

STRAUSS DALY INC
FIRST DRAFT

AGREEMENT OF PURCHASE AND SALE: SECTIONAL TITLE THE WORKX ZONE

Entered into by:

Name: _____

Registration No. _____

herein represented by _____

he being duly authorised by Resolution of Directors

(the "SELLER")

Of _____

and

Name: _____

(the "PURCHASER")

Physical Address _____

Postal Address _____

Telephone Number _____

Cell Number _____

Fax Number _____

Email Address _____

Identity Number Registration No.: _____

Marital Status (if the PURCHASER is

An individual); _____

INTRODUCTION

- A. The SELLER intends erecting a Sectional Title development on the PARENT PROPERTY comprising a maximum of 49 (FORTY NINE) sections and applying in terms of the provisions of the Sectional Titles Act, No 95 of 1986, as amended, for the opening of a sectional title register in respect of the aforesaid development.
- B. The SELLER has agreed to sell, and the PURCHASER has agreed to buy, the PROPERTY on the terms and conditions as set out herein,

1. SCHEDULE

- 1.1 SECTION No. _____
(Approximate extent of the SECTION (excluding the balcony, if any) _____
- 1.2 Exclusive Use Area(s):
- 1.2.1 parking Bay(s) _____
- 1.2.2 Storeroom(s) _____
- 1.3 Estimated nett purchase price _____
- 1.4 Value Added Tax on the estimated purchase price _____
- 1.5 Estimated total purchase price
(including Value Added Tax) (the aforesaid amount is subject to finalization and recalculation in terms of paragraph 4 of the CONTRACT OF SALE) _____
- 1.6 less PURCHASER'S estimated 30% LOAN ACCOUNT in the SELLER excluding VAT (see paragraph 3.1 of the CONTRACT OF SALE) _____
- 1.7 Estimated balance (to be paid in accordance with the provisions of 3.2 and 3.3 of the CONTRACT OF SALE) _____
- 1.8 The anticipated latest date that possession of the SECTION will be given to the PURCHASER _____
- 1.9 The amount estimated as being the monthly levy payable by the PURCHASER to the Body Corporate of the SCHEME in accordance with the provisions of the ACT _____
- 1.10 Permitted use of SECTION _____

STRAUSS DALY INC
FIRST DRAFT

1.11 Name of ARCHITECT nominated by SELLER _____

1.12 Agent _____

1.13 Agency _____

1.14 Proposed name of the SCHEME THE WORKX ZONE

1.15 PARENT PROPERTY description:

1.15.1 Portion 13 of Erf 2532 Umhlanga Rocks, Registration Division FU Province of KwaZulu-Natal extent 2943 square metres

2. SALE

2.1 Subject to and in accordance with the provisions hereof and the CONDITIONS OF SALE annexed hereto as Annexure "A", the SELLER sells and the PURCHASER purchases the PROPERTY.

2.2 The SECTION shall be erected substantially in accordance with the PLAN. The PURCHASER agrees that he shall not be entitled to amend or procure any amendments to the PLAN. The PURCHASER acknowledges that the SECTION will be situated on the PARENT PROPERTY in substantially the position as indicated on the SITE PLAN and is to be built in accordance with the PLAN (see clause 3.1 of the CONDITIONS OF SALE)

2.3 The PURCHASER agrees that the precise extent, boundaries and description of the PROPERTY shall be as shown on the sectional plan and as finally determined and approved by the Surveyor-General and/or the relevant competent authorities.

3. PREPAYMENTS AND GUARANTEES

3.1 It is recorded that the amount referred to in 1.6 above is an estimate of the PURCHASER'S LOAN ACCOUNT is at the DATE OF TRANSFER. The actual LOAN ACCOUNT of the PURCHASER on the DATE OF TRANSFER, shall be set off against the purchase price of the PROPERTY on the DATE OF TRANSFER.

3.2 The PURCHASER shall secure the due balance of the purchase price of the PROPERTY (i.e. the total purchase price of the PROPERTY, as finally calculated in terms of paragraph 4 of the CONTRACT OF SALE, less *ie* amount referred to in 3.1 above) by furnishing the CONVEYANCERS with a guarantee from a registered South African commercial bank, in a form and on terms acceptable to the CONVEYANCERS for such amount. Such guarantee shall be furnished by the PURCHASER within 7 days of request therefore by the CONVEYANCERS. The aforesaid guarantee shall be payable on the DATE OF TRANSFER.

