

“THE WORX ZONE” DEED OF ALIENATION

THE SCHEDULE

- A. **THE SELLER:** Paramount Property Fund Limited
Registration Number 1945/019928/06
- herein represented by _____
he being duly authorised thereto
- ADDRESS:** 1st Floor, The Place, 1 Sandton Drive, Sandton, 2196 marked for
the attention of the Chief Executive Officer.
- B. **THE PURCHASER:** _____

- ID NUMBER:** _____

- INCOME TAX NUMBER** _____
- REGISTRATION NUMBER:** _____

- PHYSICAL ADDRESS:** _____

- POSTAL ADDRESS:** _____

- TEL:(B) _____ (H) _____
FAX: _____
EMAIL : _____
CELL : _____
- C. **DESCRIPTION OF UNIT HEREBY SOLD AND PURCHASED**
1. THE UNIT to be established in terms of the Sectional Titles ACT comprising:
- 1.1 the SECTION to comprise proposed SECTION No. _____ in the SCHEME to be known as “THE WORX ZONE” in extent approximately _____ square metres which SECTION is shown on the Site Plan (Annexure “A”) and the FLOOR PLAN (Annexure “B”).
- 1.2 An undivided share in the common PROPERTY in the SCHEME apportioned to the said SECTION in accordance with the participation quota of the said SECTION to be determined in accordance with the provisions of Section 32 (1) of the ACT.

D. EXCLUSIVE USE AREA

The PURCHASER shall be entitled to the right to the exclusive use and occupation of _____ Parking Bay(s) No(s) _____ and _____ as shown on the Exclusive Use Allocation Plan (Annexure "D").

E. THE PURCHASE PRICE (Inclusive of VAT):

R _____ (_____ Rand)

F. METHOD OF PAYMENT OF PURCHASE PRICE:

The PURCHASE PRICE shall be paid as follows:

1. A cash deposit equal to 30% (THIRTY PERCENT) of the purchase price to be paid to the CONVEYANCERS as follows:
 - 1.1 the sum of R50 000,00 (FIFTY THOUSAND RAND) within 14 (FOURTEEN) days of date of signature of this agreement by the PURCHASER.
 - 1.2 The sum of R _____ (_____ Rand) within 45 (FORTY-FIVE) days of date of signature of this agreement by the PURCHASER.
2. The balance of the PURCHASE PRICE in the sum of R _____ shall be paid in cash against registration of transfer of THE UNIT into the name of the PURCHASER, payment whereof shall be secured by lodging a guarantee from a registered South African commercial bank in a form and on terms acceptable to the SELLER with the CONVEYANCERS within 21 (TWENTY ONE) days reckoned from the date set out in H of the Schedule in the case where a Mortgage Bond is required and/or within 90 (NINETY) days from the date of last signature hereto by the parties in the case where no Mortgage Bond is required.
3. All guarantees will only be made subject to :
 - 3.1 Registration of transfer of THE UNIT in the name of the PURCHASER;
 - 3.2 Cancellation of all existing bonds registered over THE UNIT;
 - 3.3. Registration of a mortgage bond over THE UNIT in favour of the issuer of such guarantee (if required).
4. All cash amounts referred to above shall be paid to the CONVEYANCERS. The PURCHASER hereby authorise and instruct the CONVEYANCERS to invest all cash payments in Trust with _____ and all interest to accrue for the benefit of the PURCHASER until DATE OF TRANSFER, whereupon the CONVEYANCERS shall release the capital to the SELLER and all accrued interest, less their commission, to the PURCHASER.
5. The PURCHASER acknowledges that the CONVEYANCERS are not able to invest the aforesaid cash payments, nor any other amount paid into Trust with the CONVEYANCERS, on the PURCHASER'S behalf until such time as the PURCHASER has complied with all the requirements of the Financial Intelligence Centre Act No. 38 of 2001 and has signed the necessary Investment Mandate, both of which the PURCHASER undertakes to do as soon as reasonably practical in the circumstances.

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

G. AMOUNT OF MORTGAGE BOND REQUIRED BY PURCHASER:

R _____ (_____)

H. TIME PERIOD ALLOWED FOR OBTAINING MORTGAGE BOND:

60 (SIXTY) days from date of signature of the agreement by the PURCHASER.

I. NAME OF ARCHITECT NOMINATED BY SELLER

Atelier & Associates (Pty) Limited or an alternative architect appointed by the SELLER at the SELLER's sole discretion.

J. THE CONVEYANCERS

STRAUSS DALY INC, 2nd Floor, East Coast Radio House, 313 – 315 Umhlanga Rocks Drive, Umhlanga, 4320.

Reference: M Strauss (Tel. No. 031-570-5600)

K. AGENTS

Name of Agent : _____

L. MANAGING AGENT

M. DATE OF POSSESSION AND OCCUPATION:

The first day of the month following the date on which the OCCUPATION and/or Beneficial Occupation Certificate is issued by the relevant authority.

N. OCCUPATIONAL INTEREST:

Refer to Clause 8.3 of the Conditions of Contract.

O. **ESTIMATED MONTHLY LEVY due to Seller or Body Corporate:**

R_____ (_____)
per month

P. **MORA INTEREST:**

2% (TWO PERCENT) above the prime lending rate charged by _____ Bank
from time to time.

Q. **CONDITIONS PRECEDENT:**

1. This AGREEMENT shall be subject to and conditional upon:

1.1 The relevant local authority approving the building plan, forming part of the SITE PLAN and the FLOOR PLAN, on or before the 30th December 2009.

1.2 80% (EIGHTY PERCENT) of the gross saleable area of the SCHEME being sold (for the purposes of this clause a unit in the SCHEME shall be deemed to be sold once an Agreement of Sale has been signed by both parties and is unconditional and the PURCHASER has paid the relevant deposits to the CONVEYANCERS and provided the Conveyancers with all Fica documents).

2. The SELLER reserves the right to extend the dates referred to in Paragraph P1.1 and P1.2 above with a further 12 (TWELVE) months by giving the PURCHASER written notice prior to the expiry of the said dates.

