

OFFER TO PURCHASE

I / We, the undersigned

(herein referred to as the **PURCHASER**)

Physical address: _____

hereby make an offer to purchase from -

INFOGOLD INVESTMENTS 121 CC

Registration No 2008/257634/23)

herein represented by **LOURENS ANDRIES CILLIERS** in his capacity as member and duly authorized thereto by a resolution

(herein referred to as the **SELLER**)

Physical address: Portion 19 of the farm Kromrivier 347
RUSTENBURG

the following property :-

Erf No. _____ in the Township **BUFFELSPOORT EXTENSION 1**, Registration Division J.Q., North West Province

Measuring: _____ m2

(hereinafter referred to as the "**PROPERTY**")

subject to the description, conditions, reservations and servitudes as set out or referred to in the existing Title Deed and such conditions of title as set out in the relevant town planning scheme or as may be imposed by the developer, the local authority or any other authority.

1. **PURCHASE PRICE AND WAY OF PAYMENT**

The purchase price of the PROPERTY is R_____ (_____)
_____)

where Value Added Tax (VAT) is included. Payment will be effected and guaranteed as follows :

1.1 A non refundable deposit of **R5 000,00 (FIVE THOUSAND RAND)** will be paid in cash to the transferring attorney.

1.2 Should this be a cash transaction, the full amount, after the deposit referred to in Clause 1.1 has been deducted ("the cash amount") or alternatively, a guarantee for the full balance outstanding, shall be paid or lodged with the Conveyancers within **21 (twenty one)** days after signature of this agreement.

1.2.1 In the case of the cash being paid to the conveyance, the PURCHASER authorizes the Conveyancer to invest these monies on his behalf upon receipt by them of the cash amount, on the specific understanding that the interest on this cash amount when so invested, shall accrue for the PURCHASER'S benefit, and –

1.2.2 In the case of a guarantee or guarantees being lodged with the Conveyancer the guarantee or guarantees shall –

1.2.2.1 be issued by an institution or institutions the terms and conditions of which shall be reasonable acceptable to the SELLER or Conveyancer on his behalf;
and

1.2.2.2 secure payment of the said cash amount to the SELLER and/or his nominee/s on registration of the PROPERTY in the name of the PURCHASER.

1.3 In the event of this agreement being cancelled and the PURCHASER is the effective cause of such cancellation at the time after a bond referred to in Clause 2 has been approved in principle by a bank or other financial institution, or payments has taken place as contemplated in Clause 1.3 either in cash or by way of guarantee or guarantees, then the PURCHASER shall forfeit all rights of whatever nature against the SELLER for the refund of the deposit paid by the PURCHASER in terms of Clause 1.1 and 1.2 and the SELLER shall be under no obligation whatsoever to repay the said deposit. Should the PURCHASER not be able to effect a loan as referred to in Clause 2, the deposit already paid shall be retained by the SELLER.

2. **SUSPENSIVE CONDITION** (Delete if not applicable)

2.1 This agreement is conditional upon the **PURCHASER/S** obtaining a loan which meets the following requirements:

2.1.1 The loan must be for not less than
(..... **RAND**) and obtained from a registered bank or building society.

2.1.2 The loan must be secured by a first mortgage bond containing terms and conditions no less favourable than those normally applied to bonds of this kind by the bank or building society concerned.

2.1.3 The full amount of the loan must be payable to the **PURCHASER/S** against registration of the mortgage bond.

2.2 The **PURCHASER/S** shall use his best endeavours to procure the loan and shall, at his own cost, take all steps and do everything which is necessary for that purpose.

2.3 The condition referred to in 2.1 is stipulated for the benefit of the **PURCHASER/S** and he may waive it by giving written notice to the **SELLER/S** before expiry of the period referred to in 2.4.

2.4 If the condition referred to in 2.1 is not fulfilled within **30 (THIRTY)** days after signature by both parties, or if the condition is not waived by the **PURCHASER/S** in accordance with 2.3, then this agreement will automatically become void and cease to be of any force or effect except for such claim, if any, as may result from a breach of the provisions of this agreement.

3. GUARANTEES

The **PURCHASER/S** shall furnish the transferring attorneys with an acceptable guarantee for payment of the purchase price. The guarantee(s) shall be furnished within 21 (TWENTY ONE) days after the suspensive condition referred to in clause 4 hereof have been fulfilled. The guarantee(s) shall be payable at RUSTENBURG free of any bank charges upon written confirmation by MESSRS VON WIELLIGH INCORPORATED that registration of transfer of the property in the name of the **PURCHASER/S** has been effected.

4. REGISTRATION OF TRANSFER AND COSTS

4.1 The parties hereby appoint MESSRS VON WIELLIGH INCORPORATED as transferring attorneys.

5.2 The **PURCHASER/S** shall be liable for all costs necessarily incurred to transfer the **PROPERTY** in his name. Such costs shall include the cost of drawing this Agreement, transfer duty, transfer costs, bond costs and stamp duty where applicable. The aforesaid costs are payable on demand.

