



# I Making an offer

Once you have decided which type of property you are interested in, have identified the house you want to buy, and are ready to start the purchasing of your new home, the following will happen:

1. You will have to sign an Offer to Purchase as a willing buyer to formally indicate your intention to purchase the property of the seller.
2. Once you have signed the offer to purchase, you will present it to the seller to accept the offer.
3. Ensure that an 'offer expiry date' is included. This puts pressure on the seller to accept or reject the offer within a reasonable amount of time. Decide on an 'occupation date'. This can either be on transfer of the property into your name, or at an earlier date, in which case 'occupational rent' will be charged. 'Occupational rent' will be negotiated with the seller and should be in line with the market-related rental for the property.
4. Sometimes buyers will pay a deposit as a sign of good faith. The 'Offer to Purchase' must state that the deposit will be held in an interest-bearing trust account until transfer, and that the buyer will be entitled to receive the interest earned when the deposit is released. It is advisable to use only Attorney accounts for this deposit.
5. A cooling-off period of five days is generally included on properties with a value of R250 000 or less. In cases where a cooling-off period is included in the 'Offer to Purchase', the buyer has the option of withdrawing the offer within the five-day period.
6. A 72-hour clause is often included in an 'Offer to Purchase'. This clause allows the seller to continue looking for an alternative buyer even after the 'Offer to Purchase' has been accepted. This applies to offers that are subject to conditions (e.g. bond approval/sale of buyer's current house). If the seller accepts another offer, the buyer will have 72 hours to fulfil the conditions on the original 'Offer to Purchase'.
7. Make a list of items that should be included with the sale such as automatic pool cleaner, garage remotes, blinds, etc. Be very specific and detailed.
8. The signed offer to purchase becomes the new deed of sale. In the deed of sale, there may be certain suspensive conditions such as raising funds to bond the house, and once these conditions have been met, the contract between the purchaser and the seller will be binding.
9. The deed of sale is then sent to a conveyancer or (also called a transferring attorney), who will take care of all the financial arrangements and ensure that all finances are in place and secure.
10. Before the transaction can be submitted to the Deeds Office, the conveyancer will prepare all the documents. Once these documents have been submitted, the transfer process will begin.
11. A municipal clearance certificate for rates and taxes is then requested by the conveyancer from the municipality.
12. The purchaser is required to pay the transfer duty and registration costs before the documents are submitted to the Deeds Office, while the seller will have to provide a Tax Clearance Certificate acquired from SARS.
13. At the time agreed upon in the Offer to Purchase, a cash deposit for the balance of the purchase price will have to be made into the conveyancer's trust account.
14. If the property has a mortgage bond, a bond attorney will have to cancel the bond registration.
15. The transfer process can take some time to be finalised and the purchaser will be kept up to date on the progress of the transfer by either the agent or the conveyancer.