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

R. **IRREVOCABLE OFFER**

This AGREEMENT shall, when signed by the PURCHASER and submitted to the SELLER, constitutes an offer to purchase the UNIT from the SELLER, which offer shall be irrevocable for a period of 90 (NINETY) days from date of signature hereof by the PURCHASER and whereafter, if it has not been accepted by the SELLER, the PURCHASER may withdraw it on written notice to the SELLER.

CONDITIONS OF CONTRACT

1. PREAMBLE

- 1.1 The SELLER is the registered owner of THE PROPERTY.
- 1.2 The SELLER intends erecting on THE PROPERTY, a Mixed Use Sectional Title Development comprising a maximum of _____ (_____) commercial/retail sections to be known as "THE WORX ZONE", and applying in terms of the provisions of the Sectional Titles Act, No. 95 of 1986, or any amendment thereof, for the opening of a Sectional Title Register in respect of the aforementioned development.
- 1.3 The SELLER has agreed to sell and the PURCHASER has agreed to buy THE UNIT and the Exclusive Use Rights as described in C and D of the SCHEDULE on the terms and conditions set out herein.

2. DEFINITIONS AND INTERPRETATIONS

In this agreement, the words and phrases used and/or defined in the SCHEDULE shall have the meanings assigned to them therein unless otherwise indicated by context:

- 2.1 "ACT" means the Sectional Titles Act, No. 95 of 1986, (as amended) and any regulations in force there under;
- 2.2 "AGREEMENT" means the Deed of Alienation and all Annexures thereto;
- 2.3 "ARCHITECT " means the ARCHITECT nominated by the SELLER in terms of I of the SCHEDULE;
- 2.4 "ASSOCIATION" means the UMHLANGA RIDGE TOWN CENTRE MANAGEMENT ASSOCIATION (an association incorporated under Section 21 of the Companies Act of 1973);
- 2.5 "ASSOCIATION RULES" means the rules referred to in Clause 26 of the CONDITIONS OF SALE;
- 2.6 "BODY CORPORATE" means the future Body Corporate of the SCHEME as contemplated in the ACT;
- 2.7 "BUILDINGS" means the buildings to be erected on THE PROPERTY;
- 2.8 "BUSINESS CENTRE" means the Business Centre more fully set out in Annexure G.
- 2.9 "BUSINESS CENTRE LEVY" means the levy due to the Business Centre which will be calculated as more fully set out in Annexure "H".
- 2.10 "CONVEYANCERS " means the CONVEYANCERS as set out in J of the Schedule;
- 2.11 "DATE OF POSSESSION" means the date specified in M of the SCHEDULE;
- 2.12 "DATE OF TRANSFER" means the date of registration of transfer of THE UNIT and cession of the EXCLUSIVE USE AREA into the name of the purchaser;
- 2.13 "EXCLUSIVE USE AREA" means the exclusive use area(s) on the common property of the SCHEME allocated to THE UNIT and over which the owner of THE UNIT shall have exclusive use, the position of which area(s) is shown on the Exclusive Use Allocation Plan Annexure "D";

- 2.14 "FLOOR PLAN" means the extract of the Building Plan of the SCHEME depicting the SECTION, which is Annexure "B" to the Conditions of Contract;
- 2.15 "LAND SURVEYOR" means VISICK MOODIE or an alternative Land Surveyor appointed by the SELLER at the SELLER's sole discretion;
- 2.16 "LEVY" means the contribution by an owner of THE UNIT to the fund established by the Body Corporate of the Sectional Title Scheme in terms of Section 37(1)(a) of the Act. Reference to "ESTIMATED LEVY" in this agreement refers to a PURCHASER's contribution to the SELLER prior to the Body Corporate being established and being an estimate by the SELLER of what the levy would have been if the Body Corporate had been established.
- 2.17 "PRIME OVERDRAFT RATE" means the PRIME OVERDRAFT RATE calculated on an annual basis charged by _____ from time to time;
- 2.18 "RULES" means all the RULES of the Body Corporate of the SCHEME;
- 2.19 "SCHEME" means the Sectional Title SCHEME to be known as "THE WORX ZONE" comprising THE PROPERTY and all buildings constructed and to be constructed thereon;
- 2.20 "SECTION" means THE UNIT forming part of the SCHEME and referred to in C of the SCHEDULE;
- 2.21 "SECTIONAL PLAN" means the draft sectional title plan to be prepared by the LAND SURVEYOR in respect of the buildings comprising the SCHEME;
- 2.22 "SITE PLAN", means a plan of the site, which is Annexure "A" to the Conditions of Contract;
- 2.23 "SPECIFICATION OF FINISHES" means the SPECIFICATION OF FINISHES for SECTIONS which is Annexure "C" to the Conditions of Contract;
- 2.24 "The PROPERTY" means Portion 13 of Erf 2532, Registration Division FU, Province of KwaZulu-Natal in extent 2 943 square metres ;
- 2.25 "THE UNIT" means the SECTION and an undivided share in the common property;
- 2.26 "TOWN CENTRE" means the TOWN CENTRE as defined in the ASSOCIATION's Articles of Association;
- 2.27 "V.A.T" means VALUE ADDED TAX in terms of the Value Added Tax Act No. 89 of 1991;
- 2.28 Words importing the singular shall include the plural and vice versa and words importing a particular gender shall include the other genders;
- 2.29 Clause headings are for guidance only and are not relevant to the interpretation hereof;
- 2.30 Reference to a natural person shall include a reference to a body corporate and vice versa;
- 2.31 If the PURCHASER consists of more than 1 (ONE) person, such person shall be jointly and severally liable in solidum for all their obligations in terms of this contract;
- 2.32 No indulgence or relaxation which the SELLER may allow to the PURCHASER in regard to the carrying out of the PURCHASER'S obligations in terms of or pursuant to this agreement, shall prejudice the SELLER'S rights under this agreement in any manner whatsoever, or be regarded as a waiver of the SELLER'S rights in terms of this agreement, or be construed to act as an estoppel against the SELLER to otherwise strictly enforce compliance of the PURCHASER'S obligations in terms of this agreement.

