Premiums
- Rates and other charges in respect of the common areas;
- General administration;
- Maintenance of roadways & other common areas, as well as of all common facilities;
- Gardening costs relating to the common areas as well as residential sites;
- Cleaning of common areas;
- Maintenance of the exterior of all buildings forming part of the village;
- Refuse removal;
- As well as such further costs as may be determined by the Seller from time to time;
- 24 Hour security;

12.3 The monthly levy pertaining to the Scheme shall be determined by the Trustees of the Body Corporate in accordance with the participation quota pertaining to the Unit. This formula shall not necessarily apply to the monthly levy payable to the Management Association.

13. TITLE CONDITION

The following condition shall be inserted in the title deed of the property:

"Subject to the following condition imposed for the benefit of the MKANTSI RIVER LIFESTYLE ESTATE Management Association:

The property may not be transferred without the prior written consent of the MKANTSI RIVER LIFESTYLE ESTATE Management Association, which consent shall only be given if the transferor has fulfilled all his obligations under the constitution of the said Association, and his financial obligations to the Association, including charges due to service providers, have been duly paid or secured."

14. GUESTS

- 14.1 The Purchaser shall ensure that his guests and visitors at all times obey the internal rules pertaining to the Scheme and the Estate.
- 14.2 No guests or visitors shall be permitted to bring any animals into the Estate or the Scheme.

15. GENERAL

- 15.1 For the purpose of conducting all or any legal proceedings flowing from this agreement, the parties hereby consent to the jurisdiction of the Magistrates Court under Section 18 of the Magistrates Court Act of 1944 as amended. Notwithstanding the foregoing, the Seller shall have the right at the Seller's sole option and discretion to institute proceedings in any other competent Court which might otherwise have jurisdiction. The party who is successful in such proceedings shall be entitled to recover from the other all legal costs on the scale as between attorney and client.
- 15.2 The liability of the Purchaser hereunder, if more than one, shall be joint and several, the terms Seller and Purchaser shall include their heirs, executors, administrators or assigns and shall also include the plural thereof and the masculine shall include the feminine gender.
- 15.3 This Deed of Sale constitutes the entire contract between Seller and Purchaser and is in substitution of any prior agreement or arrangement between the parties and no Warranties, representations or conditions not recorded herein shall be binding on the Seller unless endorsed hereon and signed by the parties hereto.
- 15.4 In the event of the Purchaser being a natural person who has not reserved the right to appoint a nominee and where the property herein purchased is a residential property at a price of R250 000,00 or less, the attention of the Purchaser is drawn to the Purchaser's rights in terms of Section 29A of the Alienation of Land Act 68 of 1981 (as amended) to revoke this offer or terminate any sale agreement concluded as a result of this offer by written notice delivered to the Seller or the Seller's agent within a period of FIVE (5) days calculated from and including the day after signature hereof by the Purchaser but excluding Saturdays, Sundays and Public Holidays.
- 15.5 The Purchaser hereby acknowledges that he did not purchase the property as a result of direct marketing as envisaged in Section 16(3) of the Consumer Protection Act 68/2008.

16. SUSPENSIVE CONDITIONS

This transaction in its entirety shall be subject to the following suspensive conditions:

16.1 The successful subdivision and rezoning of Erf 717 Kidd's Beach substantially in accordance with the site plan being Annexure A hereto.

16.2 The Purchaser obtaining a loan, which shall include a building loan, upon the security of a first mortgage bond to be passed over the property for the sum stipulated in the Schedule hereto, upon terms and conditions acceptable to the Seller's Conveyancers, within 21 (TWENTY ONE) days after the last date of signature of this agreement or such extended period as the Sellers may allow. Such bond shall be applied for within 7 days of date hereof. The Purchaser irrevocably appoints the Agent to act as his agent in applying for such bond and undertakes to sign all documents in connection with such application immediately upon request.

