



## **BRITS**

### **Industrial Warehouse and Offices**

2 Piet Rautenbah Street

**TUESDAY 18 AUGUST 2015 @ 12H00**

**The Wanderers Club, Illovo**

**Sandton, Johannesburg**

**AUCTIONEER:** Ismail Hendricks

**BROKER:** Bakkies Reyneke **082 451 6897** / [breyneke@broll.com](mailto:breyneke@broll.com)

# TABLE OF CONTENTS

OPPORTUNITY SUMMARY	3
PROPERTY SUMMARY	4
1. LOCALITY (SEE ANNEXURE A)	4
2. LEGAL INFORMATION (SEE ANNEXURES B AND C)	4
3. TOWN PLANNING	4
4. LOCATIONAL ANALYSIS	4
5. THE DEVELOPMENT	5
<b>ANNEXURES</b>	
ANNEXURE A - LOCALITY	6
ANNEXURE B - TITLE DEED	7
ANNEXURE C - SG DIAGRAM(S)	10
ANNEXURE D - ZONING	11
ANNEXURE E - MUNICIPAL ACCOUNT	12
ANNEXURE F – TENANCY SCHEDULE	13
ANNEXURE G – INCOME STATEMENT	14
ANNEXURE H – LEASES	15
ANNEXURE I - PHOTOGRAPHY	19
NOTES	20

**TERMS & CONDITIONS:** Bidders must register and bring ID, proof of residence (FICA) and letter of authority to sign on behalf of a juristic entity. Rules of auction are available at [www.broll.com](http://www.broll.com) and at our offices. The auction is conducted in terms of the regulations relating to auctions contained in The Consumer Protection Act 68 of 2008 and notice is given that all sales are subject to a minimum reserve unless otherwise stated.

**DISCLAIMER:** "Whilst all reasonable care has been taken to obtain the correct information, neither Broll Auctions and Sales (Pty) Ltd, nor any of its subsidiaries and related companies, nor the Sellers, guarantee the correctness of the information, and none of the aforementioned will be held liable for any direct or indirect damages or loss, of whatsoever nature, suffered by any person as a result of errors or omissions in the information supplied, whether due to the negligence or otherwise of Broll Auctions and Sales and its subsidiaries and related companies, the Seller, or any other person".

**broll**

AUCTIONS AND SALES

## OPPORTUNITY SUMMARY

<b>Description</b>	The property is improved with one big warehouse divided into 3 smaller units and 1 stand-alone office block.						
<b>Erf Size</b>	8, 8643ha						
<b>Zoning</b>	Industrial						
<b>Gross Lettable Area</b>	28 722m <sup>2</sup>						
<b>GLA Tenanted</b>	64%						
<b>GLA Vacant</b>	36%						
<b>Income Statement</b>	<p><b><u>Projected For Year Ended 30 Sep 2016</u></b></p> <table> <tr> <td>Gross Income</td> <td>R13 421 122</td> </tr> <tr> <td>Less Operating Expenses</td> <td><u>(R6 776 316)</u></td> </tr> <tr> <td>Net Income</td> <td><u>R6 644 806</u></td> </tr> </table>	Gross Income	R13 421 122	Less Operating Expenses	<u>(R6 776 316)</u>	Net Income	<u>R6 644 806</u>
Gross Income	R13 421 122						
Less Operating Expenses	<u>(R6 776 316)</u>						
Net Income	<u>R6 644 806</u>						

# PROPERTY SUMMARY

## 1. Locality (see Annexure A)

Property Address:	2 Piet Rautenbach Street
Suburb and City:	Brits Industrial
Local Authority:	Local Municipality of Madibeng
Province:	North West

## 2. Legal Information (see Annexures B and C)

Erf number(s):	2188
Township:	Brits Ext. 13
Erf Extent:	8, 8643ha
Title Deed Number:	T83447/2010
Registered Owner:	REDEFINE PROP LTD

## 3. Town Planning

Zoning:	Industrial
Height:	Not controlled
Coverage:	50%
Building line:	9m from street boundary 3m from any other boundary

## 4. Locational Analysis

Creation is located at 2 Piet Rautenbach Street, Brits Ext. 13. Piet Rautenbach Street eventually extends to Hendrik Verwoerd Drive which is a major arterial route in the Brits area. Hendrik Verwoerd is also an on / off ramp from the R566. The R566 extends to the N4 Freeway leading to Pretoria in a western direction. Access to the subject property is from 2 Piet Rautenbach Street, Brits. The subject property offers easy and convenient access to the surrounding area.

# PROPERTY SUMMARY

## 5. The Development

The property is improved with one big warehouse divided into 3 smaller units and 1 stand-alone office block, which are summarised as follows.

The property is located on 8,86ha of land.

### Building 1

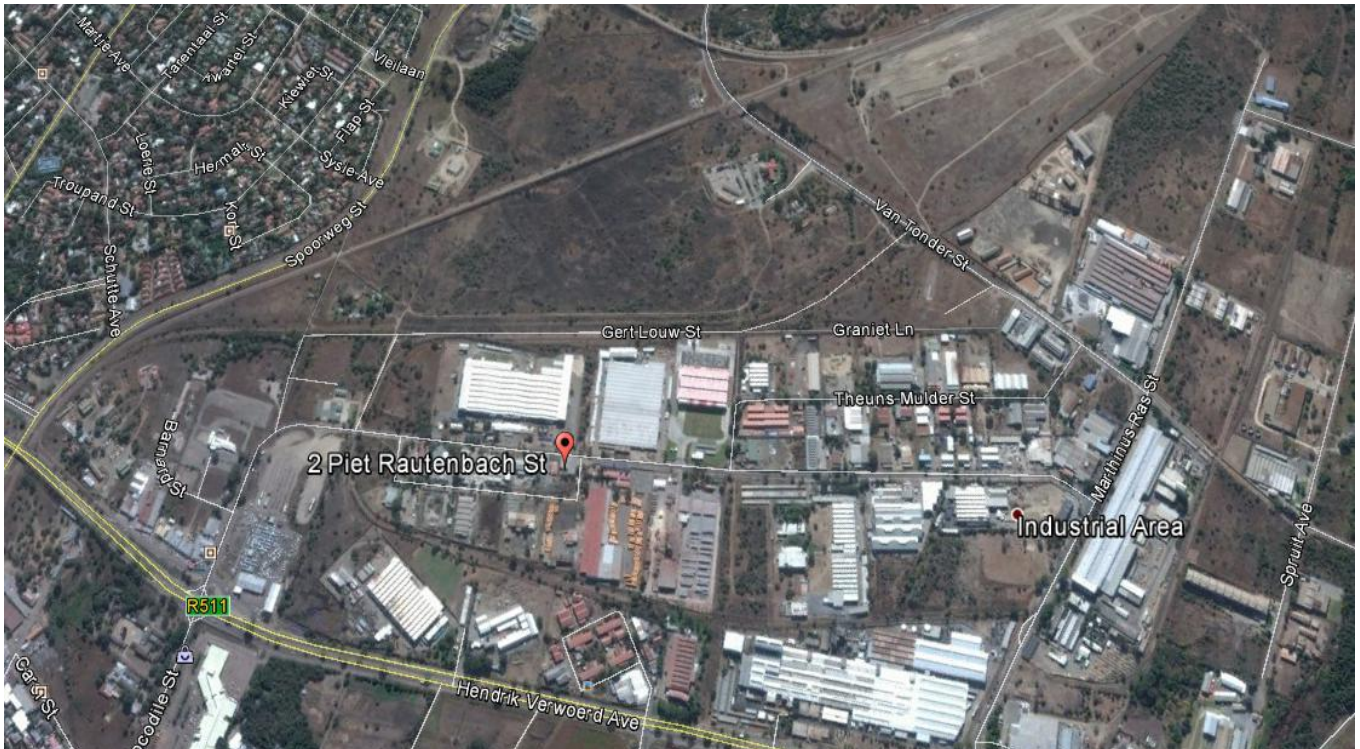
This is a multi- tenanted building with 3 workshop units. The first unit is tenanted by Kromberg and Schubert and is 6,199m<sup>2</sup>. Unit 2 is tenanted by Kromberg and Schubert and is 11,575m<sup>2</sup>. Unit 3 is vacant and is 10,431m<sup>2</sup> with high ceilings and its own entrance only divided by a fence from units 1 and 2. The building comprises of face-brick external walls under IBR roof sheets, with suspended halogen lights. Translucent IBR roof sheets provide additional natural lighting inside the building. All units have a double volume roller.

### Building 2

Is a 607m<sup>2</sup> stand-alone double storey office block which is tenanted by the Department of Public Safety North-West Provincial. It has 27 parking bays allocated to the Department of public Safety North-West provincial. The building comprises of face-brick external walls under IBR roof sheets, with big glass windows.

These buildings are well maintained with good finishes. We have not undertaken a structural survey of the above-described improvements or finishes, nor have we arranged for tests or inspections to be carried out on any of the service installations.

# ANNEXURE A - LOCALITY

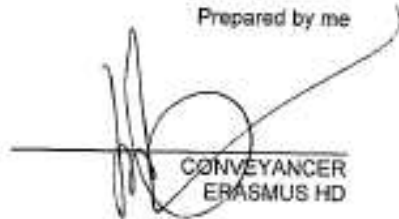


**ANNEXURE B - TITLE DEED**

**369**

COUZYNS INCORPORATED  
1st Floor  
Rosebank Corner  
191 Jan Smuts Avenue  
off 7th Avenue  
ROSEBANK

Prepared by me

  
CONVEYANCER  
ERASMUS HD

Stamp: **SEFRANC**  
SEFRANC  
FOOI 1 250.00  
FEES R

VERBIND MORTGAGE BC 000051293/2011  
VIR FOR R 405 000 000.00  
054861/10  
26 11 10  
REGISTRAR OF DEEDS  
23 08 11

DEED OF TRANSFER

**T 08344710**

BE IT HEREBY MADE KNOWN THAT

**RYNAUW HUBERT VERSTER**

appeared before me, REGISTRAR OF DEEDS at Pretoria, he the said Apparer being duly authorised thereto by a Power of Attorney signed at ROSEBANK on 5<sup>TH</sup> MAY 2010 and granted to him by

**APEXHI PROPERTIES LIMITED**  
Registration Number 1999/000238/06

~~THE VENDOR'S ENDORSEMENTS SIDE FOR FURTHER ENDORSEMENTS SEE~~

MAGGY  
2010-12-15  
REGISTERED

GhostConvey 12.3.1.23

## ANNEXURE B - TITLE DEED

Page 2

And the Appearer declared that his said principal had truly and legally sold on 12 April 2010 and that he, the said Appearer, in his capacity aforesaid, did, by these presents, cede and transfer to and on behalf of

**REDEFINE PROPERTIES LIMITED**  
Registration Number 1999/018591/06

Its Successors in Title or assigns, in full and free property

**ERF 2188 BRITS EXTENSION 13 TOWNSHIP**  
**REGISTRATION DIVISION J.Q**  
**PROVINCE OF NORTH-WEST.**

**MEASURING 8,8643 (EIGHT COMMA EIGHT SIX FOUR THREE)**  
**HECTARES**

**FIRST REGISTERED** by Certificate of Consolidated Title T42712/1974 and Diagram S.G. A5246/1974 annexed and Held by Deed of Transfer T107850/2001

SUBJECT to the following conditions:

- A. **ONDERHEWIG** aan die voorbehoud van alle regte op edelgesteentes, edele en onedele metale, minerale, mineraalprodukte en aardolie, soos in die mineraalwette omskryf op of onder die grond ten gunste van die Staat.
- B. **FURTHER SUBJECT** to the following conditions:
- (a) Die erf is onderworpe aan 'n serwituut vir riolerings- en ander munisipale doeleindes, ten gunste van die plaaslike bestuur, twee meter breed, langs slegs een van sy grense uitgesonderd 'n straatgrens, soos deur die plaaslike bestuur bepaal.
  - (b) Geen gebou of ander struktuur mag binne die voornoemde serwituutgebied opgerig word nie en geen grootwortelbome mag binne die gebied van sodanige serwituut of binne 'n afstand van twee meter daarvan geplant word nie.
  - (c) Die plaaslike bestuur is geregtig om enige materiaal wat deur hom uitgegrawe word tydens die aanleg, onderhoud of verwydering van sodanige rioolhoofpypleidings en ander werke wat hy volgens goeddunke noodsaaklik ag, tydelik te plaas op die grond wat aan die voornoemde serwituut grens en voorts is die plaaslike bestuur geregtig tot die tydelike toegang tot genoemde grond vir die voornoemde doel; Met dien verstande dat die plaaslike bestuur enige skade vergoed wat

GhentConvey 12.3.1.23



## ANNEXURE B - TITLE DEED

Page 3

gedurende die aanleg, onderhoud of verwyding van sodanige rioolhoofpypleidings en ander werke veroorsaak word.