3. **SALE**

- 3.1 The SELLER hereby sells to the PURCHASER who hereby purchases THE UNIT and the EXCLUSIVE USE AREA set out in C and D of the SCHEDULE.
- 3.2 THE UNIT is sold and purchased voetstoots, absolutely as it stands, with its defects (if any) whether patent or latent.
- 3.3 The SECTION shall be erected substantially in accordance with the FLOOR PLAN. The PURCHASER agrees that he shall not be entitled to amend or procure any amendment to the FLOOR PLAN unless the SELLER has granted its prior written consent to such amendments. The PURCHASER acknowledges that the SECTION shall be situated in substantially the position indicated on the Site Plan and is to be built in accordance with the FLOOR PLAN.
- 3.4 The PURCHASER agrees that the precise area, boundaries and description of the SECTION shall be as shown on the SECTIONAL PLAN and as finally determined and approved by the Surveyor General and/or the relevant competent authorities and shall be binding upon the parties, provided always that the area of the SECTION shall be within 5% (FIVE PERCENT) of the area as stated in the Schedule.
- 3.5 The parties record that if the PURCHASER purchases more than ONE (1) section which sections are adjacent to each other, the PURCHASER can elect to have the sections consolidated into one section provided that the PURCHASER exercises his election to consolidate the sections within 90 (NINETY) days from date of signature of the agreement by both parties.

4. **PURCHASE PRICE**

- 4.1 The PURCHASE PRICE payable by the PURCHASER for THE UNIT and the EXCLUSIVE USE AREA together with the manner of the payment of the PURCHASE PRICE shall be as set out in the SCHEDULE.
- 4.2 Notwithstanding anything to the contrary herein contained, in as much as the PURCHASE PRICE is inclusive of Value-Added Tax and that such tax is currently determined at the rate of 14%, in the event of the rate at which Value-Added Tax is chargeable being amended after the date of signature hereof by the PURCHASER, but in circumstances in which the amended rate will apply to this transaction, then the PURCHASE PRICE shall be adjusted accordingly, any additional Value-Added Tax shall be paid for by the PURCHASER immediately upon demand by the SELLER, the intention being that the SELLER shall receive the same amount after payment of Value-Added Tax regardless of the rate at which Value-Added Tax is payable.

5. **MORTGAGE BOND**

- 5.1 This AGREEMENT is conditional upon the PURCHASER obtaining a loan for the amount set out in the SCHEDULE within the period referred to in the SCHEDULE, upon the security of a First MORTGAGE BOND to be registered over THE UNIT at such rates and upon such conditions as are stipulated by the said bank, failing which this AGREEMENT will fall away and be of no further force or effect.

The PURCHASER warrants that the PURCHASER'S financial position is such that, having regard to the criteria or requirements usually applied by banks or other financial institutions when granting loans in the private sector to be secured by the registration of mortgage bonds over commercial properties in the ordinary course, the Purchaser's application for a loan will not be refused.

- 5.2 The PURCHASER undertakes to take all necessary steps to ensure that the Loan is granted and furthermore undertakes to comply with all the requirements stipulated by the bank or financial institution in question pursuant to the granting of the Loan. The PURCHASER further acknowledges that if the PURCHASER fails to take such steps in order to obtain fulfilment of the Suspensive Condition, or fails to comply with or accept any condition reasonably imposed by such bank or financial institution, the Purchaser shall *ipso facto* be in breach of this Agreement, the Suspensive Condition shall be deemed to have been fulfilled and the Seller is entitled to the remedies set out in 11 of this Agreement without prejudice to its rights.
- 5.3 The PURCHASER hereby agrees and undertakes to ensure that the MORTGAGEE instructs the CONVEYANCER to attend to the registration of the BOND.
- 5.4 Notwithstanding the provisions of 5.1 above, the SELLER shall have the right in its sole discretion to extend the period allowed for the obtaining of a MORTGAGE BOND.

6. **COMPLETION OF THE SECTION**

- 6.1 The parties record that the buildings of which the SECTION forms part have not yet been erected.
- 6.2 The SELLER undertakes to procure that the SECTION is erected substantially in accordance with the FLOOR PLAN.
- 6.3 The PURCHASER shall not give any instructions of any nature to the ARCHITECT or the SELLER or any contractor or any sub-contractor without the SELLER'S prior written consent. Should the SELLER agree to any deviation from the FLOOR PLAN, such deviation shall be reduced to writing and any amount payable in terms of such deviation shall be payable by the PURCHASER to the SELLER on demand. Should the PURCHASER not make payment of the amount due for such variation within 7 (SEVEN) days from date of demand by the SELLER or its AGENT, then the deviation shall not be put into effect.
- 6.4 The PURCHASER shall, within 30 (THIRTY) days after the DATE OF POSSESSION, deliver to the SELLER, a list, signed by himself enumerating any defects in the SECTION where same are due to defective materials or workmanship, and the SELLER shall procure that such defects are made good as expeditiously as possible in the circumstances. Once such defects have been made good to the satisfaction of the ARCHITECT, acting as an expert and not as an arbitrator, and whose decision shall be final and binding on the parties, the PURCHASER shall have no further claim against the SELLER, save as otherwise provided for herein. The PURCHASER shall grant to the SELLER and/or its agents or sub-contractors access to THE UNIT to rectify the defects referred to above, during normal working hours. Should the PURCHASER fail to deliver the aforesaid list to the SELLER within the aforesaid 30 (THIRTY) day period then in that event the PURCHASER shall be deemed to have inspected THE UNIT and not found any defects therein.
- 6.5 Save as provided in this contract, the PURCHASER hereby purchases THE UNIT voetstoots and shall have no claim against the SELLER in respect of any defects whether latent or patent in the SECTION or the common PROPERTY of the SCHEME.
- 6.6 If there is any dispute between the PURCHASER and the SELLER as to whether the SECTION has been constructed substantially in accordance with the FLOOR PLAN and/or has been erected in substantially the position as reflected on the Site Plan and/or is sufficiently complete for beneficial occupation and/or whether there are any defects in THE UNIT due to defective materials or workmanship then such dispute shall be referred to the ARCHITECT (acting as an expert and not as an arbitrator) whose decision shall be final and binding upon the parties.

