

TRANSFER & BOND COSTS AS FROM 1 MAY 2023

GUIDELINES FOR ADDITIONAL COSTS - SELLER

- Agent's commission as agreed in sale agreement
- Bond Cancellation fee
- Electrical Compliance Certificate
- Borer Certificate
- Electric Fence Compliance Certificate
- Gas Compliance Certificate
- FICA Compliance Fee

(Approximately)

- 7.5% + VAT (recommended tariff)
- R 4 200
- R 800
- R 800
- R 800
- R 800
- R 490 + VAT

- Costs associated with work to be done in order for compliance certificates above to be issued
- Pro rata share of rates and levies

GUIDELINES FOR ADDITIONAL COSTS - PURCHASER

- Rates Clearance Certificate
- Levy Clearance Certificate (if sectional title property)
- FICA Compliance Fee
- Postages and Petties
- Deeds office Search

- Bank Initiation Fee
- Insurance Certificate (if sectional title property)
- Postages and Petties
- Electronic Document Fee

TRANSFER (Approximately)

- R 970 + VAT
- R 1300
- R 490 + VAT
- R 1100
- R 575

BOND (Approximately)

- R 5 700
- R 350
- R 1100
- R 370

DOCUMENTS WE REQUIRE - SELLER

- Bond account number
- Bank with whom the bond is held
- Identity document
- Marriage certificate
- Antenuptial contract
- Income tax number
- Name of Managing Agents (if sectional title property)
- Proof of residence no older than 3 months
- Water and electricity account numbers

DOCUMENTS WE REQUIRE - PURCHASER

- Identity document
- Proof of residence not older that 3 months
- Marriage certificate
- Antenuptial contract
- Income tax number
- Bond approval letter once received from bank