AND SUBJECT FURTHER to such conditions as are mentioned or referred to in the aforesaid Deeds.

WHEREFORE the Appearer, renouncing all right and title which the said

**APEXHI PROPERTIES LIMITED**  
Registration Number 1999/000238/06

heretofore had to the premises, did in consequence also acknowledge it to be entirely dispossessed of, and disentitled to the same, and that by virtue of these presents, the said

**REDEFINE PROPERTIES LIMITED**  
Registration Number 1999/018591/06

its Successors in Title or Assigns, now is and henceforth shall be entitled thereto, conformably to local custom, the State, however reserving its rights, and finally acknowledging the purchase price to be the sum of R36 000 000,00 (THIRTY SIX MILLION RAND).

IN WITNESS WHEREOF, I the said Registrar, together with the Appearer q.q., have subscribed to these presents and have caused the Seal of Office to be affixed thereto.

THUS DONE AND EXECUTED at the Office of the REGISTRAR OF DEEDS at Pretoria on

26 11 10

  
\_\_\_\_\_  
q.q.

In my presence

\_\_\_\_\_  
REGISTRAR OF DEEDS



*GhostConvey 12.3.1.23*

# ANNEXURE C - SG DIAGRAM(S)

	SYE Meter	RIGTINGS- HOEKE
AB	86,79	223.56.20
BC	35,18	226.21.20
CD	37,02	238.48.00
DE	36,47	254.50.50
EF	37,47	271.41.10
FG	38,86 <sup>b</sup>	285.14.20
GH	42,16	294.25.40
HJ	111,68	304.16.30
JK	138,41	293.13.20
KL	31,80	298.56.00
LM	215,41	29.50.50
MA	468,08	119.50.50

L.G. No. A 5246 174

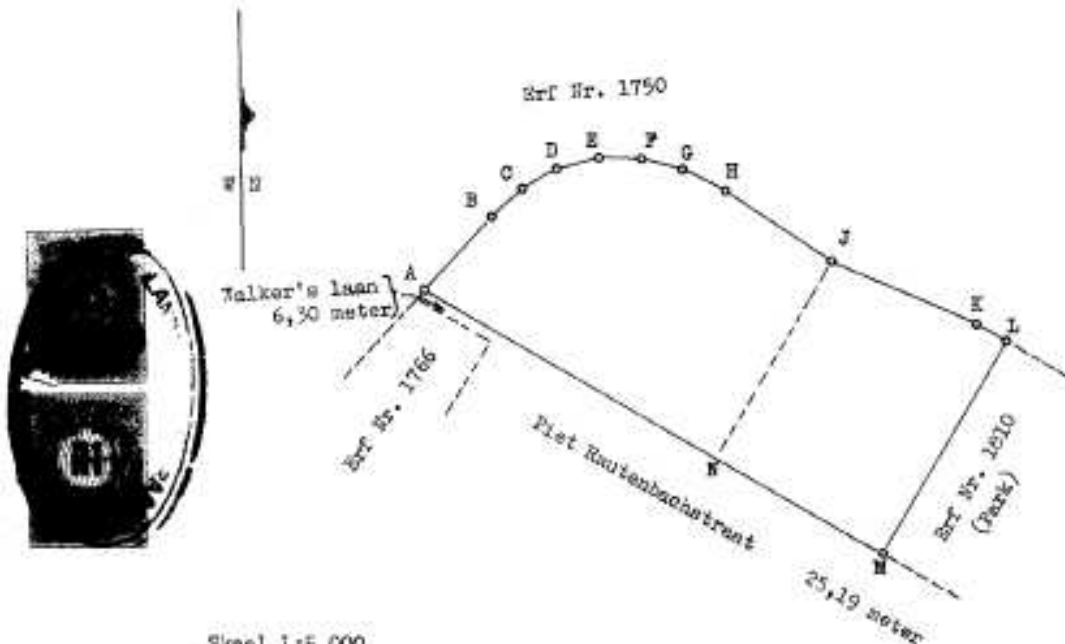
Goedgekeur

*M. J. ...*  
nms. Landmeter-  
Generaal.

29-8-1974

Beeskrywing van Rakens.

A.B.C.D.E.F.G.H.J.K.L.M : 12mm Ysterpenna.



Skaal 1:5 000.

Die figuur A.B.C.D.E.F.G.H.J.K.L.M.A stel voor 8,8643 Hektar grond, synde

~~...~~ Erf Nr. 2188 - BRITS DORP UITBREIDING Nr. 13 ~~...~~

en bevat:- 1) Figuur A.B.C.D.E.F.G.H.J.N.A synde Erf Nr. 1765; Algemene Plan Nr. A 2864/70, Transportakte Nr.

2) Figuur J.K.L.M.N.J synde Erf Nr. 1764; Algemene Plan Nr. A 2864/70, Transportakte Nr.

Provinciale Transvaal

~~...~~ Saamgestel in Augustus 1974

deur my

*D.C. Cheyne*  
(D.C. Cheyne)

Landmeter.

Hierdie kaart is gegee aan

No.  
ged.  
t.g.v.

Registrateur van Aktes.

Die ~~...~~ kaart is

No. ~~...~~ sodas hierbo

~~...~~ uiteengesit.

~~...~~

Lêer

M.S. No

Komp. X2 6D-18.D

TP 3602



Local Municipality of  
**Madibeng**

P O Box 100  
BRITS  
0250  
Tel: (012) 318 9100  
Fax: (012) 318 9203  
e-mail:  
madibeng@loon.co.za

Reference	15/3/4
Contact Person	K M Baloyi

Civic Centre  
53 Van Valden Street  
BRITS

**ZONING CERTIFICATE**

**1. PROPERTY DESCRIPTION:**

ERF	TOWN	STREET
Erf 2188	Brits Extension 13	-

**2. BRITS TOWN PLANNING SCHEME 1/1958**

USE ZONE	PERMITTED USES	USES PERMITTED ONLY WITH THE CONSENT OF THE LOCAL AUTHORITY	PROHIBITED USES
(1)	(2)	(3)	(4)
Industrial	Industrial and Commercial	Places of instruction, Public garages, Other purposes incidental thereto e.g. Factories, Residential for Managers and watchmen of works, Warehouse	Other uses not under columns (2) and (3).

Current Land Use Rights : None  
 Building lines : 9m from the street boundary and 3m from any other boundary  
 Maximum height : Not Controlled  
 Maximum coverage : Shall not exceed 50%

This is to certify that the above-mentioned information is a true interpretation of the Brits Town Planning Scheme 1/1958.

Acting Manager:  
 Town Planning

02 October 2013  
 DATE

**Disclaimer:** Please note that the information contained therein shall remain true only at the time of issuing of such certificate, and that the zoning information may change at any time without notice of such changes served to a person whom the certificate was issued.

All correspondence to be addressed to the Municipal Manager

# ANNEXURE E - MUNICIPAL ACCOUNT



Local Municipality of Madibeng  
 Brits, Damonville and Oukasie (012) 318-9636 / 9639  
 Hartbeespoort (012) 253-1177  
 Lethabile (012) 251-0132/3  
 Mothotlung (012) 709-2333



**REDEFINE PROP LTD T**  
**PO BOX 526**  
**PARKLANDS**  
**2121**

Client VAT/BTW No. :

Belastingfaktuur / Tax Invoice  
 BTW Reg. No. / VAT Reg. No. 4500115847

Rekening Nummer / Account Number	<b>2028953</b>	Rekening Maand / Account Month	<b>March 2015</b>
Uitgereik op / Issued on	<b>2015/03/30</b>	Voorstad / Township	<b>BRITS X13</b>
		Straat Adres / Street Address	<b>4 PIET RAUTENBACH</b>
		Erf No. / Stand No.	<b>00002188</b>
		Gebou Naam X No. / Building Ex. No.	<b>00101300002188000000000000</b>
Grootte / Extent	<b>0</b>	Verbeteringswaarde / Improvement Value	<b>21875000</b>
		Deposito Waarborg / Deposit Guarantee	<b>17051.00</b>
		Lesingsydperk / Reading Period	<b>2015/02/20 TO 2015/03/20</b>

**Rekening en Faktuur Besonderhede / Account and Invoice Detail**

DATE	DESCRIPTION	REFERENCE	READING		TARRIF CODE	METER FACTOR	METER UNITS	AMOUNT	VAT	TOTAL
			PREV	CURRENT						
2015/02/28	BALANCE B/FWD							432785.76	0.00	432785.76
2015/03/20	000018 RECEIPT	9955923518	0.000	0.000			0.000	432785.70-	0.00	432785.70-
2015/03/30	PROPERTY TAX BUSINESS AND ELECTRICITY RESET KWH	R814897	0.000	343800.000	ELR076	100000	343800.000	23129.17	0.00	23129.17
2015/03/20	KVA/KWH BULK MEDIUM VOLTA	814897	0.000	815.000	EL0076	100000	815.000	101426.75	14199.75	115626.50
2015/03/20	WATER CONSUMPTION INDUSTR	120021696	757.000	837.000	WA0073	100000	80.000	836.000	117.04	953.04
2015/03/20	WATER CONSUMPTION INDUSTR	120021696	5906.000	5906.000	WA0073	100000	0.000	0.000	0.00	0.00
2015/03/20	WATER CONSUMPTION INDUSTR	100086679	16.000	22.000	WA0073	100000	6.000	62.70	8.78	71.48
2015/03/20	WATER CONSUMPTION INDUSTR	100045942	75.000	80.000	WA0073	100000	5.000	52.25	7.32	59.57
2015/03/30	INDUSTRIAL PROPERTIES AND SEWER USAGE FEE - BUSINES	120021696	757.000	837.000	SE0470		80.000	423.66	59.31	482.97
2015/03/01	SEWER USAGE FEE - BUSINES	120021696	5906.000	5906.000	SE0470		0.000	252.00	35.28	287.28
2015/03/01	SEWER USAGE FEE - BUSINES	100086679	16.000	22.000	SE0470		6.000	18.90	2.65	21.55
2015/03/01	SEWER USAGE FEE - BUSINES	100045942	75.000	80.000	SE0470		5.000	15.75	2.21	17.96
2015/03/30	KVA SERVICE CHARGE BULK H	BJ71502449	0.000	0.000	SUR520		1.000	1861.95	260.67	2122.62
2015/03/06	BULK REFUSE	BJ71512019	0.000	0.000	SUR520		1.000	1229.39	172.12	1401.51
2015/03/30	BULK REFUSE	BJ71512019	0.000	0.000	SUR520		1.000	1229.39	172.12	1401.51

WATER METER 1			WATER METER 2			WATER METER 3			ELECTRICITY METER		
METER REF	QTY	RATE AMOUNT	METER REF	QTY	RATE AMOUNT	METER REF	QTY	RATE AMOUNT	METER REF	QTY	RATE AMOUNT
120021696WA	80.000 @	10.450000 + 836.	00 10008667	9WA	6.000 @ 10.450000 +	62.70 10004	5842WA	5.000 @ 10.450000 +	R814897EL	343800.000 @	0.850700 = 292470.