- 6.7 The PURCHASER acknowledges that after completion of construction of the SECTION, the SELLER and/or its nominee and/or its agents, contractors and workmen may be engaged in erecting other buildings and/or structures on THE PROPERTY and the PURCHASER agrees that the SELLER and/or its agents, contractors and workmen shall at all times have access to THE PROPERTY for the purposes of carrying out such work as may be necessary to enable the SELLER to procure the erection of the aforementioned. The PURCHASER shall have no claim whatsoever against the SELLER by reason of any inconvenience or interference with the PURCHASER'S rights arising hereout and the PURCHASER shall not, in any way whatsoever, interfere with the performance of the aforesaid work.
- 6.8 In no way detracting from the generality of any other provision in this Agreement, it is recorded that the SELLER may, at the SELLER'S discretion, elect not to install any item on the Schedule of Finishes, provided that the SELLER installs a similar item of a similar quality in its place.
- 6.9 The PURCHASER acknowledges that no finishes other than those specified in the SCHEDULE OF FINISHES will be provided by the SELLER. All tenant installations will be done by the PURCHASER after occupation of the UNIT by the PURCHASER at the PURCHASER'S sole expense including all professional fees associated with the installation.
- 6.10 The contents of any artist's impression of the finished building or similar document of the nature of a sales aid or advertisement shall not be construed in any way whatsoever as implying specifications for the finishes of the building.

7. **POSSESSION AND OCCUPATION DATE**

- 7.1 The SELLER shall give to the PURCHASER beneficial occupation of the SECTION on the date set out in M of the SCHEDULE, provided the PURCHASER has paid or duly secured the Purchase Price referred to in D of the SCHEDULE.
- 7.2 The SELLER shall give the PURCHASER at least 30 (THIRTY) days notice of the estimated DATE OF POSSESSION and occupation to enable the PURCHASER to commence with the tenant installation.
- 7.3 In the event of any dispute as to when or whether the SECTION is sufficiently complete for beneficial occupation, a certificate by the ARCHITECT (acting as an expert and not an arbitrator) certifying that the SECTION is sufficiently complete for beneficial occupation, shall be final and binding upon the parties.
- 7.4 Should the DATE OF POSSESSION be prior to the opening of the Sectional Title Register and the first transfer of a Unit in the SCHEME, the SELLER undertakes to procure that with effect from the DATE OF POSSESSION THE UNIT, and the buildings of which THE UNIT forms part, is insured against usual risks with a reputable insurance company for its full replacement value and that the premiums payable in respect of such insurance shall be paid by the SELLER. From the date of the opening of the Sectional Title Register, and the first transfer of a Unit in the SCHEME, the responsibility for insuring THE UNIT and/or the buildings of which THE UNIT forms part shall pass to the body corporate of the SCHEME in terms of the ACT and the SELLER shall have no further liability in this regard, save as a member of the body corporate of the SCHEME.

8. **RIGHTS AND OBLIGATIONS IN RESPECT OF OCCUPATION**

- 8.1 The PURCHASER acknowledges that on the DATE OF POSSESSION and OCCUPATION, the SCHEME may be incomplete and that he and every person claiming occupation and use through him may suffer inconvenience from building operations and from noise and dust resulting therefrom and the PURCHASER shall have no claim whatsoever against the SELLER by reason of any inconvenience arising from such work being completed.

- 8.2 From the DATE OF POSSESSION and OCCUPATION, the PURCHASER –
- 8.2.1 Shall be entitled to beneficial occupation of the SECTION as if he was the owner thereof;
- 8.2.2 Shall at his own expense, maintain the interior of the SECTION in a good, clean and thoroughly tenable and attractive condition, and where necessary repair or refurbish any damaged item and replace any lost item;
- 8.2.3 Shall, at his own expense, maintain in a good working order and condition all mechanical, electrical, plumbing and sewerage installations and appurtenances of whatever nature, serving the SECTION;
- 8.2.4 Shall, make arrangements with the suppliers to obtain the relevant connections for electricity and water and shall pay for any consumption thereof;
- 8.2.5 Shall be entitled to the use and enjoyment, along with occupiers of other SECTIONS in the SCHEME, of those parts of the common PROPERTY of the SCHEME not subject to rights of exclusive use, subject to the RULES. In using the common PROPERTY of the SCHEME, the PURCHASER shall do so in such a manner so as to not interfere unduly or unreasonably with the lawful rights of the use and enjoyment thereof by other occupiers of SECTIONS in the SCHEME or other persons lawfully upon the SCHEME. The PURCHASER shall procure that all other occupants of the SECTION comply with the provisions of this Contract;
- 8.2.6 Shall at all times comply with the provisions of the ACT and the RULES;
- 8.2.7 Waives all claims against the Seller for any loss or damage to property or any injury to person which the PURCHASER may sustain in or about THE UNIT or the SCHEME and indemnifies the SELLER against any such claim that may be made against the SELLER by an employee of the PURCHASER'S or any tenant, nominee, invitee or any other person who occupies the SECTION or goes upon the SCHEME by virtue of the PURCHASER'S rights thereto, for any loss or damage to property or injury to person suffered in or about the SECTION or the SCHEME howsoever such loss or damage to property or injury to person may be caused;
- 8.2.8 Shall not, without the prior written consent of the SELLER make or cause to be made any change or improvements to THE UNIT or remove or demolish any improvements whatsoever. If any such changes or improvements are made, with or without the prior written consent of the SELLER, the PURCHASER shall not have any claim against the SELLER in respect of any expenditure upon or improvements to THE UNIT.
- 8.3 With effect from the DATE OF POSSESSION and OCCUPATION until the DATE OF TRANSFER (both days inclusive), the PURCHASER shall pay to the SELLER, occupational interest on the full purchase price at the PRIME OVERDRAFT RATE. (A certificate by any branch manager of the said bank as to such PRIME OVERDRAFT RATE shall be prima facie proof of such rate). Such occupational interest shall be payable monthly in advance on the second day of each and every month and shall be calculated using the aforesaid PRIME OVERDRAFT RATE on the first day of that particular month.
- 8.4 Shall be liable for the payment of all services provided to the SECTION in the form of telephones, television, electricity and water and any deposits payable in connection with the supply of any such services.
- 8.5 All the benefit and risk in and to THE UNIT shall pass to the PURCHASER on the DATE OF POSSESSION and occupation.
- 8.6 The SELLER either personally or through their servants or agents shall be entitled at all reasonable times to have access to THE UNIT and the common property of the SCHEME for the purpose of inspection or to carry out any maintenance or repairs whether relative to THE UNIT or not, and the PURCHASER shall have no claim against the SELLER for any disturbance in his occupation arising out of the exercise of the rights hereby conferred.