16.2.1 The Purchaser receiving the nett proceeds of the sale of his property situate at by not later than

16.2.2 If the said property has not already been sold, this transaction shall further be subject to a sale being concluded by not later than and the purchaser receiving the nett proceeds of the sale of his property by not later than

17. INTEGRATED DEVELOPMENT

17.1 The Purchaser acknowledges and accepts that the Scheme, the MKANTSI RIVER LIFESTYLE ESTATE and the MKANTSI RIVER RETIREMENT VILLAGE (if applicable), inclusive of any additional land which the Seller may acquire as well as any further sectional schemes which may be established on erven forming part of MKANTSI RIVER LIFESTYLE ESTATE or on such additional land, shall be managed as an integrated development, sharing common facilities. It is recorded that the owners of units in such Sectional Schemes, including the MKANTSI RIVER RETIREMENT VILLAGE, shall be members not only of that respective Body Corporate, but also of the MKANTSI RIVER LIFESTYLE ESTATE Management Association, which latter Association shall be responsible to regulate and control matters of common interest.

17.2 It is hereby recorded that site no 96 on the site plan marked "A", shall remain registered in the name of the Seller or his nominee. This land may be used for the erection of improvements which will be to the common good of the development as a whole, including but not restricted to a retirement village, health care facility and clinic, restaurant facility, club house, reception area, library and gymnasium, which services the Seller may elect to provide for its own account, or for such other purpose as the Developer may decide provided that such use shall not detract from the development as a whole.

17.3 The Seller reserves the right to open a sectional title register/sectional title registers in respect of the building(s) to be erected on sites 94 and 95 as well as such other sites as it may retain or re-acquire, and to operate a retirement village in respect of one or more of such site(s).

18. SOLE MANDATE

- 18.1 In the event of the Purchaser wishing to re-sell his Property at any time, the Seller or his nominee shall have a sole mandate to market the Property for a period of 3 months at a commission of 5% of the selling price plus Vat, on the expiry of which period the Seller shall open the mandate to a maximum of 3 (THREE) estate agencies which it has approved for this purpose.
- 18.2 Any re-sale shall be subject to the new Purchaser signing a deed of sale containing substantially the same terms and conditions as contained in this agreement and accepting the rules applicable to the Development.

19. PHASING OF DEVELOPMENT

- 19.1 The Purchaser acknowledges that the Seller may elect to develop the Scheme in phases as contemplated in section 25 of the Sectional Titles Act, 1986, over a period not exceeding 10 (Ten) years, calculated from the date on which the Body Corporate comes into existence. The Purchaser further agrees to the reservation by the Seller of the right to extend as aforementioned in terms of section 25 of the said Act, by a horizontal and/or vertical extension, subject to such extension following substantially the same architectural code as applicable to the first phase.
- 19.2 The Purchaser shall fully co-operate should the Seller elect to exercise its rights in terms of its right to extend and consents to the review and adjustment of his participation quota when the sectional plan(s) in respect of the additional building(s) is/are registered.

20. ACKNOWLEDGEMENT BY PURCHASER

The Purchaser acknowledges and agrees that :

- 20.1 the Seller shall be entitled in its discretion to effect variations of a non-material nature to the lay-out, dimensions and finishes of the improvements forming part of the proposed development;
- 20.2 he will have no claim against the Seller:
- 20.2.1 for discrepancies of a non-material nature between the completed Unit and the building plans and specifications relating to the proposed Unit;
- 20.2.2 in the event of late completion of the Unit hereby purchased.

21. PURCHASER A LEGAL ENTITY

In the event of the Purchaser being a trust or a legal entity, such as a company or close corporation, the representative of the legal entity or trust by his signature of this agreement:

- 21.1 warrants that he has been duly authorised to enter into this transaction
- 21.2 binds himself as surety to the Seller for the due compliance by the legal entity or trust of its obligations in terms of this agreement, waiving the benefit of excussion.

22. RE-LAYOUT

It is hereby recorded that the Seller has applied to the Local Authority for the approval of a re-layout of the erven forming part of the Mkantsi River Lifestyle Estate as previously approved. This transaction is subject to approval of this re-layout by Buffalo City Metropolitan Municipality.