60 + Days	30 Days	Current Levy	<b>Due Date</b>	<b>Total Payable</b>		
0.00	0.06	478991.71	<b>2015/04/20</b>	AMOUNT	VAT	TOTAL
				423008.63	55983.14	478991.77

>>>>> 9 1301 0000 0202 8953 5 PLEASE NOTE THAT ALL ACCOUNTS STILL WITH OUTSTANDING CONSUMER DEPOSIT WILL BE SUBJECT TO WATER AND ELECTRICITY SERVICES CUT OFF. PLEASE MAKE USE OF YOUR ACCOUNT NUMBER AS REFERENCE WHEN MAKING ALL PAYMENTS.

BANKING DETAILS: ABSA BRITS, ACC NO: 640000376, BRANCH CODE: 334146

Post Office **028**  
 Poskantoor

>>>>> 9 1301 0000 0202 8953 5

POSKANTOOR TOEWYSING / POST OFFICE ALLOCATION : 0028 MADIBENG POSTAL ADDRESS: PO BOX 106, BRITS, 0250

Rente is betaalbaar op agterstallige bedrae. Stel ons asseblief in kennis van staking van dienste, anders sal u aanspreeklik bly vir kostes. Stel ons ook asseblief skriftelik in kennis van enige adresveranderings.  
 Interest is payable on any amount in arrears. Please notify us in writing of the termination of any services, else you will be held responsible for any cost. Please notify us in writing of any address changes.

000000

No	Tenants	Unit	Use	Description	Parking	Area m <sup>2</sup>	Lease Start	Lease Expiry	Duration	Esc.	Jun-15		
											Rent /m <sup>2</sup>	Rent	Parking
1	Kromberg and Schubert	Factory1	Production	Factory1	-	11 575,00	01-Mar-13	31-Dec-18	5 yrs, 10 mths	7,0%	R 20,21	R 233 967,90	-
2	Kromberg and Schubert	Factory2	Production	Factory2	-	6 199,00	01-Mar-13	31-Dec-18	5 yrs, 10 mths	10,0%	R 26,62	R 165 000,00	-
3	Vacant 1	Factory3	Production	Vacant	-	10 341,00	-	-	-	-	R 20,00	R 206 820,00	-
4	Department of public safety North West	Office 1	Offices	Offices	12	310,00	-	-	-	-	R 105,00	R 32 549,37	3 830,10
5	Department of public safety North West	Office 2	Offices	Offices	15	297,00	-	-	-	-	R 105,00	R 31 184,38	4 787,61
	<b>Total</b>				<b>27</b>	<b>28 722,00</b>					<b>R 23,31</b>	<b>R 669 521,65</b>	<b>R 3 830,10</b>
4	Occupied					18 381,00	64,0%				R 25,17	R 462 701,65	
1	Vacant					10 341,00	36,0%				R 20,00	206 820,00	

\* Vacant space assumes a notional market related rent

# ANNEXURE G – INCOME STATEMENT

	ACTUAL	PROJECTED	PROJECTED
	JUNE 2015 ANNUALISED	** YR 1 1 OCT 2015 - 30 SEPT 2016	** YR 2 1 OCT 2016 - 30 SEPT 2017
<b>TOTAL RENTAL INCOME</b>	<b>R 5 655 832</b>	<b>R 8 413 010</b>	<b>R 9 064 786</b>
Rental Income	R 5 552 420	R 8 304 215	R 8 948 375
Parking Income	R 103 413	R 108 796	R 116 411
<b>TOTAL RECOVERIES</b>	<b>R 4 748 683</b>	<b>R 5 231 150</b>	<b>R 5 649 642</b>
Recoverable Rates and Taxes	R 185 203	R 204 020	R 220 342
Recoverable Water	R 72 600	R 79 976	R 86 374
Recoverable Electricity	R 4 442 256	R 4 893 589	R 5 285 076
Recoverable Sewerage	R 11 616	R 12 796	R 13 820
Recoverable Refuse	R 37 008	R 40 768	R 44 029
<b>TOTAL GROSS INCOME</b>	<b>R 10 404 516</b>	<b>R 13 644 160</b>	<b>R 14 714 428</b>
<b>OPERATING EXPENSES</b>	<b>R 6 182 613</b>	<b>R 6 776 316</b>	<b>R 7 318 422</b>
Rates & Taxes	R 297 411	R 327 627	R 353 838
Water	R 72 600	R 79 976	R 86 374
Electricity	R 4 935 840	R 5 437 321	R 5 872 307
Sewerage	R 11 616	R 12 796	R 13 820
Refuse	R 37 008	R 40 768	R 44 029
Repairs and Maintenance	R 120 000	R 127 200	R 137 376
Security	R 246 000	R 260 760	R 281 621
Care Taker	R 46 200	R 48 972	R 52 890
Gardens outdoor	R 138 335	R 146 635	R 158 365
Insurance Public liability	R 72 408	R 76 752	R 82 893
Meter Reading Fees	R 102 468	R 108 616	R 117 305
Contract Airconditioning	R 67 314	R 71 353	R 77 061
Contract Electrical	R 22 302	R 23 641	R 25 532
Health and safety	R 13 112	R 13 898	R 15 010
<b>TOTAL EXPENSES</b>	<b>R 6 182 613</b>	<b>R 6 776 316</b>	<b>R 7 318 422</b>
<b>NET OPERATING INCOME</b>	<b>R 4 221 902</b>	<b>R 6 867 844</b>	<b>R 7 396 006</b>

\* Current financial information supplied by vendor.

\*\* Projections are based on current financials and tenancy information with additional assumptions and projections made by Broll management.

KROMBERG AND SCHUBERT



## THIRD ADDENDUM TO AGREEMENT OF LEASE

Whereas Redefine Properties Limited (including its successors in title and assigns) entered into an agreement of lease as follows:

LANDLORD:	Redefine Properties Limited
REGISTRATION NUMBER OF LANDLORD:	1999/018591/06
TENANT:	Kromberg & Schubert Brits (Pty) Ltd
REGISTRATION NUMBER OF TENANT:	1997/013534/07
COMMENCEMENT DATE OF LEASE AGREEMENT:	Principal Agreement – 1 January 2012 First Addendum – 1 January 2014 Second Addendum – 1 July 2014
TERMINATION DATE OF LEASE AGREEMENTS:	Principal Agreement – 31 December 2018 First Addendum – 30 June 2014 Second Addendum – 31 December 2014
LAST SIGNATURE DATE OF LEASE AGREEMENT:	Principal Agreement – 5 May 2012 First Addendum – 20th February 2014 Second Addendum – 2nd June 2014
PREMISES:	Factory A measuring approximately 6000 square metres situated at the building known as Creation, 2 Plet Rautenbach Street, Brits, North West, 0256.
and	

Whereas the landlord and the tenant now wish to amend certain terms of the lease agreement by extending the lease period for a further 3 months commencing 1 January 2015 and terminating 31 March 2015.

AGREEMENT OF LEASE

RETAIL SCHEDULE

PAGE 1 OF 1

INITIAL  
HERE

# ANNEXURE H- LEASES

DEPARTMENT OF TRANSPORT AND ROADS

OFFICE LEASE 1

**4. RENT.**

The monthly rent payable by the lessee hereunder for the hire of the leased premises shall, subject to the provisions of Annexure "A" be:

.01 for the premises described in Clause 1.03(i):

FROM	TO	MONTHLY RENTAL	VAT AMOUNT	VAT RATE	TOTAL
01.07.2004	- 30.06.2005	R20 700.00	R3 326.40	14%	R27 026.40
01.07.2005	- 30.06.2006	R20 011.20	R3 125.67	14%	R23 136.87
01.07.2006	- 30.06.2007	R20 804.54	R4 172.04	14%	R24 976.58
01.07.2007	- 30.06.2008	R23 391.00	R4 970.35	14%	R28 361.35
01.07.2008	- 30.06.2009	R17 396.81	R3 234.15	14%	R20 630.96

.02 for the premises described in Clause 1.03(ii):

FROM	TO	MONTHLY RENTAL	VAT AMOUNT	VAT RATE	TOTAL
01.07.2004	- 30.06.2005	R1 200.00	R195.00	14%	R1 395.00
01.07.2005	- 30.06.2006	R1 344.00	R188.16	14%	R1 532.16
01.07.2006	- 30.06.2007	R1 605.20	R210.74	14%	R1 715.94
01.07.2007	- 30.06.2008	R1 685.91	R230.25	14%	R1 916.16
01.07.2008	- 30.06.2009	R1 888.22	R264.35	14%	R2 152.57

**5. BORROWAL AND NOTICES**

.01 The lessee chooses abovesaid (land of occupant) for all purposes hereunder at:

at Broll Property Management (Pty) Limited  
27 Fricker Road  
ILLOVO  
Johannesburg  
2196

.02 The lessee chooses abovesaid (land of occupant) for all purposes hereunder at:

at The Department of Transport and Roads  
Gubbins Building  
Dr James Moroka Drive  
MAYBORN

DEPARTMENT OF TRANSPORT AND ROADS

*[Handwritten signature]*



# ANNEXURE H- LEASES

DEPARTMENT OF PUBLIC SAFETY

WHEREAS by an agreement of lease between the Lessor and the Lessee, signed by the Lessor in Johannesburg on 14 DECEMBER 2004 and the Lessee in TEBWA on 28 SEPTEMBER 2004, (hereinafter referred to as "this lease"), the Lessor let to the Lessee certain leased premises being OFFICE 1- GROUND (measuring approximately 310m<sup>2</sup>), OFFICE - 1<sup>ST</sup> FLOOR (measuring approximately 297m<sup>2</sup>), 27 PARKING BAYS in the building known as CREATION, situated at 2 PIET RAUTENBACH STREET, BRITS which leased premises are more fully described in this lease;

AND WHEREAS the Lessor and the Lessee have agreed to extend the period of this lease with 5 (Five) years;

AND WHEREAS the Lessor and the Lessee are desirous of recording in writing the terms and conditions under which it has been agreed to extend this lease.