- 8.7 The PURCHASER shall not use THE UNIT or permit it to be used in such manner or for such purposes as shall cause a nuisance to any occupier of any SECTION in the SCHEME or interfere with the amenities of the SCHEME or so as to breach the RULES or any law, ordinance or by-law or provision of the Town Planning Scheme in force in relation to the SCHEME.
- 8.8 The PURCHASER waives all claims against the SELLER for any loss or damage to the property or any injury to person which the PURCHASER may sustain in or about the Section, the Buildings or the Common Property. The PURCHASER hereby indemnifies the SELLER against any such claim that may be made against the SELLER by any member of the PURCHASER'S family or the PURCHASER'S invitees, employees or agents in respect of any loss or damage to property, or injury to a person or death suffered in or about the Section, the Buildings or the Common Property and/or for loss of support irrespective as to how such loss or damage to property, injury to person or death may be caused.

9. **LEVY AND OTHER CHARGES**

- 9.1 From DATE OF POSSESSION and OCCUPATION the PURCHASER shall be liable to pay to the SELLER or the Body Corporate, the monthly levy as set out in O of the SCHEDULE, in advance on the first day of each and every month. Until the Body Corporate is established such levies shall be paid to the SELLER.
- 9.2 The levy stated in O of the SCHEDULE is an estimate of the monthly levy payable to the Body Corporate. The SELLER shall not be responsible for any inaccuracy in this estimation. The PURCHASER acknowledges that once the Body Corporate has been established, levies will be determined by the Body Corporate.
- 9.3 The PURCHASER acknowledges that a levy shall be payable by the ASSOCIATION which levy shall not be calculated in accordance with the participation quota of THE UNIT, but in accordance with the provision of the ASSOCIATION'S Articles of Association.
- 9.4 The PURCHASER agrees that he shall not have the right to reclaim from the ASSOCIATION any amount paid to the ASSOCIATION by way of a monthly levy or special levy.
- 9.5 The PURCHASER shall be liable for and shall pay a monthly levy to the Business Centre which levy shall not be calculated in accordance with the participation quota of THE UNIT, but in accordance with the formula as set out in Annexure H.
- 9.6 The PURCHASER agrees that he shall not have the right to reclaim from the Business Centre any amount paid to the Business Centre by way of a monthly levy on Special Levy.
- 9.7 The PURCHASER acknowledges that THE UNIT will be separately rated by the Local Authority and that he will be liable for the assessed rates in addition to the levies due.

10. **TRANSFER**

- 10.1 The PURCHASER acknowledges that it is not possible for the SELLER to give transfer of THE UNIT or cession of the EXCLUSIVE USE AREA to the PURCHASER until such time as the SCHEME'S Sectional title register is opened in terms of the ACT. Accordingly the SELLER undertakes, within a reasonable time and at its own expense, to take such steps as may be reasonably necessary to procure the opening of the said Sectional title register. The PURCHASER further acknowledges that it is not possible for the SELLER to give transfer of THE UNIT to the PURCHASER until such time as the CONVEYANCERS are in a position to lodge simultaneously in the Deeds Office all relevant and transfer documents making up the sum of units to be transferred in THE SCHEME or the particular phase of THE SCHEME.

- 10.2 The PURCHASER shall, within 7 (SEVEN) days of being called upon to do so by the CONVEYANCERS –
- 10.2.1 Pay to the CONVEYANCERS all costs of and incidental to the passing of transfer of THE UNIT and cession of the EXCLUSIVE USE AREA to the PURCHASER and registration of the Mortgage Bond (if any), including any bank charges and all conveyancing fees and disbursements;
- 10.2.2 Furnish all such information, sign all such documents and pay all such amounts that may be necessary or required to enable the CONVEYANCERS to pass transfer of THE UNIT and cession of the EXCLUSIVE USE AREA and to register the Mortgage Bond (if any).
- 10.3 The CONVEYANCERS shall pass transfer of THE UNIT and cession of the EXCLUSIVE USE AREA to the PURCHASER as soon as is reasonably practicable in the circumstances, provided the PURCHASER has complied with all his obligations under this Contract.
- 10.4 No liability of any nature whatsoever shall attach to the SELLER arising out of any delays in effecting transfer of THE UNIT or cession of the EXCLUSIVE USE AREA to the PURCHASER.
- 10.5 The PURCHASER shall be obliged to accept transfer of THE UNIT subject to:
- 10.5.1 The conditions, reservations and servitudes which burden the PROPERTY;
- 10.5.2 Such conditions of Sectional title as are imposed by the SELLER, the local authority and the Minister of Local Government (KwaZulu-Natal);
- 10.5.3 Any change in the number of the SECTION;
- 10.5.4 Any change in the name of the SCHEME.