5. POSSESSION AND OCCUPATION

The PURCHASER shall take occupation and possession and assume control of the PROPERTY on date of registration of transfer of the PROPERTY into the name of the PURCHASER, from which date it shall be at the sole risk, loss profit and expense of the PURCHASER and from which date the PURCHASER shall be liable for all levies, rates and axes whatsoever levied upon the PROPERTY by the Government or municipality, other competent authority, or the BUFFELSPOORT ECO PARK HOME OWNERS ASSOCIATION (BEPHOA), and shall refund to the SELLER any rates and taxes paid in advance for any period after such date.

6. NO WARRANTIES

6.1 The PURCHASER acknowledges that he inspected the PROPERTY and found it to be to his satisfaction and that the PROPERTY is sold "voetstoots" as it now lies, including soil conditions. This agreement was not entered into as a result of any warranties made by the SELLER or his agent, except that which is contained herein and the SELLER does not give any warranty either explicit or tacit and will not be liable for any defects whatsoever.

6.2 It is not expected of the SELLER to indicate the boundaries of the PROPERTY and he is not liable for the costs of determining such boundaries, nor is he liable for any hidden deficiency, breach of building regulations or any other right against the PROPERTY.

7. **BREACH OF CONTRACT**

7.1 Should the **PURCHASER/S** fail to fulfill any of his obligations in terms of this agreement and fail to remedy such breach within 10 (TEN) days after a letter requiring him to remedy such breach has been posted by prepaid registered post to the **PURCHASER/S** at his *domicilium citandi et executandi*, the **SELLER/S** will be entitled, in his own discretion, and without prejudice to any other legal rights which he may have:

7.1.1 to claim immediate payment of the full balance of the purchase price as well as payment of all other amounts due in terms of this agreement against registration of transfer of the **PROPERTY** in the name of the **PURCHASER/S**; or in the alternative –

7.1.2 to cancel this agreement immediately, to repossess the **PROPERTY** forthwith and to claim payment of all damages which the **SELLER/S** may have sustained.

7.1.3 In the event of any failure or delay by the **PURCHASER/S** to perform any of his obligations in terms of this agreement punctually, he shall be liable for the payment of interest (in lieu of occupation interest) at the rate of 18% (EIGHTEEN PER CENT) per annum as from the date of such delay or failure until date of payment of the full purchase price.

7.1.4 In the event of the **SELLER/S** incurring any legal costs and expenses due to any delay or failure of the **PURCHASER/S**, the **PURCHASER/S** shall be liable for payment of all such costs and expenses thus incurred, calculated on an attorney and client basis, as well as for payment of collection commission at the rate prescribed by the Law Society of the North West Province.

7.1.5 In the event of the cancellation of this agreement due to any cause whatsoever the **PURCHASER/S** shall not be entitled to any compensation for improvements effected by him on the **PROPERTY**.

8. “COOLING” CLAUSE

The PURCHASER has the right to revoke or end this agreement, within **5 (FIVE)** days after signing hereof, in terms of Section 29A of the Alienation of Land Act 68/1981, as amended and the 5 (five) days does not include the day of signing and Saturdays, Sundays and public holidays.

8.1 In the undermentioned circumstances this right is not applicable, namely –

8.1.1 if the purchase price exceeds R250 000;

8.1.2 if the PURCHASER is a legal entity;

8.1.3 if the offer or agreement contains a nomination clause;

8.1.4 if the agreement is a result of a prior option agreement and the option period exceeds **5 (FIVE)** days.

9. JURISDICTION

9.1 The parties consent to the jurisdiction of the Magistrate's Court for the determination of any dispute concerning the interpretation or cancellation of this agreement, the right of any party thereunder or for the enforcement of any right in terms of this agreement. Notwithstanding the foregoing the **SELLER/S** shall, however, be entitled to institute legal proceedings in the Supreme Court.

9.2 The parties hereby choose their addresses:

SELLER/S: _____

PURCHASER/S: _____

as their respective *domicilia citandi et executandi* to which all correspondence notices and processes in connection with this agreement shall be addressed.

9.3 Either party shall be entitled to give the other notice of any change of such address and such notice shall be in writing and shall be delivered or sent by registered post by one party to the other.

10. LATITUDE BY SELLER

No relaxation or indulgence which the SELLER may show to the PURCHASER shall in any way prejudice the SELLER'S rights hereunder and, in particular, no acceptance by the SELLER of any payment after due date (whether on one or more occasions) shall preclude or stop the SELLER from exercising any rights enjoyed by him hereunder by reason of any subsequent payment not being made strictly on due date. Unless otherwise stated by the SELLER in writing, the receipt by the SELLER or his agents of any payment shall in no way whatsoever prejudice or operate as a waiver, withdrawal or abandonment of any cancellation or right to cancellation effected or acquired prior to such receipt.