**NOW THEREFORE THESE PRESENT WITNESSES:**

1. This lease is hereby extended for a period of 5 (Five) years, commencing 1 July 2009 and terminating 30 June 2014 for premises:
  - 1.1 OFFICE 1 GROUND (measuring approximately 310m<sup>2</sup>)
  - 1.2 OFFICE - 1<sup>ST</sup> FLOOR (measuring approximately 297m<sup>2</sup>)
2. 27 Parking bays will be described in this lease hereunder as:
  - 2.1 15 Under cover bays
  - 2.2 12 Shaded bays
4. The rental payable by the Lessee hereunder for the leased premises as per clause 1.1 and 1.2 shall be:

**4.1 Office 1 - Ground**

Monthly Rent	VAT Amount	VAT Rate	Total	Exc Rate		Period
R20902.54	R2934.76	14%	R23897.30	9%	01/07/2009	TO 30/06/2010
R22449.17	R3198.68	14%	R25645.05	9%	01/07/2010	TO 30/06/2011
R24905.60	R3480.78	14%	R28392.38	9%	01/07/2011	TO 30/06/2012
R27147.10	R3800.20	14%	R30947.60	9%	01/07/2012	TO 30/06/2013
R29590.34	R4142.05	14%	R33732.99	9%	01/07/2013	TO 30/06/2014

**4.2 Office - 1<sup>st</sup> Floor**

Monthly Rent	VAT Amount	VAT Rate	Total	Exc Rate		Period
R20083.40	R2811.68	14%	R22895.14	9%	01/07/2009	TO 30/06/2010
R21899.97	R3084.74	14%	R24985.71	9%	01/07/2010	TO 30/06/2011
R23501.16	R3340.56	14%	R27201.72	9%	01/07/2011	TO 30/06/2012
R26008.68	R3641.21	14%	R29649.87	9%	01/07/2012	TO 30/06/2013
R28349.44	R3956.92	14%	R32318.36	9%	01/07/2013	TO 30/06/2014

5. The rental payable by the Lessee hereunder for the parking bays as per clause 2.1 and 2.2 shall be:

**5.1 12 Shaded Bays**

Monthly Rent	VAT Amount	VAT Rate	Total	Exc Rate		Period
R2455.07	R345.33	14%	R2812.00	9%	01/07/2009	TO 30/06/2010
R2666.07	R375.41	14%	R3065.08	9%	01/07/2010	TO 30/06/2011
R2930.05	R410.29	14%	R3340.94	9%	01/07/2011	TO 30/06/2012

INITIALS & WITNESS HERE

BEM

# ANNEXURE H- LEASES

R3194.41	R447.22	14%	R3641.63	9%	01/07/2012	TO	30/06/2013
R3481.91	R487.47	14%	R3969.38	9%	01/07/2013	TO	30/06/2014

**5.2 15 Undercover Bays**

Monthly Rent	VAT Amount	VAT Rate	Total	Exc Rate		Period
R3085.33	R431.07	14%	R3516.40	9%	01/07/2009	TO 30/06/2010
R3260.63	R470.62	14%	R3731.25	9%	01/07/2010	TO 30/06/2011
R3603.30	R512.86	14%	R4116.16	9%	01/07/2011	TO 30/06/2012
R3993.00	R559.02	14%	R4552.02	9%	01/07/2012	TO 30/06/2013
R4352.37	R609.33	14%	R4961.70	9%	01/07/2013	TO 30/06/2014

- (a) The lessee's pro-rata percentage for the payment of local authority charges and of assessment rates in respect of the premises recorded in 1.1 and 1.2 shall be:
  - (i) OFFICE 1 GROUND 1.05 %
  - (ii) OFFICE - 1<sup>ST</sup> FLOOR 1.10 %
- (b) Should the municipal rates and taxes payable in respect of the site and/or building be increased after the commencement date so as to exceed the municipal rates and taxes payable by the lessor at the commencement date, then the lessee shall pay to the lessor 100% of such increase in municipal rates and taxes. Should the said municipal rates and taxes again be increased thereafter, then the provisions of the aforesaid shall again, mutatis mutandis, apply. Each such increase shall operate from the effective date of the said increase in question and shall apply during the currency of this lease and any renewal thereof.

6. The cost of drawing and executing this Addendum to the lease, together with the stamp duty payable thereon shall be borne by the Lessee.

Lease Admin Fees	R855.00 (including VAT)
Stamp Duties	N/A
<b>Total</b>	<b>R855.00</b>

It is specifically recited that all the terms and conditions of the principal lease shall remain of full force and effect save insofar as such terms and conditions shall have been specifically altered, amended, replaced or annulled thereby.

- T. Annexures forming part of this Addendum of Lease
- a. Resolution Annexure "A"
  - b. Tenant Installation Annexure "B"
  - c. Plan of Premises Annexure "C"

INITIAL & WITNESS HERE

# ANNEXURE I - PHOTOGRAPHY



**ENTRANCE**



**WAREHOUSE**



**LOADING BAY AND YARD**



**WAREHOUSE INTERIOR**



**WAREHOUSE INTERIOR**



**WAREHOUSE INTERIOR**

# Rules of Auction and Conditions of Sale



## IMMOVABLE PROPERTY

**DATE OF AUCTION** : 18 August, 2015  
**PLACE OF AUCTION** : The Wanderers Club, 21 North Street, Illovo, Johannesburg  
**TIME OF AUCTION** : 12pm  
**AUCTION HOUSE** : Broll Auctions and Sales (Pty) Ltd  
(Registration Number 2014/250826/07)  
**AUCTIONEER** : Ismail Hendricks  
Suite 4, 1<sup>st</sup> Floor, Atholl Square, Cnr Katherine Drive and  
Wierda Road East, Sandown  
Contact number: 087 700 8290  
Email: lhendricks@broll.com

Will offer for sale by public auction the following immovable property

**ERF** : 2188 Brits Extension 13  
**KNOWN AS** : Creation House , 2 Piet Rautenbach Street, Brits  
**IN EXTENT** : 8.8643 (Eight Comma Eight Six Four Three) Hectares

## RULES OF AUCTION

- 1.1. Each prospective bidder must read these Rules of Auction together with the attached Conditions of Sale Agreement and must not bid unless he or she has done so.
- 1.2. The sale by auction is subject to a reserve price.
- 1.3. The auctioneer or his agent shall be entitled to bid up to the reserve price on behalf of the owner, but shall not be entitled to make a bid equal to or exceeding the reserve price.
- 1.4. The rules of auction comply with section 45 of the Consumer Protection Act, Act 68 of 2008 ("the Act") and with the Consumer Protection Act Regulations ("the Regulations") that have been published in terms thereof.

- 1.5. Section 45 subsection (2) of the Act provides that: "When goods are put up for sale by auction in lots, each lot is, unless there is evidence to the contrary, regarded to be the subject of a separate transaction."
- 1.6. The auction will commence at the published time and will not be delayed to allow any specific person or more persons in general to take part in the auction.
- 1.7. Registration to bid at the auction:
  - 1.7.1 Anyone that intends to bid at the auction must register his or her identity on the bidder's record **prior to the commencement of the auction**. Such registration must meet the requirements of FICA (Financial Intelligence Centre Act, 2001) in respect of the establishment and verification of identity of the person, and the person must sign the registration entry.
  - 1.7.2 A person who attends the auction to **bid on behalf of another person (i.e. on behalf of a company)** must produce a letter of authority that expressly authorises him or her to bid on behalf of that person and the person bidding on his or her behalf must meet the requirements set out in clause 1.7.1 above. Where a person is bidding on behalf of a company the letter of authority must appear on the letterhead of the company and must be accompanied by a certified copy of the resolution authorising him or her to bid on behalf of the company.
- 1.8. The bidder's record and the vendor roll will be made available for inspection at the offices of Broll Auctions and Sales (Pty) Ltd during normal business hours without the charge of a fee. The bidders' record will also be available for inspection at the auction.
- 1.9. Broll Auctions and Sales (Pty) Ltd has a trust account. All money due to the seller in terms of the Rules of Auction will be paid into this trust account for the benefit of the seller,.
- 1.10. The auctioneer will during the auction announce the reason for the auction unless that reason is the normal and voluntary disposal of property by the seller.
- 1.11. The total cost of advertising and conducting the auction of the property is **R35,000.00** which costs are broken down as follows and are for the sole account of the AUCTIONEER:

- 1.11.1 Advertising costs;
  - 1.11.2 Brochure and marketing material;
  - 1.11.3 Auction venue costs;
  - 1.11.4 Photography.
- 1.12 The conduct of the auction is subject to the control of the auctioneer who has the sole right to regulate the bidding procedure.
- 1.13 The sale shall be by the rise and the property shall be sold to the highest bidder subject to the Rules of Auction.
- 1.14 Every bid shall constitute an offer to purchase the property for the amount bid upon the terms and conditions contained in the Conditions of Sale, which the seller or the auctioneer may accept or reject in their absolute discretion. The seller shall be entitled, in its absolute discretion, to withdraw the property from sale prior to acceptance by the seller.
- 1.15 If no bid equals or exceeds the reserve price, the property may be withdrawn from the auction. The seller shall be entitled to instruct the auctioneer to accept any lower bid.
- 1.16 In the event of any dispute between the bidders, the decision of the auctioneer shall be final and binding.
- 1.17 Any error by the auctioneer shall be entitled to be corrected by him.
- 1.18 No bid may be withdrawn after the fall of the hammer until the expiry of the confirmation period that is provided for in the Conditions of Sale, during which time the offer shall be open for acceptance by the seller or his agent and if the offer is accepted, the sale shall be deemed to be a sale by auction for purposes of the Act.
- 1.19 The highest bidder ("the purchaser") shall sign the Conditions of Sale immediately on the fall of the hammer.

I the AUCTIONEER do hereby certify that, to the best of my knowledge, these Rules of Auction meet the requirements of regulation 21 of the Consumer Protection Act Regulations as published in Government Gazette No. 34180 of 1 April 2011.

---

**AUCTIONEER (duly authorised)**

---

**DATE**



Duly instructed by  
**REDEFINE PROPERTIES LIMITED**  
 Registration Number: 1999/018591/06  
 (the "SELLER")  
 and

**BROLL AUCTIONS AND SALES (PTY) LIMITED**  
 Registration Number 2014/250826/07  
 Duly represented by: **Ismail Hendricks**  
 (the "AUCTIONEER")

Hereby offers for sale by public auction the following immovable property:

**ERF** : **2188 Brits Extension 13**  
**KNOWN AS** : **Creation House , 2 Piet Rautenbach Street, Brits**  
**IN EXTENT** : **8.8643 (Eight Comma Eight Six Four Three) Hectares**

together with all/any fixed assets which are used in connection with or comprise part of the Property as at the Date of Transfer, including all generators, access control systems (including any booms, if any), security systems (including cameras if any), air-conditioning units and garbage compaction units situated on the Property (other than those fixed assets which are in the possession and under the control of the tenants or specifically excluded from this Agreement together with any lease agreements in full force and effect on the Date of Transfer concluded between the Seller (or its predecessors in title) as landlord and the tenants of the Leased Premises, being the various shops, showrooms, offices and other lettable areas in the Building, including parking areas (the "PROPERTY") on the following terms and conditions:

**1. ACCEPTANCE AND CONFIRMATION**

- 1.1. The **PURCHASER'S** offer shall remain open for acceptance by the **SELLER** or by the **AUCTIONEER** on behalf of the **SELLER**, until 18H00 on the 27<sup>TH</sup> day of **AUGUST, 2015** ("confirmation period"). The **PURCHASER** and the **AUCTIONEER** acknowledge and agree that this provision constitutes a stipulation for the benefit of the **SELLER**.
- 1.2. The **PURCHASER'S** offer shall be deemed to have been accepted only when the **SELLER** or the **AUCTIONEER**, whichever may be applicable, has signed these Conditions of Sale on behalf of the **SELLER** in the space provided at the end of this

Agreement and the Seller shall not be required to notify the **PURCHASER** of the acceptance of its offer prior to expiry of the confirmation period.