23. ACQUISITION OF ADDITIONAL LAND

In the event of the Seller acquiring additional land adjacent to Erf 717 Kidd's Beach, the Seller reserves the right to incorporate such additional land into this development. The rights and obligations of all owners of residential sites, whether forming part of the original development or of the newly acquired land, shall be determined as if the newly acquired land formed part of the development from the outset.

THUS DONE and SIGNED by the PURCHASER at _____

on this _____ day of _____

WITNESS

PURCHASER/S

WITNESS

PURCHASER'S SPOUSE (if applicable)

THUS DONE and SIGNED by the SELLER at _____

on this _____ day of _____

WITNESS

SELLER

WITNESS

THUS DONE and SIGNED by the CONTRACTOR at _____

on this _____ day of _____

WITNESS

CONTRACTOR

WITNESS

THUS DONE and SIGNED by the AGENT at _____

on this _____ day of _____ accepting the
benefits flowing from this agreement.

WITNESS

AGENT

WITNESS

SCHEDULE**1. "the SELLER"**Full Name KIDDS BEACH LIFESTYLE ESTATE (PTY) LTDRegistration Number: 2015/403474/07Present business Address FARM 1015 BURNSIDE, EAST LONDON / PO BOX 1696, EAST LONDON , 5200Tel No: Bus 082 8591407E-mail info@mkantsiriver.co.za**2. "the PURCHASER"****SPOUSE**

Full Names _____

ID Number _____

Present Residential Address _____

Postal Address _____

Tel No: Bus _____

Home _____

Cell _____

e-mail _____

Fax _____

3. "the PROPERTY"

3.1 Unit _____ MKANTSI RIVER LIFESTYLE ESTATE sectional Scheme.

Buffalo City Metropolitan Municipality

Situate within the magisterial district of East London

Floor Area: Approximately _____ m². As represented on Annexures A- C hereto

3.2 Exclusive Use Area _____

4. PURCHASE PRICE : R _____**5.1 OCCUPATIONAL INTEREST : R** _____ **PER MONTH****5.2 ESTIMATED OCCUPATION DATE:** _____**6. BOND REQUIRED : R** _____ **(PLEASE COMPLETE).****7.1 COMMISSION :** _____ **% of the purchase price plus VAT payable to the Agent****7.2 "the AGENT" :** _____

Of _____ (physical address)

PO Box _____

E-mail : _____

8. "the ATTORNEYS" : GRAVETT SCHOEMAN INC (Mr Hannes Schoeman)

of Cnr Lillian Lane & Main Road, Gonubie

PO Box 19772, Tecoma, 5214

E-MAIL: hannes@qslegal.co.za**9. "the CONTRACTOR":** LEWCON CONSTRUCTION (PTY) LTDRegistration Number: 2016/214637/07**10. "the ARCHITECT":** The architect appointed by the Seller

ANNEXURE

ADDITIONAL INFORMATION

1. OWNERSHIP

1.1 The Property currently still forms part of Erf 717 Kidd's Beach which is registered in the name of KIDDS BEACH LIFESTYLE ESTATE (PTY) LTD, REGISTRATION NUMBER 2015/403474/07 ("the Owner") of FARM 1015 BURNSIDE, EAST LONDON / PO BOX 1696, EAST LONDON, 5200.

2. MORTGAGE BOND

The property is bond free.

3. INTEREST

Any amount not paid by the Purchaser on the due date thereof, shall bear interest at the rate of 2% above the prime overdraft rate of Absa Bank from time to time, calculated from the due date until the date of actual payment.

4. DATE OF VACANT OCCUPATION

The Purchaser shall be given vacant occupation of the improved property as close as possible to the date stipulated in the Schedule.

5. INSURANCE

The Body Corporate shall, insure all buildings forming part of the Scheme, i.e. the buildings designated for common use by residents as well as the residential units erected for Purchasers, and keep the same insured to its replacement value against fire as well as such other risks as the members may determine by resolution from time to time. The insurance premiums will form part of the monthly levy.