Purchase price/ Bond Amount	TRANSFER COSTS			BOND COSTS			Total
	Transfer Fee Excl VAT	VAT at 15%	Deeds Office Fee	Bond Fee Excl VAT	VAT at 15%	Deeds Office Fee	
R 500 000	R 13 910	R 2 087	R 800	R 13 910	R 2 087	R 800	R 16 797
R 600 000	R 15 795	R 2 369	R 800	R 15 795	R 2 369	R 800	R 18 964
R 650 000	R 17 680	R 2 652	R 1 126	R 17 680	R 2 652	R 1 126	R 21 458
R 700 000	R 17 680	R 2 652	R 1 126	R 17 680	R 2 652	R 1 126	R 21 458
R 750 000	R 19 565	R 2 935	R 1 126	R 19 565	R 2 935	R 1 126	R 23 626
R 800 000	R 19 565	R 2 935	R 1 126	R 19 565	R 2 935	R 1 126	R 23 626
R 850 000	R 21 450	R 3 218	R 1 293	R 21 450	R 3 218	R 1 293	R 25 961
R 900 000	R 21 450	R 3 218	R 1 293	R 21 450	R 3 218	R 1 293	R 25 961
R 950 000	R 23 335	R 3 500	R 1 293	R 23 335	R 3 500	R 1 293	R 28 128
R 1 000 000	R 23 335	R 3 500	R 1 293	R 23 335	R 3 500	R 1 293	R 28 128
R 1 100 000	R 25 220	R 3 783	R 1 453	R 25 220	R 3 783	R 1 453	R 30 456
R 1 200 000	R 25 220	R 3 783	R 1 453	R 25 220	R 3 783	R 1 453	R 30 456
R 1 300 000	R 27 105	R 4 066	R 1 453	R 27 105	R 4 066	R 1 453	R 32 624
R 1 400 000	R 27 105	R 4 066	R 1 453	R 27 105	R 4 066	R 1 453	R 32 624
R 1 500 000	R 28 990	R 4 349	R 1 453	R 28 990	R 4 349	R 1 453	R 34 792
R 1 600 000	R 28 990	R 4 349	R 1 453	R 28 990	R 4 349	R 1 453	R 34 792
R 1 700 000	R 30 875	R 4 631	R 1 453	R 30 875	R 4 631	R 1 453	R 36 959
R 1 800 000	R 30 875	R 4 631	R 1 453	R 30 875	R 4 631	R 1 453	R 36 959
R 1 900 000	R 32 760	R 4 914	R 1 453	R 32 760	R 4 914	R 1 453	R 39 127
R 2 000 000	R 32 760	R 4 914	R 1 453	R 32 760	R 4 914	R 1 453	R 39 127
R 2 100 000	R 34 645	R 5 197	R 2 014	R 34 645	R 5 197	R 2 014	R 41 856
R 2 200 000	R 34 645	R 5 197	R 2 014	R 34 645	R 5 197	R 2 014	R 41 856
R 2 300 000	R 36 530	R 5 480	R 2 014	R 36 530	R 5 480	R 2 014	R 44 024
R 2 400 000	R 36 530	R 5 480	R 2 014	R 36 530	R 5 480	R 2 014	R 44 024
R 2 500 000	R 38 415	R 5 762	R 2 014	R 38 415	R 5 762	R 2 014	R 46 191
R 2 600 000	R 38 415	R 5 762	R 2 014	R 38 415	R 5 762	R 2 014	R 46 191
R 2 700 000	R 40 300	R 6 045	R 2 014	R 40 300	R 6 045	R 2 014	R 48 359
R 2 800 000	R 40 300	R 6 045	R 2 014	R 40 300	R 6 045	R 2 014	R 48 359
R 2 900 000	R 42 185	R 6 328	R 2 014	R 42 185	R 6 328	R 2 014	R 50 527
R 3 000 000	R 42 185	R 6 328	R 2 014	R 42 185	R 6 328	R 2 014	R 50 527
R 3 100 000	R 44 070	R 6 611	R 2 014	R 44 070	R 6 611	R 2 014	R 52 695
R 3 200 000	R 44 070	R 6 611	R 2 014	R 44 070	R 6 611	R 2 014	R 52 695
R 3 300 000	R 45 955	R 6 893	R 2 014	R 45 955	R 6 893	R 2 014	R 54 862
R 3 400 000	R 45 955	R 6 893	R 2 014	R 45 955	R 6 893	R 2 014	R 54 862
R 3 500 000	R 47 840	R 7 176	R 2 014	R 47 840	R 7 176	R 2 014	R 57 030
R 3 600 000	R 47 840	R 7 176	R 2 014	R 47 840	R 7 176	R 2 014	R 57 030
R 3 700 000	R 49 725	R 7 459	R 2 014	R 49 725	R 7 459	R 2 014	R 59 198
R 3 800 000	R 49 725	R 7 459	R 2 014	R 49 725	R 7 459	R 2 014	R 59 198
R 3 900 000	R 51 610	R 7 742	R 2 014	R 51 610	R 7 742	R 2 014	R 61 366
R 4 000 000	R 51 610	R 7 742	R 2 014	R 51 610	R 7 742	R 2 014	R 61 366
R 4 100 000	R 53 495	R 8 024	R 2 443	R 53 495	R 8 024	R 2 443	R 63 962
R 4 200 000	R 53 495	R 8 024	R 2 443	R 53 495	R 8 024	R 2 443	R 63 962
R 4 300 000	R 55 380	R 8 307	R 2 443	R 55 380	R 8 307	R 2 443	R 66 130
R 4 400 000	R 55 380	R 8 307	R 2 443	R 55 380	R 8 307	R 2 443	R 66 130
R 4 500 000	R 57 265	R 8 590	R 2 443	R 57 265	R 8 590	R 2 443	R 68 298
R 4 600 000	R 57 265	R 8 590	R 2 443	R 57 265	R 8 590	R 2 443	R 68 298
R 4 700 000	R 59 150	R 8 873	R 2 443	R 59 150	R 8 873	R 2 443	R 70 466
R 4 800 000	R 59 150	R 8 873	R 2 443	R 59 150	R 8 873	R 2 443	R 70 466
R 4 900 000	R 61 035	R 9 155	R 2 443	R 61 035	R 9 155	R 2 443	R 72 633
R 5 000 000	R 61 035	R 9 155	R 2 443	R 61 035	R 9 155	R 2 443	R 72 633
R 5 500 000	R 65 785	R 9 868	R 2 443	R 65 785	R 9 868	R 2 443	R 78 096
R 6 000 000	R 65 785	R 9 868	R 2 443	R 65 785	R 9 868	R 2 443	R 78 096
R 6 500 000	R 70 535	R 10 580	R 2 909	R 70 535	R 10 580	R 2 909	R 84 024
R 7 000 000	R 70 535	R 10 580	R 2 909	R 70 535	R 10 580	R 2 909	R 84 024
R 7 500 000	R 75 285	R 11 293	R 2 909	R 75 285	R 11 293	R 2 909	R 89 487
R 8 000 000	R 75 285	R 11 293	R 2 909	R 75 285	R 11 293	R 2 909	R 89 487
R 8 500 000	R 80 035	R 12 005	R 3 401	R 80 035	R 12 005	R 3 401	R 95 441
R 9 000 000	R 80 035	R 12 005	R 3 401	R 80 035	R 12 005	R 3 401	R 95 441
R 9 500 000	R 84 785	R 12 718	R 3 401	R 84 785	R 12 718	R 3 401	R 100 904
R 10 000 000	R 84 785	R 12 718	R 3 401	R 84 785	R 12 718	R 3 401	R 100 904
R 10 500 000	R 89 535	R 13 430	R 4 048	R 89 535	R 13 430	R 4 048	R 107 013
R 11 000 000	R 89 535	R 13 430	R 4 048	R 89 535	R 13 430	R 4 048	R 107 013
R 11 500 000	R 94 285	R 14 143	R 4 048	R 94 285	R 14 143	R 4 048	R 112 476
R 12 000 000	R 94 285	R 14 143	R 4 048	R 94 285	R 14 143	R 4 048	R 112 476
R 12 500 000	R 99 035	R 14 855	R 4 048	R 99 035	R 14 855	R 4 048	R 117 938
R 13 000 000	R 99 035	R 14 855	R 4 048	R 99 035	R 14 855	R 4 048	R 117 938
R 13 500 000	R 103 785	R 15 568	R 4 048	R 103 785	R 15 568	R 4 048	R 123 401
R 14 000 000	R 103 785	R 15 568	R 4 048	R 103 785	R 15 568	R 4 048	R 123 401
R 14 500 000	R 108 535	R 16 280	R 4 048	R 108 535	R 16 280	R 4 048	R 128 863
R 15 000 000	R 108 535	R 16 280	R 4 048	R 108 535	R 16 280	R 4 048	R 128 863
R 16 000 000	R 113 285	R 16 993	R 4 863	R 113 285	R 16 993	R 4 863	R 135 141
R 17 000 000	R 118 035	R 17 705	R 4 863	R 118 035	R 17 705	R 4 863	R 140 603
R 18 000 000	R 122 785	R 18 418	R 4 863	R 122 785	R 18 418	R 4 863	R 146 066
R 19 000 000	R 127 535	R 19 130	R 4 863	R 127 535	R 19 130	R 4 863	R 151 528
R 20 000 000	R 132 285	R 19 843	R 4 863	R 132 285	R 19 843	R 4 863	R 156 991
R 22 500 000	R 146 535	R 21 980	R 5 667	R 146 535	R 21 980	R 5 667	R 174 182
R 25 000 000	R 156 035	R 23 405	R 5 667	R 156 035	R 23 405	R 5 667	R 185 107