- 1.3. Should the **SELLER** reject the **PURCHASER'S** offer, the **AUCTIONEER** will repay to the **PURCHASER** any deposit and commission paid to it in terms of this agreement.
- 1.4. In the event of the sale requiring the consent of any statutory authority or any court of law, then this sale is subject to the granting of such consent.

**2. PURCHASE PRICE**

The purchase price of the **PROPERTY** shall be the amount of:

R \_\_\_\_\_  
 (words) \_\_\_\_\_  
 (PLUS VALUE ADDED TAX IF APPLICABLE)

Which purchase price shall be payable and paid by the **PURCHASER** on the terms and conditions contained herein, and as follows:

- 2.1 A deposit of **5% (five per cent)** of the Purchase Price payable to the **AUCTIONEER** by the **PURCHASER** immediately on the fall of the hammer, which amount the **PURCHASER** hereby authorises the **AUCTIONEER** to pay over to the **SELLER'S** Attorneys;
- 2.2 The deposit paid in terms of this clause will be invested by the **SELLER'S** Attorneys on call at a commercial bank on behalf of and the interest for the benefit of the **PURCHASER**. The **PURCHASER'S** signature hereto shall constitute the **PURCHASER'S** written consent in terms of Section 78(2A) of the Attorneys Act, authorising the **SELLER'S** Attorneys to invest all amounts paid on account of the Purchase Price in an interest bearing account with a bank of the **SELLER'S** Attorneys choice. No monies shall be invested without compliance of clause 8.6 of this Agreement.
- 2.3 The balance of the Purchase Price shall be paid in cash and secured, to the satisfaction of the **SELLER'S** Attorneys, by a written guarantee from a registered financial institution, payable free of exchange, against registration of transfer of the **PROPERTY** into the **PURCHASER'S** name. The **PURCHASER** may elect to secure the balance of the Purchase Price by payment in cash to the **SELLER'S** Attorneys, who shall hold same in trust, pending registration of transfer into the name of the **PURCHASER**. The aforesaid

guarantee shall be presented and/or cash shall be payable by the **PURCHASER** to the **SELLER'S** Attorneys within **45 (forty five)** days from date of acceptance by the Seller.

2.4 The Purchaser shall be liable for interest at 2% (two per cent) above the Prime Rate, per month calculated from the due date of payment to the actual date of payment thereof (both days inclusive) on any amounts not paid when due

### 3. VALUE ADDED TAX AND TRANSFER DUTY

It is recorded that, if applicable:

3.1 The Purchase Price is exclusive of VAT at the rate of zero percent.

3.2 It is recorded that it is the intention of the parties that this transaction be a zero rated transaction in terms of Section 11 (1) (e) of the Value Added Tax Act (the "Act") and it is agreed that the purchase price is inclusive of VAT at a rate of zero percent.

3.3 It is recorded that in the event that VAT is applicable;

3.3.1 The **PROPERTY** constitutes an enterprise as defined in the Act and is sold as a going concern that will on the date of transfer be an income earning activity capable of separate operation, and the supply of the **PROPERTY** shall be 'zero rated' in terms of Section 11 (1) (e) of the Act;

3.3.2 The assets and all other aspects of the business that are necessary for carrying on the enterprise, including all existing lease agreements pertaining to the property, are being disposed of to the **PURCHASER** in terms of this Agreement.

3.4 It is recorded that in the event that VAT is applicable; The **SELLER** and **PURCHASER** respectively warrant to the other that they will, with effect from the date of conclusion of this Agreement, be registered as vendors in terms of the Act. The **PURCHASER** undertakes to provide the **SELLER'S** attorneys with a copy of its VAT Registration Certificate (form VAT 103) at least 21 (twenty one) days before the anticipated Transfer Date and the **PURCHASER** warrants that it has applied for VAT registration before the date of conclusion of this Agreement.

3.5 If for any reason VAT is payable on this sale at a rate other than at the zero rate, then the **PURCHASER** agrees and undertakes that it will be liable for payment of any such VAT or additional VAT and such VAT will be added to the Purchase Price and payable

on registration of transfer and shall be secured as provided for in clause 2.3 above.

3.6 In the event of VAT being payable on the Purchase Price as a result of the sale, such VAT shall be payable by the **PURCHASER**, in addition to the Purchase Price, to the **SELLER'S** Attorneys immediately on demand.

3.7 In the event that the sale is VAT exempt or not applicable, the **PURCHASER** shall pay applicable transfer duty, in addition to the Purchase Price, to the **SELLER'S** Attorneys immediately on demand.

### 4 AUCTIONEER'S COMMISSION

4.1 The **PURCHASER** shall be liable for and pay, in addition to the amounts payable in terms of clauses 2.1 and 2.3, **AUCTIONEER'S** commission of **5% (five per cent)** of the Purchase Price, plus VAT thereon, which commission shall be deemed to have been earned and is payable immediately upon the fall of the hammer or upon the signing of this Agreement by the Purchaser, whichever happens first.

4.2 **The PURCHASER shall pay the full amount of AUCTIONEER'S commission into the trust account of the AUCTIONEER immediately on signing of the PURCHASER'S offer in terms hereof, but this amount shall remain the property of the PURCHASER and shall be retained in trust by the AUCTIONEER for the benefit of the PURCHASER pending acceptance by the SELLER of the PURCHASER's offer or until the SELLER either rejects the offer or until expiry of the confirmation period.**

4.3 The **PURCHASER** shall be liable to pay any bank charges associated with the payment of the **AUCTIONEER'S** commission into the **AUCTIONEER'S** chosen bank account.

4.4 The provisions of this clause 4 are for the benefit of the **AGENT** who accepts such benefit.

4.5 There shall be no liability on the **SELLER** in respect of the Auctioneers' commission and the Purchaser indemnifies the **SELLER** against any claim against the Auctioneer or any other person and/or entity relating thereto.

### 5 OCCUPATIONAL INTEREST

The **PURCHASER** shall only take possession and occupation of the **PROPERTY** on registration of transfer unless the parties have agreed otherwise in writing in which case occupational rent shall be payable at a rate to be agreed in writing by the parties.

**6 RATES AND TAXES AND LEVIES**

- 6.1 The Seller is liable for and must pay all rates / levies that may be due in respect of the Property up to the Transfer Date. The Purchaser is liable for and must pay all rates / levies that may be due in respect of the Property with effect from the Transfer Date. The Seller and the Purchaser shall pay to the Conveyancers on request the relevant amounts estimated by the Conveyancers for which they are each liable in terms of this clause, and the Conveyancers will then make the necessary adjustments and refunds upon registration of transfer.
- 6.2 The Seller understands and accepts that it is the practice of the City of Johannesburg and certain other municipalities to require the Seller to pay the full amount required in order to obtain a rates clearance certificate in respect of properties falling within its area, and to then refund the Seller after registration of transfer, and the Seller will accordingly be liable to pay the full amount required for a rates clearance certificate in such cases.
- 6.3 Any indication of the rates and/or levies payable in respect of the Property that is given by the Seller or the Auctioneer is only an approximation based on recent figures obtained in respect of the Property, and accordingly neither the Seller nor the Auctioneer warrant the actual amounts of the rates / levies applicable to the Property.
- 6.4 The parties agree, so as to allow for the orderly transfer of the rates, water and electricity accounts in respect of the Property, as follows:
  - 6.4.1 the Seller will notify the relevant municipality, or any other relevant authority, prior to vacating the Property and request them to take final readings and terminate the electricity and water service in the Seller's name upon registration of transfer into the name of the Purchaser;
  - 6.4.2 the Conveyancers will, upon registration of transfer, inform the relevant municipality that the Property has been transferred into the Purchaser's name and the date of such transfer; and
  - 6.4.3 the Purchaser shall, immediately upon registration of transfer of the Property into its name, attend at the offices of the relevant municipality or any other relevant authority, and will pay the required deposit/s and open rates, water and electricity consumption accounts in its name. Should any amounts be deducted from the Seller's account post Transfer in respect of utilities, whether as a result of the Purchaser's failure to open the necessary account

or any reason whatsoever, the Purchaser undertakes to make payment of such amounts, together with interest thereof, to the Seller within 14 (fourteen) days of request by the Seller.

- 6.4.4 Should the Purchaser fail to open the account/s referred to in clause 6.4.3 above, subject to clause below, the Purchaser acknowledges that the provisions of clause will apply and undertakes to be bound thereto.
  - 6.4.4.1 Within 5 (five) Business Days of Date of Transfer, the Purchaser will make application for opening of the account/s with the relevant authorities. The Purchaser shall submit proof of its application to the Seller within 3 (three) business days of the Date of Transfer;
  - 6.4.4.2 The Purchaser will ensure that the application has been processed and the account opened within 7 days from Date of Transfer;
  - 6.4.4.3 Should the Purchaser fail to open the account within 7 (seven) days of Transfer and should the Council be unable to refund to the Seller the prepaid clearances amounts post Transfer, the Purchaser acknowledges that:-
    - 6.4.4.3.1 the Seller shall in its sole and absolute discretion be entitled, without notice to the Purchaser, to instruct the Council to disconnect the electricity, water, utilities etc. to the Property with immediate effect. The Purchaser indemnifies the Seller against all and/or any claims of whatsoever nature from any person or party, including consequent or inconsequent arising from the disconnection or termination of services by virtue of the Seller's right in terms hereof;
    - 6.4.4.3.2 the Purchaser will also be liable to make payment to the Seller of interest on the Seller's credit amount, in respect of amounts prepaid by the Seller for clearances post Transfer, charged as overdue interest from Transfer until the date that the account has been opened.
- 6.4.5 The provisions of clauses 6.4.4.1 to 6.4.4.3 will not apply in circumstances where the Purchaser is unable to open the requisite account due to any delay occasioned by the Council, accordingly and for the sake of avoidance of doubt; any delay in opening the account must not arise due to any act or omission by the Purchaser. Notwithstanding the aforesaid, the provisions in this clause 6.4.5.5 in no way derogate from the Purchaser's obligation to take all steps necessary to expedite opening the account.
- 6.4.6 Should delay in opening the account(s) be due to actions on the part of



Council, the Purchaser shall within 24 (twenty four) hours of request by the Seller, furnish proof of steps taken to expedite the opening of the account. If the Seller reasonably believes that the Purchaser is not taking all necessary steps to open the account, the Seller may invoke the provisions of clause 6

#### 7. SELLER RESIDENCY AND WITHHOLDING TAX

It is recorded that the parties are aware of an obligation on the part of the **PURCHASER** to withhold part of the Purchase Price from the **SELLER**, if he is a non-resident and pay such withheld portion to the South African Revenue Services (hereinafter referred to as "SARS") in terms of Section 35A of the Income Tax Act, (hereinafter referred to as the "Act") and in that regard:

7.1. The **SELLER** warrants either that he is a RESIDENT of the Republic of South Africa

#### 8 TRANSFER AND COSTS OF TRANSFER

8.1 Transfer shall not be passed to the **PURCHASER**, notwithstanding anything to the contrary herein contained, until such time as the total Purchase Price and all other amounts, for which the **PURCHASER** may be liable in terms hereof, have been paid and/or payment thereof has been secured as herein provided.

8.2 Transfer of the **PROPERTY** shall be passed, by the **SELLER'S** Attorneys, as soon as possible after date of acceptance, providing the **PURCHASER** has complied with the provisions of the aforementioned sub-clause.

8.3 The **PURCHASER** hereby specifically authorises and agrees to the **SELLER'S** Attorneys preparing and submitting a transfer duty form as required by SARS for the clearance of the **PROPERTY**.