11. **BREACH**

- 11.1 Should any party (“the defaulting party”) commit a breach of any of the provisions of this Agreement, then the party which is not in breach (the “aggrieved party”) shall be entitled to give the defaulting party written notice to remedy the breach. If the defaulting party fails to comply with that notice within 10 (TEN) days of receipt thereof, subject to any other provisions of this AGREEMENT to the contrary, the aggrieved party shall be entitled to cancel this AGREEMENT or to claim specific performance, in either event without prejudice to the aggrieved party’s right to claim damages. The foregoing is without prejudice to such other rights as the aggrieved party may have in terms of this Agreement, common law or statute.
- 11.2 In the event of the SELLER cancelling this AGREEMENT as aforesaid any amount or amounts paid to the SELLER or the CONVEYANCERS (including any amount paid in trust) shall be forfeited to and retained by the SELLER as *rouwkoop*; alternatively, if the SELLER so elects, he may recover any damages howsoever incurred as a result of such cancellation (including any losses and expenses on a resale, whether by public auction or private treaty), in which case the amount or amounts paid to the SELLER or the CONVEYANCERS as aforesaid (including any amount paid in trust) will not be forfeited as *rouwkoop* but may be retained by the SELLER by way of set off or partial set off against the damages claimed by the SELLER.
- 11.3 Notwithstanding the foregoing, should the SELLER exercise any of his rights in terms hereof and should the PURCHASER dispute the SELLER’S right to do so, then pending the determination of that dispute, the PURCHASER shall continue to pay all amounts payable in terms of this AGREEMENT on the due date thereof, and to comply with all the terms hereof, and the SELLER shall be entitled to recover and accept such payments and/or other performance without prejudice to the SELLER’S claim to have exercised rights in terms hereof, and in the event of the SELLER succeeding in such dispute, the SELLER shall be entitled to

retain such amounts received in the interim as payment for the occupational rights exercised and/or enjoyed by the PURCHASER in the interim.

- 11.4 For all purposes of the AGREEMENT any act or omission on the part of any tenant, nominee or other person who occupies the UNIT, or invitee of the PURCHASER, or of such tenant, nominee or other person who occupies the UNIT, shall be deemed to be an act or omission of the PURCHASER.

12. **JURISDICTION**

- 12.1 For all purposes of all or any proceedings herein, the parties hereby consent to the jurisdiction of the Magistrate's Court otherwise having jurisdiction under Section 28 of the Magistrate's Court Act of 1944 as amended, notwithstanding that such proceedings or otherwise beyond the jurisdiction, this clause shall be deemed to constitute the required written consent conferring jurisdiction upon the said Court pursuant to Section 45 of the Magistrate's Court Act of 1944 as amended. Notwithstanding the foregoing the SELLER or the PURCHASER shall have the right at their sole discretion and option to institute proceedings in any other competent Court which might otherwise have jurisdiction.

- 12.2 In the event of it becoming necessary for the SELLER to take any action against the PURCHASER as contemplated herein, the PURCHASER agrees to pay to the SELLER all the attendant costs and expenses incurred by the SELLER as between attorney and client.

13. **INDULGENCE**

No indulgence which any party may give to the other party shall constitute a waiver by the former of any of its rights under this Agreement, accordingly, that party shall not be precluded, as a consequence of its having granted such indulgence, from exercising any right against the other which may have arisen in the past or which may arise in the future, and in particular any indulgence granted or any failure by the SELLER to require strict compliance by the PURCHASER to provide guarantees in respect of or pay the PURCHASE PRICE shall not be regarded as a waiver by the SELLER of its accrued rights to cancel the Agreement.

14. **VARIATION**

The parties hereby acknowledge that this AGREEMENT constitutes the entire contract between them, and that no other conditions, stipulations, warranties or representations whatsoever have been made by either party or their agents other than such as may be included herein and signed by the parties hereto; alternatively, insofar as any statement has been made, they shall not be binding upon any party unless specifically incorporated herein.

15. **DOMICILIUM**

- 15.1 For all purposes under this AGREEMENT including the giving of any notice and the service of any legal process the parties respectively appoint their addresses as their domicilia citandi et executandi.

- 15.2 Any party may by written notice to the other vary its domicilium citandi et executandi to any other address within the Republic of South Africa provided that such other address shall not be a post office box or a poste restante.

- 15.3 No notice shall be validly given by any party to the other unless it is posted by prepaid registered post to, or delivered at, the addressee's domicilium citandi et executandi for the time being or faxed to the facsimile number or sent to the email address as the case may be. A

notice given in accordance with these requirements shall be deemed to have been received by the addressee on the fourth day after posting if posted, and on the day of delivery if delivered by hand and on the date on which the facsimile transmission is made if sent by telefax or the date on which the email is sent if sent by email.

15.4 Notwithstanding the provision of 15.3 above any notice shall be deemed to be validly received by the PURCHASER if the SELLER can prove receipt thereof by the PURCHASER.

16. **CESSION**

16.1 The PURCHASER shall not:

16.1.1 sell, assign, cede or dispose of the PURCHASER'S rights under this agreement; or

16.1.2 sell, or in any way agree to sell or otherwise alienate THE UNIT; or

16.1.3 in the event of the PURCHASER being an artificial person, such as a company, close corporation or trust, agree to sell or otherwise alienate the shares, membership interest or beneficial interest, as the case may be, in such purchaser prior to the capital date of transfer without the prior written consent of the SELLER which consent the SELLER may in its absolute discretion grant or refuse.

17. **ARREARS**

17.1 Any amounts in arrear in terms of this contract shall bear interest at the mora rate set out in the Schedule, which interest shall be calculated monthly in advance from the date that such amount becomes due.

17.2 A certificate by any Branch Manager of the said bank as to such minimum overdraft rate from time to time shall be prima facie proof of such rate.

18. **MORA INTEREST**

In the event of there being any delay in connection with the registration of transfer for which the PURCHASER is responsible, the PURCHASER undertakes in addition to any payment due in terms of Clause 8.3 to pay interest on the PURCHASE PRICE at the rate set out in the SCHEDULE calculated from the date that the PURCHASER has been notified in writing by the SELLER, the CONVEYANCERS , or the SELLER'S agents, as being in mora, to the date on which the PURCHASER has ceased to be in mora.

