

Introduction

The purpose of this is to provide a framework of the various stages of a development and to set out a nonexhaustive list of documents which are required from the pre-marketing stage and the other various stages leading up to registration in the Deeds Office of sectional title developments.

Sectional Title Developments

Sectional Title Developments are usually undertaken on an erf or erven (in the case of more than 1 erf if they are to be consolidated or alternatively notarially tied). The Developer should ensure that the property is appropriately zoned for such development and that there are no adverse title deed conditions.

Developers should carefully peruse the title deed of the underlying erf to ascertain whether there are any restrictive or resolute conditions imposed in the title deed that would prohibit the proposed development. Restrictive conditions are usually removed by way of an application in terms of the Gauteng Removal of Restrictions Act during the rezoning process.

Developers should also indicate whether the property is to be transferred from the current registered owner to the name of the developing individual/company prior to opening of the sectional title scheme and subsequent transfers of sections.

It is imperative that Developers acquaint themselves with the necessary documents which may be required during the development period in consultation with various professionals appointed to assist with the Development. A number of delays can be avoided by proper planning and pre-emptive action.

In order to draft the Sale Agreements, we would require *inter alia* the following information/documents:

DOCUMENTS / INFORMATION REQUIRED	Please Tick ☒
Name of the proposed Sectional Scheme	☐
Name of the Developer (if different from land owner)	☐
Name of the Architect (who prepared the draft/approved plans)	☐
Number of Sections in the Scheme	☐
Details of any Exclusive Areas and confirmation whether they are to be allocated by the Developer or notarially ceded to owners	☐
Estimation of levies and/or charges applicable	☐
Amended Management and Conduct Rules (if those provided for in the regulations to the Sectional Titles Act are to be deviated from)	☐
Construction timeframes and anticipated occupation dates	☐
Purchase Price	☐
Whether Purchase price includes or excludes VAT	☐
Deposit Requirements	☐
Whether the Purchase Price includes transfer costs to be payable by the Seller / Developer or payable by the Purchasers	☐
Whether the Purchase Price includes bond registration costs to be payable by the Seller / Developer or payable by the Purchasers	☐
Proposed occupational rent	☐
Whether the agreement is to be subject to a certain number of presales (detail required)	☐

DOCUMENTS / INFORMATION REQUIRED

Please Tick ☒

Whether development will be registered in Phases (details required)

☐

Details of any optional extras which Purchasers may elect

☐

Details of appointed estate agency and commission structures (if applicable)

☐

Prior to signature of any Sale Agreements, we would require *inter alia* the following information/documents:

DOCUMENTS / INFORMATION REQUIRED

Please Tick ☒

Copy of Title Deed of the underlying "parent" erf

☐

Draft or approved building plans

☐

Draft SG diagram/s or layout plans indicating sections, including details of any exclusive use areas

☐

FICA documents for the Seller/Developer

☐

Schedule of Finishes and/or Specifications of building works/finishes

☐

Details of proposed managing agents (if applicable);

☐

The following documents are required by the Conveyancers in order to effect lodgment and registration of the development in the relevant Deeds Registry:

DOCUMENTS / INFORMATION REQUIRED

Please Tick ☒

Original Approved SG Diagrams – Sectional Title Plans (in duplicate);

☐

Original Title Deed of the underlying "parent" erf;

☐

Rates Clearance Certificate;

☐

Confirmation that no lease agreements exist at date of registration of transfer in respect of any section to be registered (Section 10 of the Sectional Titles Act)

☐

Draft Management and Conduct Rules

☐

Details of existing mortgage bond to be cancelled; alternatively the necessary consent is to be obtained;

☐

In the event that a mortgage bond is being registered simultaneously with the transfer to fund the purchase of the sectional title unit, the following documents will be required by the Bank *PRIOR* to lodgement and registration of the mortgage bond:

DOCUMENTS / INFORMATION REQUIRED	Please Tick ☒
Signed Building Agreement	☐
Approved Building Plans	☐
Approved SG Diagrams	☐
NHBRC Builders Registration Certificate (copy)	☐
NHBRC Unit Enrollment Certificate (original)	☐
Appointment of Structural Engineer – signed form confirming appointment of professional engineer	☐
Waiver of Builder's Lien & Minimum Standards and Specifications Forms – issued by the Bank	☐
Builder's All Risk Policy – noting the financial interest of the Bank	☐
Electrical Compliance Certificate	☐
Gas Compliance Certificate (if applicable)	☐
Occupation Certificate	☐
Happy Letter from Client confirming satisfaction	☐
Final Structural Engineers Certificate	☐
Details of managing agents to be appointed	☐

General

The prescribed Management Rules contained in the Sectional Titles Act requires that an inaugural body corporate meeting must be held within 60 days of the transfer of the first section in the Scheme. The aim of the meeting is to assign roles and responsibilities to the elected Trustees and to initiate the usual body corporate processes.