8.4 Transfer of the **PROPERTY** shall be effected by the **SELLER'S** Attorneys and all expenses of and incidental to the preparation and registration of transfer, the conveyancing fees, disbursements and VAT (if applicable), in respect of such transfer, shall be borne by the **PURCHASER** including all expenses and legal costs incidental to the preparation and registration of any mortgage bond to finance the Purchase Price herein, including any disbursement levied by the financial institution approving the finance.

8.5 In the event of the **PURCHASER** failing to comply within 7 (seven) days of being requested by the **SELLER'S** Attorneys, to furnish them with signed documents or documentation of whatever nature necessary for effecting transfer, or where applicable to ensure that the mortgage bond documentation or ancillary documentation is satisfactorily completed or in the event of the registration of transfer being delayed as a consequence of a default on part of the **PURCHASER** (and the widest possible interpretation shall be used in respect of the terms hereof), then *ipso facto* on the 8<sup>th</sup> (eighth) day after such request, the **PURCHASER** shall pay to the **SELLER** penalty interest, at the rate of 2% (two per centum) above prime calculated from the said 8<sup>th</sup> (eighth) day until the date of transfer, (both days inclusive).

8.6 The **PURCHASER** acknowledges and accordingly undertakes to comply with all the FICA requirements as set out in **Annexure "1"** annexed hereto within 7 (seven) days from date of acceptance of this Agreement by the **SELLER** and to supply the **SELLER'S** Attorneys all information and documentation required by the **SELLER'S** Attorneys to enable the **SELLER'S** Attorneys to fulfil their obligations in terms of the Acts mentioned herein under:

8.6.1 The **SELLER'S** Attorneys are designed as an "accountable institution" in terms of the Financial Intelligence Centres Act No. 38 of 2001 ("FICA");

8.6.2 Certain obligations are placed on the **SELLER'S** Attorneys in terms of FICA and the Prevention of Organised Crime Act 21 of 1998 ("POCA");

8.6.3 The **SELLER'S** Attorneys shall not invest and administer any deposits or any other monies paid by the **PURCHASER** in terms of this Agreement, unless the **PURCHASER** has provided the **SELLER'S** Attorneys with the documentation that they require in terms of FICA, nor shall the **SELLER'S** Attorneys be held liable for any loss of interest as a result of the **PURCHASER'S** failure to comply herein.

#### 9 POSSESSION AND RISK

9.1 Possession of the **PROPERTY**, subject to any leases in place over the Property as at the date of auction, shall only be given by the **SELLER** and taken by the **PURCHASER** on

registration of transfer, provided that clauses 2.1 and 2.3 above have been complied with, from which date all risks and benefits of ownership in respect of the **PROPERTY** shall pass to the **PURCHASER**.

9.2 The **PURCHASER**, at its own expense, shall insure the **PROPERTY** and improvements thereon for the full replacement value thereof from date of possession, against risk of loss or damage by any cause with an insurer acceptable to the **SELLER**. The **SELLER'S** interest in the **PROPERTY** shall be endorsed against such policy for such period.

9.3 Upon the **PURCHASER** taking occupation of the **PROPERTY** and pending transfer, the following conditions shall apply –

9.3.1 the **PURCHASER** shall not sell, let or in any other manner dispose of or part with (whether temporarily or otherwise) the **PROPERTY** or his rights of occupation thereof, except with the written consent of the **SELLER**, which consent shall not be unreasonably withheld;

9.3.2 the **PURCHASER** shall be responsible for and pay all costs of electricity and water consumed in the **PROPERTY**.

## 10 CONTRACTS

10.1 As between the Seller and the Purchaser, from the Date of Transfer the Purchaser shall be entitled to the rights and be liable for the obligations of the Seller arising under or by virtue of the Contracts and the Purchaser hereby indemnifies and holds the Seller harmless against any claims of any nature whatsoever and howsoever arising in terms of or pursuant to the Contracts or their cancellation or termination, as the case may be, after the Date of Transfer.

10.2 The Parties undertake to use their reasonable endeavours to procure every necessary consent of the counterparties to the Contracts to the assignment of such Contracts to the Purchaser, with effect from the Date of Transfer.

10.3 Should any such counterparty fail or refuse to give its consent as aforesaid where such consent is a requirement for such assignment, the Seller will, at the request of the Purchaser, either:-

10.3.1 carry out all relevant obligations and enforce all relevant rights in its own name, but in accordance with such directions as may from time to time be given by the Purchaser and for the benefit of and at the sole risk and expense of the Purchaser, on the basis that the Purchaser will forthwith on demand reimburse the Seller any costs or disbursements reasonably incurred by the Seller in so doing;

10.3.2 appoint the Purchaser as the Seller's sub-contractor on the basis that the Purchaser will indemnify and hold harmless the Seller against all and any claims which may be made against the Seller arising from any act or omission of the Purchaser in respect of such sub-contracted work. Any work so performed by the Purchaser shall be for the profit or loss of the Purchaser. Purchaser acknowledges it shall have no claim against Seller in its capacity as subcontractor.

10.4 The Purchaser hereby indemnifies and holds the Seller harmless against any claim of whatsoever nature arising out of, or in any way connected to, any of the Contracts, provided that such claim does not arise before the Date of Transfer.

## 11 REPAIRS AND IMPROVEMENTS

11.1 Prior to registration of transfer, the **PURCHASER** shall not be entitled to effect any alterations to the **PROPERTY** without the prior written consent of the **SELLER**.

11.2 The **SELLER** need not compensate the **PURCHASER** for any authorised alterations, additions, repairs or improvements effected if the sale is cancelled for any reason whatsoever.

11.3 The **PURCHASER** shall be liable for any and all damages suffered by the **SELLER** as a result of any alterations, additions, repairs or improvements effected by the **PURCHASER**, not authorised by the **SELLER**, including but not limited to restoring the property to the condition it was in prior to such alterations, additions, repairs or improvements.

## 12 VOETSTOOTS, WARRANTIES AND REPRESENTATIONS

12.1 The Purchaser acknowledges and understands that, as it is buying the Property on auction, the provisions of Section 55 of the Consumer Protection Act (Act No. 68 of 2008) are not applicable to this transaction, and the Purchaser is accordingly offering

to purchase the he PROPERTY “voetstoots” and subject to the terms and conditions and servitudes mentioned or referred to in the current and/or prior Title Deeds and to the conditions of establishment of the Township in which it is situated and to the zoning applied to it under any Town Planning Scheme, without any warranties or representations by the Seller or the Auctioneer as to the state or condition of the Property, whether the Property is free of any defects and/or whether the Property is fit for any specific intended purpose. The **SELLER** shall not profit by any excess nor shall it be answerable for any deficiency in the extent thereof. Neither the **SELLER** nor the **AUCTIONEER** shall be responsible for pointing out to the **PURCHASER** any surveyor’s pegs or beacons in respect of the **PROPERTY**.

12.2 **The PURCHASER acknowledges that he has not been induced into entering into this Agreement by any express or implied information, statement, advertisement or representation made or given any warranties in respect of the PROPERTY or anything relating thereto, by the AUCTIONEER or any other person, or by or on behalf of the SELLER if same is not recorded in this Agreement.**

12.3 **The PURCHASER acknowledges that he has fully acquainted himself with the PROPERTY that he has purchased alternatively that he/she has elected to purchase the PROPERTY without fully acquainting him/herself therewith.**

12.4 Neither the Seller nor the Auctioneer shall be liable for any defects in the Property whether latent or otherwise, nor for any damage caused by such defects.

12.5 The Purchaser acknowledges that it had reasonable opportunity to inspect Property, its nature, condition, extent and locality prior to the auction if it chose to do so.

12.6 Neither the Seller nor the **AUCTIONEER** shall be liable for any deficiency in the size of the Property which may be revealed on any re-survey of the Property nor shall the Seller benefit by any excess as a result of such re-survey.

### 13 **BREACH**

13.1 If one of the Parties commits a breach of this Agreement or fails to comply with any of the provisions hereof, then the Aggrieved Party shall be entitled to give the Defaulting Party

7 (seven) days’ notice in writing to remedy such breach or failure (unless such breach or failure occurs after the transfer documents have been lodged in the Deeds Office for registration, in which case the 7 (seven) day period may, at the election of the Aggrieved Party be reduced to 48 (forty eight) hours). If the Defaulting Party is the **PURCHASER** and fails to comply with such notice then the **SELLER** shall forthwith be entitled, but not obliged, without prejudice to any other rights or remedies which the **SELLER** may have in law, including the right to claim damages:

13.1.1 to cancel this Agreement and upon cancellation the **PURCHASER** shall forfeit all monies paid to the **SELLER**, the **AUCTIONEER** and/or the **SELLER’S** Attorneys and the **SELLER** shall retain the right to recover any costs incurred by the **SELLER** to present the **PROPERTY** at the auction, any further costs to be incurred by the **SELLER** to re-auction or to re-sell the **PROPERTY** as well as any difference between the purchase price and the price achieved at any subsequent sale of the **PROPERTY** by the **SELLER**. A certificate issued by the **SELLER** or his representative, whose authority needs not be proven, shall be *prima facie* evidence of any such costs and/or difference in purchase price as contemplated herein. The **PURCHASER** and the **SELLER** specifically agree that the **AUCTIONEER** shall be entitled, but not obliged, to immediately resubmit the **PROPERTY** for auction and all costs pertaining thereto shall be borne and paid for by the **PURCHASER** in addition to any other claims that he may be liable for in terms of the Agreement;or

13.1.2 to claim immediate performance and/or payment of all the Defaulting Party’s obligations in terms hereof.

13.2 Upon cancellation of this Agreement for whatever reason, the **PURCHASER** hereby undertakes to forthwith vacate the **PROPERTY** and to procure that the **PROPERTY** shall be vacated by any persons who occupy the **PROPERTY** through the **PURCHASER’S** title or by his permission. Occupation shall be re-delivered in the same good condition as at the date of possession.

13.3 Occupancy of the **PROPERTY** by the **PURCHASER** or persons on the authority of the **PURCHASER** shall not create a tenancy either in terms of any statutory provision or at common law.

13.4 Notwithstanding what is contained herein, should the **PURCHASER** pay any portion of the deposit, but not pay a portion of or the full commission as required under these Conditions of Sale, the **PARTIES** record and agree that the **AUCTIONEER** shall be entitled to recover any shortfall thereon from the **PURCHASER**.

#### 14 LEGAL COSTS

The Defaulting Party shall be liable for all legal costs incurred by the Aggrieved Party, the **AUCTIONEER** and his Agent / Attorneys in enforcing the terms of this agreement, on an Attorney and own client scale, including collection commission.

#### 15 DOMICILIUM

15.1 The **PURCHASER** and the **SELLER** hereby choose their respective *domicilium citandi et executandi* for all purposes in respect of this agreement, including notices and Court process, the address recorded below their signatures hereunder. Any notice sent by pre-paid registered post shall be deemed to have been received on the fifth day after posting; any notice delivered by hand shall be deemed to have been received on the day of delivery; any notice sent by telefax or electronically transmitted by email, shall be deemed to have been received on the first business day after date of despatch thereof.

15.2 Notwithstanding anything to the contrary herein contained, any written notice or communication actually received by a Party to this Agreement shall be deemed to be adequate written notice or communication to him notwithstanding that it was not sent or delivered at the chosen address / *domicilium citandi et executandi* or transmitted to such Party's telefax number and/or email address as stipulated herein.