Please note: all costs shown in this pamphlet are merely a guideline.

I'VE FOUND MY DREAM HOME! NOW WHAT?

- The conveyancing process really begins when a Purchaser makes a written offer to a Seller to purchase a property. The Seller then accepts by signing the offer and it's at this point that a sale agreement comes into being.
- One of our fully qualified attorneys at Araujo Attorneys will receive a copy of the sale agreement from either the Seller or the Estate Agent. One of our attorneys will immediately make contact with both the Seller and the Purchaser and request the following documents to kick start the process:
 - Above-mentioned FICA documents;
 - Confirmation from the Seller of which financial institution holds a mortgage bond over the property; and
 - Mortgage bond account number
- This allows us to request two things from the bank:
 1. Bond cancellation figures showing what the Seller still owes under his bond; and
 2. Existing title deed

• What are the Purchaser's Costs?

Shortly after receiving the sale agreement, the Purchaser will be presented with a "Pro-forma" Account from Araujo Attorneys for the transfer costs. This is an estimated or provisional account which calls for payment of, amongst other things:

Transfer fees

- These are the costs charged by our office to actually transfer the property and are based on a tariff set by the Legal Practice Council. (See schedule above as a guide)

Transfer duty

- The transfer duty is a tax payable to the Receiver of Revenue and is calculated according to a sliding scale. Properties under R1,100,000 are exempt from transfer duty.

Estimated amount of rates and levies in respect of the property

- On registration, the rates and levies will be adjusted on a pro rata basis so as to ensure that the Purchaser is only liable for his/her share from the date that he/she becomes the owner.