3.3 Alternatively, the PURCHASER shall be entitled to pay the amount referred to in 3.2 of the CONTRACT OF SAIE to the CONVEYANCERS in cash within the aforesaid 7 (SEVEN) day period, which amount shall be invested by the CONVEYANCERS in their Nedbank Third Party Fund Administration Account (TPFA), with all interest to accrue for the benefit of the PURCHASER. This amount shall be paid to the SELLER by the CONVEYANCES on the DATE OF TRANSFER and in the event of the PURCHASER choosing this alternative, the PURCHASER shall be deemed to have irrevocably instructed the CONVEYANCERS to deal with the amount in this manner to pay the aforesaid amount to the SELLER on the DATE OF TRANSFER). The interest on the aforesaid amount shall be released to the PURCHASER on the DATE OF TRANSFER, (after deduction of the CONVEYANCER'S usual fee).

3.4 It is recorded that Value Added Tax at the current rate of 14% is payable on the purchase price of the PROPERTY. The parties agree that, should there be any change in the rate of Value Added Tax applicable at the time of supply, as determined in accordance with the Value Added Tax Act 69 of 1991, the purchase price shall be amended to take into account the adjustment in the Value Added Tax rate.

3.5 Unless otherwise provided, all payments hereunder shall be made without set off, deduction or demand to the SELLER at the offices of the CONVEYANCERS- All bank charges incurred by the CONVEYANCERS in connection with this transaction shall be for the account of the PURCHASER.

4. ADJUSTMENT TO THE PURCHASE PRICE

4.1 It is recorded that the purchase price of the PROPERTY shall be the amount equal to the final participation quota allocated to the SECTION (as recorded on the sectional plan of the SCHEME once approved of by the Surveyor General) multiplied by the TOTAL BASE DEVELOPMENT COST after it has been finalised in terms of paragraph 4.3 hereof.

4.2 The figure referred to in paragraph 1.5 of the CONTRACT OF SALE is therefore an estimate of the purchase prices of the PROPERTY which has been calculated by multiplying the anticipated TOTAL BASE DEVELOPMENT COST (as referred to in Annexure "G" hereto) by the anticipated participation quota of the SECTION (as referred to in Annexure "PQ" hereto).

4.3 Once the TOTAL BASE DEVELOPMENT COST has been finalised by the QUANTITY SURVEYOR (which shall occur as soon as possible after the SCHEME is complete) the purchase price shall be the amount as finally calculated in accordance with the aforesaid formula

4.4 If there is any dispute as to what the TOTAL BASE DEVELOPMENT COST of the PROPERTY

STRAUSS DALY INC
FIRST DRAFT

is, the decision of the QUANTITY SURVEYOR (acting in his capacity as an expert and not an
arbitrator) shall be final and binding on the parties.

5. SUSPENSIVE CONDITIONS

5.1 This CONTRACT shall be subject to and conditional upon:

- 5.1.1 the relevant local authority and the ASSOCIATION approving the building plan of the SCHEME, and the SITE PLAN (insofar as their consent is required);
- 5.1.2 the SELLER taking transfer of the PARENT PROPERTY; and
- 5.1.3 the board of directors of the SELLER approving the sale of the PROPERTY to the PURCHASER in terms hereof all by no later than _____

5.2 Should any of the aforesaid conditions not be met timeously, then in that event, this entire CONTRACT shall lapse and be of no further force and effect between the parties. It is recorded that the aforesaid conditions have been inserted solely for the benefit of the SELLER who may waive compliance with one or more of the aforesaid conditions, prior to _____

DATED atthis..... day of20.....

AS WITNESS:

- 1.
- 2.

PURCHASER

I acknowledge that I am acquainted with and understand the contents of this CONTRACT and that all the annexures referred to in this CONTRACT were attached hereto when I signed same.

DATED at this day of20.....

AS WITNESS:

- 1.
- 2.

SELLER