11. HOME OWNER'S ASSOCIATION

11.1 The PURCHASER shall –

11.1.1 On registration of transfer of the PROPERTY into his name become, and whilst he is the registered owner of the PROPERTY, remain a member of BEPHOA;

11.1.2 Conform to and comply with the Constitution of the Home Owners Association;

11.1.3 Conform to and comply with any Rules formulated from time to time by the trustees in accordance with the powers vested in them in the Constitution of the Association;

11.1.4 Whilst a member of the home owners association and with effect from the date of registration of the PROPERTY into his name, pay all fees, levies and/or special levies raised and charged by the association.

11.2 The PURCHASER –

11.2.1 irrevocably authorize the SELLER to do all such things as may be necessary to enroll him as a member of the company with effect from the date of registration of transfer; and

11.2.2 shall remain a member until he ceases to be a owner of the PROPERTY.

11.3 The PURCHASER shall not –

11.3.1 sell the PROPERTY to any person unless he incorporates a provision in the agreement of sale that such PURCHASER of the PROPERTY acknowledges that he is aware of the company and that such PURCHASER shall be obliged, on receiving transfer of the PROPERTY, to become a member of the company and be subject to all the obligations of such membership;

11.3.2 be entitled to register the transfer of the PROPERTY to such proposed PURCHASER unless and until he has received from the Association a certificate stating that all amounts owing to the Association have been paid.

11.4 The PURCHASER acknowledges that in addition to the conditions referred to in Clause 12.1 the SELLER or the local authority in question, may require the following conditions to be inserted in the Deed of Transfer of the PROPERTY to be registered in the PURCHASER'S name:

- Every owner of the PROPERTY shall become and remain a member of the Home Owner's Association and be subject to its Memorandum and Articles of Association until he ceases to be an owner of the PROPERTY. Neither the PROPERTY nor any interest therein shall be transferred to any person who has not bound himself to the satisfaction of such Association to become a member of the Home Owner's Association.
- The owner of the PROPERTY or any interest therein shall not be entitled to transfer the PROPERTY or any interest therein without a consent from the Home Owner's Association that the provisions of the Articles of Association of the Home Owner's Association have been complied with.

- The term “Home Owners Association” in the aforesaid conditions of title shall mean the BEPHOA (incorporated Association not for gain)”

In the event of the Registrar of Deeds requiring the amendment of such condition in any manner in order to effect registration of same, the PURCHASER hereby agrees to such amendment and to sign the necessary documents to give effect thereto.

11.5 The PURCHASER acknowledges that he is aware that –

11.5.1 the Association will be obliged by the SELLER to acquire ownership of private roads and private open spaces in the township and the estate and accordingly the PURCHASER undertakes to do everything possible as a member of the Association to facilitate such acquisition and subsequent transfer of the said private road and or open spaces to the Association;

11.5.2 the services which will be provided by the Association to its members will include, but are not limited to –

11.5.2.1 maintenance of private roads;

11.5.2.2 maintenance of common areas and servitudes areas within same;

11.5.2.3 electricity facilities;

11.5.2.4 security facilities;

11.5.2.5 The following services will be provided by the BEPHOA to its members, but are not limited to –

* sewer purification and sanitary

* water supply and purification

* storm water drainage

11.6 The PURCHASER acknowledges that the BEPHOA will be liable to provide the services and to bill the PURCHASER accordingly. The PURCHASER undertakes hereby to pay the account received from the BEPHOA.

12. **ASSOCIATION**

The Buffelspoort Eco Park Home Owner's Association who will oversee, regulate and control the harmonious development of the Estate in terms of the Constitution of the Association, which Constitution is attached hereto (**Annexure A**) which forms an integral part of this agreement and includes any variation.

13. **ESTATE RULES**

The rules and guidelines as set out in the Code of Conduct, that will be enforceable on the owners to manage and maintain the development which the PURCHASER undertakes to comply, is attached hereto (**Annexure B**). This document forms an integral part of this agreement and includes any variation thereto.

14. **COMPLETION OF DWELLING**

14.1 The PURCHASER undertakes to build and complete a dwelling (completion means that an Occupation Certificate has been issued by the Architect) on the PROPERTY within **2 (TWO)** years from date of registration of transfer, failing which, the PURCHASER acknowledges that he will immediately become liable to pay a penalty of **15% (FIFTEEN PER CENT)** of the purchase price in terms of this agreement plus **VAT**. The PURCHASER expressly agrees that this penalty is a fair or reasonable amount in terms of the Conventional Penalties Act 15 of 1962. The PURCHASER further acknowledges that the provisions of this clause bind the PURCHASER in terms of this agreement, despite the fact that transfer may have been registered. In terms of this agreement, the PURCHASER remains liable to the SELLER for penalty for non-compliance, should the PURCHASER have re-sold and transferred the erf to a third party.

14.2 The dwelling to be build on the PROPERTY will be done in accordance with the Architectural Guidelines (**Annexure C**).

SIGNED at _____ on this _____ day of _____ 2010

PURCHASER/S

SIGNED at _____ on this _____ day of _____ 2010

SELLER/S