- It is imperative that this Pro-forma account is paid as soon as possible as much of it consists of disbursements that need to be paid in order to obtain the clearance certificates that are required by the Deeds Office to facilitate the transfer.
- If the Purchaser is obtaining a bond, Bond Attorneys will be appointed either by the Purchaser or the bank. For security reasons the bank usually insist that the bond is handled by one law firm and the transfer by another. But don't worry - we will work very closely with your bond attorneys to ensure the process is seamless.

- Once the Bond Attorneys have received their instructions from the bank, they will draft a Pro-forma account for the bond costs (See attached schedule as a guide) and send it to the Purchaser for payment. They will make contact with the Transferring Attorneys (That's us at Araujo Attorneys) and request a copy of the "Draft Deed" to enable them to draw their documents.

- If there is a bond to cancel, the Bond Attorneys will issue one guarantee to cancel the existing bond and a second guarantee for the surplus amount to the Transferring Attorneys. This guarantee will pay out on registration of the transfer and we then pay the Seller the surplus amount, less the costs due by the Seller. (e.g. Estate Agent's commission, electrical and borer certificate costs etc). Don't worry if this is getting confusing, that's what we are here for!

- That brings us to the next question...

What are the Seller's costs?

- The Seller will be liable for the Estate Agent's commission and the costs associated with obtaining electrical, borer, gas and electric fence compliance certificates. The Seller will also be liable for his/her share of the rates (and levies if it is a sectional title property) up to the date of registration. Lastly, the Seller will pay the costs associated with cancelling his/her existing bond.
- On receipt of the guarantees from the Bond Attorneys, we will send the guarantee to the Bond Cancellation Attorneys. (A third set of attorneys!) The Bond Cancellation Attorneys will obtain the consent of the bank holding the Seller's bond to proceed to cancel the existing mortgage bond.
- Araujo Attorneys and the Bond Attorneys will draft their respective documents and make appointments with both the Seller and the Purchaser to sign - if you need us to come to you to sign, no problem!
- Once all the documents have been signed and we have obtained a:
 - rates clearance certificate from the local municipality (easier said than done!)
 - levy clearance certificate (if applicable)
 - consents from any Home Owners' Association (if applicable)
- We will send the full set of documents to the Deeds Office for lodgement.
- At the Deeds Office, up to 3 sets of documents involving the same transaction can be presented to the Registrar of Deeds for examination. These are the transfer documents, the bond registration documents (if the Purchaser is obtaining a bond) and the bond cancellation documents (if the Seller has an existing bond over the property).
- The examination process in the Deeds Office takes between 7-10 working days to complete. At Araujo Attorneys we can track the progress of our documents with our online deeds office tracking system. Once the Registrar of Deeds finds all the documents to be in order, the existing Deed of Transfer (also known as the Title Deed) is cancelled and the new Deed is registered.
- It is at this point that the Purchaser officially becomes the owner. We then finalise our accounts, the Seller is paid their proceeds and the Purchaser receives a refund on any surplus funds of theirs that we hold after calculating their actual rates and levy liability. (Remember that the Pro-forma account was just an estimate as we weren't sure of the registration date at that early stage)
- On registration we give the new owner a letter confirming ownership as this new title deed can take up to six weeks to be released from the Deeds Office. Once it is released it is given to the new owner for safe keeping, unless the new owner has registered a bond over the property, in which case the Title Deed is given to the Bank as a form of security.
- Simple, wasn't it? Well not really. But don't worry if you are still unsure of any of the above. Once your property transfer is entrusted to us, we will do our very best to take as much of the hassle out of the process for you while at the same time, keeping you informed as to the progress and expected registration date via email and WhatsApp.






If you have any questions regarding buying or selling a property (preferably before you have signed a sale agreement), please contact our Umhlanga or Ballito office for advice . We look forward to meeting you and making your dream home a reality.

BUYING A PROPERTY?

HERE'S WHAT YOU NEED TO KNOW!



CONTACT US:

-  www.araujoattorneys.co.za
-  hello@aattorneys.co.za
-  Umhlanga - 031 819 7834 - Spaces Business Centre, 2 Ncondo Place, Umhlanga Ridge
-  Ballito - 082 290 4962 - The Circle Business Centre, Douglas Crowe Ave
-  Midlands - 067 319 3710 - 10, The Co. Lab, 13 Symmonds Lane, Howick