19. **ELECTRICAL CERTIFICATE**

The SELLER shall deliver at his expense, to the agent or CONVEYANCERS , a certificate of compliance in terms of Government Regulation No. 2920 of 1992, issued by the accredited person who is registered with the Electrical Contracting Board of South Africa. Such Certificate shall be delivered to the PURCHASER prior to the DATE OF TRANSFER.

20. **TRUSTEE**

If this AGREEMENT is entered into by the signatory for the PURCHASER in his capacity as trustee for a company or close corporation to be formed; then:

20.1 the said signatory, by his signature hereof, hereby binds himself in favour of the SELLER as surety and co-principal debtor, under renunciation of the benefits of division, excussion and cession of action, for the due performance of all the obligations of the said company or close corporation in terms of or arising out of this AGREEMENT or any cancellation hereof, and

20.2 without prejudice to the provisions of 20.1, in the event of such company or close corporation not being formed within 30 (THIRTY) days after the date of signature of this Agreement, and/or failing within 7 (SEVEN) days of incorporation to ratify and make the provisions of this AGREEMENT binding upon itself, and/or failing within the said 7 (SEVEN) day period to deliver to the CONVEYANCERS the originals or notarially certified copies of its certificate of incorporation, memorandum and articles of association, certificate to commence business and all necessary resolutions of shareholders and/or directors in respect of this sale, in the case of a company, or of its founding statement, any applicable association agreement (or confirmation that there is none) and the written consent signed by all the members in respect of the ratification and adoption of this sale, in the case of a close corporation, then and in any such event, the said signatory shall be personally liable in terms hereof as if he had contracted in his own personal capacity.

21. **COMPANY/CLOSE CORPORATION**

If this AGREEMENT is signed as PURCHASER by a person purporting to act for and on behalf of a Company, Close Corporation or Trust (other than a Company/Close Corporation not yet formed) he shall be deemed to warrant that he is duly authorised so to sign this AGREEMENT and shall by his signature hereto bind himself in favour of the SELLER as surety and co-principal debtor in solidum with such Company, Close Corporation or Trust under renunciation of the benefits of division, excussion and cession of action, for the due performance of all the obligations of the said Company, Close Corporation or Trust of in terms of or arising out of this AGREEMENT or any cancellation thereof.

22. **AGENTS' COMMISSION**

22.1 The SELLER shall be liable for payment of selling commission to the Agents referred to in K of the SCHEDULE in accordance with the agents' respective mandates from the SELLER.

22.2 Such commission shall be deemed earned and payable upon transfer.

22.3 The PURCHASER warrants that he was not introduced to the SELLER for the purposes of this sale by any other Agent(s) and the PURCHASER hereby indemnifies the SELLER against any claims for brokerage that may be made by any other Agent arising out of the sale.

22.4 Should the sale be cancelled or transfer not be implemented as a result of any failure by the PURCHASER to carry out his obligations in terms of this Agreement, then the PURCHASER shall be liable for payment of the said commission.

22.5 **MANAGING AGENT**

The PURCHASER agrees to appoint the managing agent, referred to in L of the SCHEDULE, as the managing agent for the SCHEME, as provided in Section 46 of the Management RULES, set out in Annexure 8 of the ACT. The PURCHASER hereby irrevocably nominates, constitutes and appoints the SELLER to attend any meeting of the Body Corporate of the SCHEME, called for the purposes of appointing a managing agent, on the PURCHASER'S behalf, and to vote in favour of appointing the managing agent referred to in L of the SCHEDULE.

23. **PURCHASER'S ACKNOWLEDGEMENTS**

The Purchaser acknowledges that he is aware of a ruling by South African Revenue Services that no registration of transfer of an immovable property may take place if the Purchaser or the Seller is in any form of default with submission of tax returns or if any tax payment to the South African Revenue Services is outstanding. Any delays which arise due to non-compliance by the Purchaser with the ruling by the South African Revenue Services will be considered a breach of the contract of sale.

24. **PHASED DEVELOPMENT**

- 24.1 The PURCHASER hereby acknowledges and confirms that he is aware that the SELLER may develop the SCHEME in phases.
- 24.2 The PURCHASER acknowledges that the sale is subject to the following special conditions which will be imposed by the SELLER in terms of Section 11(2) of the Act, namely, the SELLER, in terms of Section 25 of the Act hereby reserves for itself the real right to extend, for its personal account, the SCHEME by the erection and completion from time to time but within a period of 20 (TWENTY) years from date of opening of the Sectional Title Register:
- 24.2.1 a further building or buildings; or
- 24.2.2 a horizontal extension or an existing building; or
- 24.2.3 a vertical extension or an existing building,

on that part of the common property as shown on the Site Plan, to divide such building or buildings into a Section or Sections and common property and to confer the right of exclusive use over parts of such common property upon the owner or owners of one or more of such Sections or any other Section in the SCHEME.

25. **PURCHASER'S ACKNOWLEDGEMENTS**

- 25.1 The PURCHASER acknowledges that he is aware of the intended future development of the TOWN CENTRE by Tongaat Hulett Developments (Pty) Limited. Such development is intended to involve the establishment of high quality business and commercial premises and residential dwellings on various portions of the TOWN CENTRE and so designed as to facilitate an aesthetic and harmonious blending with the environment. The PURCHASER undertakes that he will, at all times, co-operate with Tongaat Hulett Developments (Pty) Limited in an endeavour to facilitate the success of the said developments. Also in this respect the PURCHASER undertakes that he shall not unreasonably interfere with any such proposed development nor unreasonably lodge any objection with any competent authority in respect of any such development. In particular, but without derogating from the generality of the foregoing, the PURCHASER agrees that he will not object to any application made by or on behalf of Tongaat Hulett Developments (Pty) Limited, its nominee or agent for special usage consent, licences for shopping, commercial or filling station rights, rezoning, removal of conditions of title under the Removal of Restrictive Conditions Act or by way of an application to Court or to any local or other competent authority in respect of any PROPERTY within the TOWN CENTRE. In no way detracting from the generality of the aforesaid, the PURCHASER specifically acknowledges that owners of land surrounding the PROPERTY will be erecting buildings and other structures on the surrounding land (of up to 6 storeys) which may block or otherwise interfere with the views from the PROPERTY. The PURCHASER agrees he shall have no right to object to the construction of any buildings or other structure on the land in the

TOWN CENTRE on the basis that such building or other structure blocks or otherwise interferes with the views from the PROPERTY, not will he have any claim for any alleged diminishment in the value of his Section arising out of any interference with the views from the PROPERTY by reason of construction or any such building or structure.