15.3 The terms of "writing" shall include communications by email or facsimile.

#### 16 JOINT AND SEVERAL LIABILITY

If this agreement is concluded with more than one **PURCHASER**, the liability of all such **PURCHASERS** to the **SELLER** and to the **AUCTIONEER** shall be joint and several *in solidum*.

#### 17 SECTIONS 112 and 115 OF THE COMPANIES ACT (SPECIAL RESOLUTION)

17.1 The **SELLER** and the **PURCHASER** are aware of the provisions of Sections 112 and 115 of the Companies Act 71 of 2008 (as amended) ("Section 112 and 115"), namely that if the **SELLER** is a company and if the **PROPERTY** constitutes either all or the greater part of the assets or the undertaking of the **SELLER**, then the directors of the **SELLER** shall not have the power, save by a special resolution of the shareholders of the **SELLER**, to sell the **PROPERTY**.

17.2 Accordingly, the **SELLER** warrants that the provisions of Sections 112 and 115 are / are not (delete as appropriate) applicable to the sale of the **PROPERTY**.

17.3 If Sections 112 and 115 are applicable to the sale of the **PROPERTY** and if the directors of the **SELLER** have not already been granted the necessary authority in terms of Sections 112 and 115 to dispose of the **PROPERTY**, then within 45 (forty five) business days of the acceptance date the **SELLER** shall procure that its shareholders pass a special resolution ratifying the sale of the **PROPERTY**.

#### 18 NOMINEE

The **PURCHASER** shall be entitled, by notice in writing to the **SELLER**, to nominate a nominee in his place as **PURCHASER**, upon the following terms and conditions:

18.1 the aforesaid notice shall be handed to the **SELLER** by not later than 24h00 on the same day as the acceptance date by the **SELLER**;

18.2 the notice shall set out the name and address of the nominee so nominated as **PURCHASER**;

18.3 the notice shall be accompanied by the nominee's written acknowledgement:

18.3.1 that it is fully aware of all the terms and conditions of this agreement as if fully set out in such written acknowledgement; and

18.3.2 that it is bound by the provisions of this agreement as the **PURCHASER**;

18.4 should the **PURCHASER** nominate a nominee in terms of this clause, then:

18.4.1 all reference to the **PURCHASER** in this agreement shall be deemed to be a reference to its nominee; and

18.4.2 the **PURCHASER** by his signature hereto, hereby interposes and binds himself as surety and co-principal debtor *in solidum*, for and on behalf of all the obligations of the aforesaid nominee as **PURCHASER**, to and in favour of the **SELLER**, for all the **PURCHASER'S** obligations under this agreement, including damages, and renounces the benefits of division and *excussio*.

## 19 COMPANY TO BE FORMED

19.1 In the event of the **PURCHASER** signing this agreement in his capacity as agent for a company to be formed and the **PURCHASER** fails within 20 (twenty) days from date of acceptance and confirmation of this agreement to register such company having as one of its objects the ratification and adoption of this agreement, or such company fails to adopt or ratify this agreement within 15 (fifteen) days after date of its incorporation, then in such an event the **PURCHASER** shall be deemed as from the date thereof to have entered into this agreement in his personal capacity and to have acquired all the rights and obligations of the **PURCHASER** under this agreement.

19.2 In the event of such company being registered and duly adopting or ratifying this agreement, or the nomination effected, then the **PURCHASER** by his signature hereunder, shall be deemed to bind himself to the **SELLER** as **SURETY** and co-principal debtor *in solidum* with such company for the due performance by it as **PURCHASER** of the terms, conditions and obligations arising out of this agreement.

## 20 COMPANIES, CLOSE CORPORATIONS, ASSOCIATIONS OR TRUSTS

Should the **PURCHASER** be a company, close corporation, association or trust, the person signing this agreement on behalf of such **PURCHASER**, by his signature hereto interposes and binds himself as **SURETY** for and co-principal debtor with the **PURCHASER** for the due and proper discharge of all its obligations arising from this agreement.

## 21. ELECTRICAL INSTALLATION CERTIFICATE OF COMPLIANCE

21.1 The **SELLER** shall, prior to the Date of Transfer, at its cost and expense obtain and deliver to the **PURCHASER** a Certificate of Compliance required by Regulation 3 of the Electrical Installation Regulations ("Regulations") under the Machinery and Occupational Safety Act No. 6 of 1983 and which is deemed, by virtue of Section 43(5) of Act 85 of 1993 to have been made under that section. The Certificate of Compliance shall be issued from the point of supply (as defined in the Regulations) to the point of control (as defined in the Regulations).

21.2 An Electrical Certificate of Compliance issued not more 2 (two) years prior to the date of this Agreement of Sale shall be valid and effective for the purposes of this clause 22.

21.3 The provisions of this clause 21 shall apply mutatis mutandis to any gas and plumbing installation present on the property and in accordance with the Pressure Equipment Regulations 2009 made by the Minister of Labour under section 43 of the Occupational Health and Safety Act 85 of 1993.

21.4 where the Property is situated in a coastal region, a beetle certificate certifying that all the accessible timbers of the Property have been inspected by a South African Pest Control Association - registered inspector and been found free of infestation by wood-destroying beetles, termites and fungi. Where infestation is found, the recommendations made by the inspector shall be carried out in full, in terms of the Fertilizers, Far-Feeds, Agricultural Remedies and Stock Remedies Act 36 of 1947 and/or SANS Codes 0124 and 0204. Upon receipt of a Certificate of Clearance issued by the said Inspector to the Seller, to the effect that there is no apparent infestation on first inspection, or that any infestation which had been reported has been dealt with as set out above, the Seller shall have fairly discharged all responsibility in the matter and the Purchaser shall have no further claim against the Seller,

and deliver such certificate/s to the Purchaser prior to date of transfer.

## 22 MAGISTRATES' COURT JURISDICTION

The Parties hereto consent to the jurisdiction of the Magistrates' Court in terms of Section 45 read with Section 28 of the Magistrates' Court Act of 1944 as amended. Notwithstanding the aforementioned, this shall not preclude either Party from approaching the High Court of South Africa for any relief sought. This Agreement shall further be governed in terms of the law of the Republic of South Africa.

## 23 GENERAL CLAUSES

23.1 This Conditions of Sale Agreement constitutes the whole agreement between the Parties as to the subject matter hereof and no agreement, representation or warranty between the Parties other than those set out herein are binding on the Parties;

23.2 No extension of time, waiver, indulgence or suspension of any of the provisions of this agreement, which any Party hereto may have given, shall be binding unless recorded in a written document signed by all Parties.

23.3 No variation or alteration or cancellation of these Conditions of Sale or any of the terms hereof, shall be of any force or effect, unless in writing and signed by the Parties hereto.

## 24 INTERIM PERIOD

- 24.1 The Seller undertakes that during the Interim Period, being the period commencing on fulfillment of clause 1.3 and terminating on date of Transfer, it will conduct and manage the Property in the Ordinary Course of Business.
- 24.2 Without limiting the generality of the provisions of clause 24,1 above, the Seller undertakes to and in favour of the Purchaser that it will, during the Interim Period, (unless otherwise agreed in writing with the Purchaser):
- 24.2.1 not commit to or incur capital expenditure other than in the Ordinary Course of Business; and
- 24.2.2 not dispose of the Property.
- 24.3 The Seller shall, however, during the Interim Period be entitled, in conducting the Property in the Ordinary Course of Business with the prior written consent of the Purchaser which consent shall not be unreasonably withheld or delayed, to negotiate lease agreements over any vacant area in the Building and/or to incur tenant installation costs and/or other expenditure in connection therewith as the Seller may reasonably determine and to make payment to the relevant agent of any lease commission payable in respect of the conclusion of any such lease agreement. The provisions of this Clause 24.3 shall not apply should the Seller have entered into negotiations with any existing or prospective tenant prior to the Signature Date. Accordingly, the Seller will not require the Purchaser's consent to negotiate lease agreements over any vacant area in the Building and/or negotiate renewals with existing tenants and/or to incur tenant installation costs should negotiations have commenced prior to the Signature Date.
- 24.4 Any costs payable or paid in terms of lease commissions or tenant installation costs will be pro rated between the Parties and the Seller shall be liable for payment of such costs for that period of the lease prior to the Transfer Date and the Purchaser shall be liable for payment of such costs for that period of the lease post to the Transfer Date.
- 24.5 The Seller shall be entitled, with the consent of the Purchaser, which consent shall not unreasonably be withheld or delayed, to cancel any Lease Agreement and institute the necessary proceedings for inter alia specific performance or ejection where it is clear that same is in accordance with past practice and the Seller will suffer a loss if it does not proceed. In the event that the Purchaser does not consent or for any reason whatsoever prevents the Seller from proceeding accordingly, the Purchaser will pay to the Seller the

loss suffered/ to be suffered by the Seller until Transfer Date. The amount calculated will fall to be paid prior to Transfer. To the extent that the Seller has commenced proceedings prior to the Signature Date in respect of inter alia, arrears, eviction, damages, the Seller shall be entitled to proceed with such proceedings unless the Purchaser effects payment to the seller of any amounts due to the Seller Notwithstanding anything to the contrary contained herein the Purchaser shall have no claims against the Seller in respect of proceedings instituted prior to the Transfer Date

- 24.6 Should any consent be unreasonably withheld or delayed or should the agreement subsequently lapse or terminate for any reason whatsoever, without prejudice to any of its other rights, to this Agreement or any other law, the Seller shall be entitled to institute proceedings against the Purchaser for any loss, claims; damages experienced arising from Purchasers failure to consent.
- 24.7 The Seller shall remain and be entitled to recover for its own account, all rentals and other amounts payable in respect of the Property for any period prior to Transfer. If any such arrear rentals or other unpaid amounts are paid to the Purchaser after Transfer, the Purchaser shall forthwith pay the amount thereof to the Seller. The Seller shall be entitled, in accordance with the provisions of the Lease Agreements be entitled to use any deposits or guarantees to liquidate any arrears or other amounts due to the Seller.
- 24.8 The Seller and the Purchaser hereby specifically record and agree that the Purchaser shall not, during the Interim Period, be entitled to exercise any control over the affairs of the Seller;
- 24.9 In terms of the provisions of this clause 24, the Purchaser shall not be entitled to engage in any negotiations of whatsoever nature with any existing or prospective tenants or any third party in respect of the Enterprise without the prior written consent of the Seller, which may be withheld. Failure to comply shall constitute a material breach.

## 25 ADJUSTMENT ACCOUNT AND DEPOSITS

- 25.1 The Seller shall at its expense prepare a preliminary Adjustment Account in respect of the PROPERTY as at the Transfer Date and deliver such Adjustment Account to the Purchaser not later than **60 (sixty)** business days of Date of Transfer.

25.2 Thereafter the Seller shall at its expense prepare a Final Adjustment Account in respect of the Enterprise as at the Transfer Date and deliver such Adjustment Account to the Purchaser not later than **30 (thirty)** business days of receipt by the Seller from the Purchaser of written confirmation that it has substituted all deposits and/or guarantees in respect of the Property paid to the local authority and/or Eskom/City Power by the Seller and it has opened its own accounts in respect of water, electricity and other services in respect of the Property with such local authority and/or Eskom/City Power, and is invoiced in respect thereof and the Purchaser furnishing acceptable proof of such activated accounts to the Seller (“Delivery Date”).

25.3 Within 14 (fourteen) days from the Delivery Date or such later date as may be agreed to between the Parties in writing, the representatives of the Purchaser and the Seller and their respective auditors (at the election of the respective parties) shall meet at the offices of the Seller (unless otherwise agreed between the Parties) to settle the Final Adjustment Account.

25.4 Any amount payable by any Party to another Party in terms of the Final Adjustment Account as set out in clause 25.2 above, shall be paid in cash within 7 (seven) days after the date on which the Adjustment Account is settled in terms of clause 25.3 above, or such later date as may be agreed to between the Parties in writing.

25.5 No amount shall be payable by either Party in accordance with the provisions of clause 11.4 until the Purchaser has provided the Seller with proof to the reasonable satisfaction of the Seller that the Purchaser has complied with its obligations in terms of clause 25.2.

25.6 Payment of any monies due to any party in terms of the Adjustment Account shall not constitute part of the Purchase Price of the Enterprise and shall be effected separately from the payment of such Purchase Price.

25.7 The Adjustment Account shall reflect as follows:

25.7.1 as at the Transfer Date, as credits to the Seller (together with any VAT payable):

25.7.1.1 all rentals and other income due and payable under the Leases prior to the Transfer Date and collected after the Transfer Date, it being agreed that all rental shall first be applied to the oldest debt;

25.7.1.2 all amounts in respect of municipal service fees, surcharges on fees, property rates, municipal tax and other municipal charges, including levies and duties on charges for

electricity and water, pre-paid for any period after and including Date of Transfer, in respect of the Property;

25.7.1.3 the amount of any levies, including special levies pre-paid for any period after the Transfer Date (if applicable);

25.7.1.4 an amount equal to the aggregate of rental and other amounts, if any, unpaid and in arrears by the tenants as at Date of Transfer; and

25.7.1.5 any amounts paid by the Seller in terms of Contracts in respect of periods after and including Date of Transfer.

25.7.2 as at the Transfer Date, as debits to the Seller (together with any VAT payable):

25.7.2.1 all amounts in respect of municipal service fees, surcharges on fees, property rates, municipal taxes and other municipal charges, including levies and duties on charges for electricity and water for any period before the Transfer Date, not paid as at that date;

25.7.2.2 the amount of any levies, including special levies, for any period before the Transfer Date not paid at that date (if applicable);

25.7.2.3 the Deposits, excluding interest (unless the Leases prescribe that the interest accrues for the benefit of the tenant, then together with such accrued interest) and excluding the value of arrear indebtedness of the tenant to the Seller arising prior to the Transfer Date and in respect of which indebtedness the Seller is legally entitled to apply such deposit;

25.7.2.4 all rentals and other income pre-paid to the Seller for the periods after and including the Transfer Date;

25.7.2.5 any other expenses incurred after and including the Transfer Date, which are in respect of periods prior to the Transfer Date, or which should reasonably be apportioned to a period prior to the Transfer Date on a pro-rata basis;

25.7.3 as at the Transfer Date, as debits to the Purchaser (together with any VAT payable):

25.7.3.1 all amounts or municipal service fees, surcharges on fees, property rates, municipal taxes and other municipal charges, including levies and duties on charges for electricity and water, pre-paid by the Seller in respect of the respective Property after and including the Transfer Date;

25.7.3.2 the amount of any levies, including special levies pre-paid for any period after and including the Transfer Date, paid by the Seller in respect of the Property (if applicable);

25.7.3.3 any other expenses reasonably incurred by the Seller in carrying out its obligations prepaid by the Seller in respect of the Property for the period after and including the Transfer Date, including insurance premiums;

25.7.4 Notwithstanding clause 25.7.1.1 and 25.7.1.4, as at the Transfer Date, as credits to the Purchaser, all rentals and other income paid to the Seller for the period from and including the Transfer Date in respect of the Property, subject to any adjustment for input and output VAT, it being agreed by the Parties that the Seller shall be entitled to off-set any municipal credits that the relevant municipality has not yet released to the Seller. All such credits will be withheld from any amount payable to the Purchaser until such credits are paid over to the Seller by the municipality concerned.

25.8 If the Parties are unable to reach agreement regarding the calculation of the amount to be paid by either party to the other in terms of the Adjustment Account, then either party may by notice in writing to the other refer the dispute to an independent auditor agreed upon between the Parties, or failing agreement, appointed by the Chairperson for the time being of the South African Institute of Chartered Accountants, who shall make a determination as soon as possible after such referral and whose determination (including any order as to costs) shall be final and binding (in the absence of manifest error) on the Parties.

THE PROPERTY WAS PUT UP FOR SALE BY PUBLIC AUCTION ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_ OF THE YEAR 20 \_\_\_\_\_

And sold by the rise for the amount of R \_\_\_\_\_

(words) \_\_\_\_\_

\_\_\_\_\_  
(PLUS VALUE ADDED TAX IF APPLICABLE)

TO:  
COMPANY/ CLOSE CORPORATION/ TRUST/ OTHER \_\_\_\_\_  
\_\_\_\_\_ (hereinafter referred to as the "PURCHASER")

ENTITY REGISTRATION / ID NO.: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TELEPHONE DETAILS: (home) \_\_\_\_\_

(Work) \_\_\_\_\_

(Fax) \_\_\_\_\_

(Email) \_\_\_\_\_

(Cell) \_\_\_\_\_

MARITAL STATUS \_\_\_\_\_ (In /Out of Community of PROPERTY)

SPOUSE'S NAME \_\_\_\_\_

SPOUSE'S ID NO \_\_\_\_\_

SIGNED BY THE PURCHASER ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_

AS WITNESS:

1. \_\_\_\_\_  
**PURCHASER** (and where applicable, the signatory binding himself as **SURETY** and co-principal debtor *in solidium*)

AS WITNESS:

1. \_\_\_\_\_  
**BROLL AUCTIONS AND SALES (PTY) LTD** duly authorised (**Broll Auctions and Sales (Pty) Ltd hereby accepts all the rights conferred upon it in terms of this Agreement**)

**ACCEPTANCE AND CONFIRMATION**

Accepted by me this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

AS WITNESSES:



1. \_\_\_\_\_  
**SELLER** (and where applicable the  
**SELLER** is duly authorised)

2. \_\_\_\_\_  
**SELLER'S ADDRESS:**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**DEED OF SURETYSHIP**

I / We the undersigned,

ID NUMBER: \_\_\_\_\_

do hereby interpose and bind myself / ourselves as surety and co-principal debtor/s in solidum for and on behalf of the **PURCHASER** to and in favour of the **SELLER** and the **AUCTIONEER** for all the obligations of the **PURCHASER** under the Conditions of Sale foregoing and in particular for all amounts of money that may be due, including damages, from whatsoever cause arising under renunciation of the benefits of division and excussion. **I/We do further acknowledge that I/we are fully aware of all the terms and Conditions of the Conditions of Sale as if fully set out herein.** I/We do accept *domicilium et executandi* at the address hereinafter set out.

**THUS DONE AND SIGNED at** \_\_\_\_\_ **this** \_\_\_\_\_ **day of** \_\_\_\_\_

AS WITNESSES:

1. \_\_\_\_\_  
**SURETY**

2. \_\_\_\_\_  
**SELLER**

\_\_\_\_\_  
**BROLL AUCTIONS AND SALES (PTY)**  
LTD duly authorised

**SURETY ADDRESS (PHYSICAL):**  
\_\_\_\_\_  
\_\_\_\_\_

Tel No: \_\_\_\_\_



EXTRACT FROM THE MINUTES OF A MEETING OF THE MEMBERS OF

HELD AT \_\_\_\_\_ ON \_\_\_\_\_

**RESOLVED THAT:**

- 1. The CLOSE CORPORATION BUYS the following PROPERTY

\_\_\_\_\_

from \_\_\_\_\_

for R \_\_\_\_\_

- 2. That \_\_\_\_\_ in his capacity as Member be and is hereby authorised to execute and sign all documents necessary to give effect to the above resolution.

Certified a true copy,

\_\_\_\_\_  
MEMBER

\_\_\_\_\_  
MEMBER



EXTRACT FROM THE MINUTES OF A MEETING OF THE DIRECTORS OF

HELD AT \_\_\_\_\_ ON \_\_\_\_\_

**RESOLVED THAT:**

- 2. The Company BUYS the following PROPERTY

\_\_\_\_\_

from \_\_\_\_\_

for R \_\_\_\_\_

- 2. That \_\_\_\_\_ in his capacity as Director be and is hereby authorised to execute and sign all documents necessary to give effect to the above resolution.

Certified a true copy,

\_\_\_\_\_  
DIRECTOR

\_\_\_\_\_  
DIRECTOR

EXTRACT FROM THE MINUTES OF A MEETING OF THE TRUSTEES OF

HELD AT \_\_\_\_\_ ON \_\_\_\_\_

**RESOLVED THAT:**

3. The Trust BUYS the following PROPERTY

\_\_\_\_\_

from \_\_\_\_\_

for R \_\_\_\_\_

2. That \_\_\_\_\_ in his capacity as Trustee be and is hereby authorised to execute and sign all documents necessary to give effect to the above resolution.

Certified a true copy,

\_\_\_\_\_  
**TRUSTEE**

\_\_\_\_\_  
**TRUSTEE**

**(ANNEXURE 1)**

**FICA REQUIREMENTS: Natural Persons**

- [1] South African identity document (foreigners: passport);  
[2] Utility bill addressed to your residential address less than 3 months (accounts for mobile phones are not acceptable);  
[3] South African Income Tax reference number.

- [4] (Confirmation marital status, i.e. unmarried or married.)

1.1 If Married

- [5] Marriage certificate.

**- If IN community of property (no antenuptial contract)**

- [6] S.A. identity document (foreigner: passport) of your SPOUSE.

**- If OUT of community of property (by Antenuptial Contract ("ANC"))**

- [7] Page 1 (and page 2 if necessary) reflecting the registered number and names of both parties.

**If your Marriage is governed by the Laws of another country/state**

- [8] S.A. identity document (foreigner: passport) of your SPOUSE;  
[9] Name of the country/state governing your marriage, i.e. the country where the husband was living at the time of the marriage with the intention of staying there permanently.

**FICA REQUIREMENTS: Entities**

- Person acting on behalf of the Entity must comply with paragraphs 1 to 4 above.
- All directors / members / trustees must also comply with paragraphs 1 to 4 above

**PLUS THE FOLLOWING:**



**1.2 Companies:**

- [1] CM1.
- [2] CM22.

**1.3 Close Corporations:**

- [1] CK1;
- [2] and, if applicable, CK2.

**1.4 Trusts:**

- [1] Letters of Authority / Master's Certificate;
- [2] Trust Deed and all amendments thereto.
- [3] **Resolution to approve the purchase (and loan application, if applicable) taken before the Agreement of Sale was signed.** (The only exception is where it is a cash transaction and all the Trustees have signed the Agreement of Sale.)

---

**Detailed FICA requirements for Entities will be supplied to such Purchasers, in due course.**

---

**1.5 FICA requirements for Other Entities, if applicable, will be supplied to such Purchasers.**





## NOTES

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

Broll Auctions and  
Sales  
Suite 4, 1st Floor  
Atholl Square  
Cnr Katherine Drive  
& Wierda Road East,  
Sandown Ext 3  
Johannesburg  
2196

Tel +27 87 700 8289  
Fax +27 86 247 8768

PO Box 92510  
Norwood  
2117  
South Africa

[www.broll.com](http://www.broll.com)  
[auction@broll.com](mailto:auction@broll.com)

**YOUR PARTNER OF  
CHOICE FOR COMMERCIAL  
PROPERTY AUCTIONS**

**broll**

**AUCTIONS AND SALES**