25.2 The PURCHASER shall not be entitled to sell or otherwise transfer ownership of the Section unless it is a suspensive condition of such sale or other transferee, in a manner acceptable to the ASSOCIATION, agrees to become a member and is admitted as a member of the ASSOCIATION.

26. **ASSOCIATION RULES**

26.1 The PURCHASER acknowledges that the directors of the ASSOCIATION shall be entitled at all times to lay down rules in regard to:

26.1.1 the preservation of the natural environment;

26.1.2 vegetation and flora and fauna in the TOWN CENTRE;

26.1.3 the placing of movable objects upon or outside the buildings included in the TOWN CENTRE, including the power to remove any such objects;

26.1.4 the storing of flammable and other harmful substances;

26.1.5 the conduct of any persons within the TOWN CENTRE and the prevention of nuisance of any nature to any owner of immovable property in the TOWN CENTRE;

26.1.6 the use of land within the TOWN CENTRE;

26.1.7 the use of roads, pathways and open spaces;

26.1.8 the imposition of fines and other penalties to be paid by members of the ASSOCIATION;

26.1.9 the management, administration and control of common areas and open spaces;

26.1.10 the Design Guidelines for the establishment, installation and maintenance of gardens, both public and private;

26.1.11 the use by owners and their tenants of buildings and other structures and the upkeep, aesthetics and maintenance of such buildings;

26.1.12 the use of adjoining sidewalks, road frontages and parking areas;

26.1.13 generally in regard to any other matter with the ASSOCIATION from time to time considers appropriate;

and the PURCHASER undertakes and shall be obliged, with the effect from OCCUPATION DATE, to abide by such rules as if he was the owner of the PROPERTY and to ensure that all tenants, nominees, invitees and other persons who occupy the PROEPRTY and/or go upon the TOWN CENTRE by virtue of the PURCHASER's rights thereto, do likewise.

26.2 The PURCHASER acknowledges itself to be fully acquainted with the terms and conditions of the ASSOCIATION Rules in respect of which the PURCHASER acknowledges having been informed that a copy of the same is available at the offices of the Agent for perusal on request.

26.3 The PURCHASER shall be obliged to bring the ASSOCIATION Rules to the attention of the tenant prior to such tenant taking occupation of the PROPERTY or any portion thereof.

27. **MEMBERSHIP OF THE UMHLANGA RIDGE TOWN CENTRE MANAGEMENT ASSOCIATION**

The PURCHASER shall be obliged to become a member of the ASSOCIATION within the meaning of and subject to the conditions set out in the ASSOCIATION's Memorandum and Articles of Association and undertakes that he and all persons deriving use of the Section or any part thereof through him will, from the OCCUPATION DATE, duly comply with all the obligations imposed upon members under the ASSOCIATION's Memorandum and Articles of Association. The entire operation of this agreement is subject to and conditional upon the PURCHASER being admitted as a member of the ASSOCIATION.

28. **BUSINESS CENTRE**

28.1 The PURCHASER acknowledges that he is aware of the intended Business Centre to be established as part of the Model more fully set out in Annexure G, which Business Centre will operate on the ground floor of the Development.

28.2 The PURCHASER shall be obliged to become a member of the Business Centre and shall be subject to the Conditions laid down by the Management of the Business Centre from time to time

28.3 The PURCHASER shall not be entitled to sell or otherwise transfer ownership of the section unless it is a suspensive condition of such sale and such other transferee, in a manner acceptable to the Business Centre, agrees to become a member of the Business Centre.

29. **BODY CORPORATE RULES**

29.1 It is recorded that the SELLER may wish to amend the rules for the management, control and administration of the Buildings and the Land as prescribed by section 35 (2) of the Sectional Titles Act.

29.2 Subject to 29.3 the SELLER is entitled to procure that, as soon as is practicable after the establishment of the Body Corporate, the rules referred to in 29.1 be substituted by new management rules and conduct rules, being the Rules.

29.3 The PURCHASER hereby agrees to the amendment of the Rules should this be necessitated by any amendment to, or statutory modifications or enactment of, the Sectional Titles Act or; reasonably be required by the SELLER if it considers it necessary for the proper management and administration of the Development, or to give effect to any of the provisions of this Agreement.

29.4 By the PURCHASER'S signature to this Agreement, the PURCHASER irrevocably and *in rem suam* appoints the SELLER as the PURCHASER'S agent and attorney to attend any meeting of the Body Corporate at which the PURCHASER is entitled to be present and then and there to vote on behalf of the PURCHASER for the amendment of the Rules as contemplated in 29.3 or the adoption of any conduct rules envisaged in section 35 of the Sectional Titles Act.

SIGNED at _____ this _____ day of _____ 2009

AS WITNESSES:

1. _____

PURCHASER

2. _____

PURCHASER'S SPOUSE/PARTNER

SIGNED at _____ this _____ day of _____ 2009

AS WITNESSES:

1. _____

SELLER

2. _____

SCHEDULE OF ANNEXURES

- "A" Site Plan
- "B" Floor Plan
- "C" Specification of Finishes
- "D" Exclusive Use Allocation Plan
- "E" Investment mandate
- "F" List of information and documentation required by Conveyancer for purposes of Financial Intelligence Centre Act
- "G" Business Centre Model
- "H" Schedule of levies payable to Business Centre