

CONVEYANCING EXAMINATION

PART 1

13 SEPTEMBER 2023

2 Hours

09:00 - 11:15

Candidates are allowed 15 minutes to read the paper before answering the questions. No candidate may start writing in the answer book during this period. The examination of 2 hours then follows.

PLEASE NOTE:

1. Please write the number allocated to you on the cover of your answer book.
2. Candidates **must** write legibly and neatly. ANSWERS MUST BE WRITTEN IN INK OR WITH A BALLPOINT PEN.
3. Please use only **the front** side of each page.
4. As many of the questions are based on sections and/or regulations of the relevant Acts, the answers will obviously be correct or incorrect.
5. Except if a special reason exists, a candidate will not be required to do an oral if a 50% aggregate or more is attained. If a candidate achieves an aggregate of between 40% and 49% he/she will be required to do an oral exam to convince the examiners that he/she does have sufficient knowledge to pass the exam. Candidates who attain less than 40% will have failed this examination.

TOTAL MARKS: [100]

QUESTION 1 **[4]**

You are approached by Rob Rose who informs you that his title deed is lost. He explains that the said deed was lost whilst in possession of the Deeds Office.

Explain in detail how you will go about replacing the said lost title deed for use in the Deeds Office, including the cost implications. **(4)**

QUESTION 2 **[4]**

Ms Yolandi van Staden instructs you to transfer her property. On receipt of the title deed you notice that it has been beautifully laminated.

Describe in detail the steps you would take under the Deeds Registries Act to ensure that the deed is usable to enable the property to be transferred to the Buyer? **(4)**

QUESTION 3 **[4]**

Providing further details as necessary, draft a vesting clause in a deed of transfer in the name of an unincorporated joint venture between two (2) private companies trading under the name of a Pezutto & Dreyer Joint Venture? **(4)**

QUESTION 4 **[6]**

Jason Gold is married in community of property to Silver Gold, a foreign national without a South African identity document, and together they run a business in a partnership.

Providing such further details as maybe necessary, describe the parties as Transferors in the Power of Attorney? **(6)**

QUESTION 5 **[12]**

5.1 Motopi Seabi and Hunadi Seabi bought property and they are married according to the Laws of Zambia and are deemed to have the effect of a marriage in community of property. The property was purchased from Zunaid and Zeenet Rhemtula.

Describe the Transferee in the deed of transfer to be lodged in a deed of transfer. **(4)**

5.2 Motopi and Hunadi, after a few years of taking transfer, are now registering mortgage bond from the Best bank.

Describe the Mortgagor in the mortgage bond to be lodged for registration. (4)

5.3 Motopi had acquired as the sole owner another property before his marriage to Hunadi. Now he has sold the said property to Siphon Dube. Motopi is out of the country and unavailable to sign but was able to sign and have registered a General Power of Attorney, in compliance with the law, authorising Hunadi to sign all necessary documents to give effect to the transfer.

You are required to describe the Transferor in the Power of Attorney to Transfer. (4)

QUESTION 6 [8]

List in short, the twelve (12) paragraphs that must be drafted in a normal deed of transfer in terms of Form E of the Deeds Registries Act, Act No. 47 of 1937. (8)

QUESTION 7 [12]

Under the Sectional Titles Act No. 95 of 1986 and/or the Sectional Titles Schemes Management Act No. 8 of 2011:

- a) a simple majority vote,
- b) a special resolution,
- c) a unanimous resolution,
- d) written consent of all owners, and/or
- e) a chief ombud approval.

is required in certain cases or circumstances.

You are required to state whether an ordinary resolution, a special resolution, an unanimous resolution or a written consent of all owners is required in the following matters:

- 7.1 Approving and determining compensation of Trustees who are members of the Body Corporate for their services; (1)**
- 7.2 Approval of the budget of the Body Corporate; (1)**
- 7.3 Authorising the extension of the boundaries of a section; (1)**
- 7.4 Adding to, amending or repealing Conduct Rules; (1)**
- 7.5 To authorise a section or exclusive use area to be used for a purpose other than shown on the Sectional Plan; (1)**

- 7.6 To purchase or otherwise acquire land to extend the common property; (1)
- 7.7 Revoking the managing agent's appointment; (1)
- 7.8 Removal of the Chairperson of the Trustees; (1)
- 7.9 Deciding that the Body Corporate must insure against more than the prescribed risks; (1)
- 7.10 Adding to, amending or repealing Management Rules; (1)
- 7.11 Directing the Body Corporate to alienate or let all or part of the common property; (1)
- 7.12 Appointing an executive managing agent to perform the functions and exercise the powers that would otherwise be performed and exercised by the Trustees. (1)

QUESTION 8 **[6]**

Describe the difference between the following under the Sectional Titles Schemes Management Act No. 8 of 2011:

- 8.1 a "unanimous resolution" and "special resolution"; (4)
- 8.2 a "unit" and a "section". (2)

QUESTION 9 **[10]**

An owner of a unit has agreed with the Body Corporate, on the authority of a special resolution, to cancel his exclusive use area. The Body Corporate has duly agreed to compensate the owner. The exclusive use area is linked to the unit, and both are mortgaged with Best Bank. The Mortgagee has no objection to the cancellation and the bond is not to be settled.

- 9.1 How would you go about cancelling the exclusive use area; (3)
- 9.2 List the documents to be lodged with the Deeds Office to cancel the exclusive use area; (5)
- 9.3 If the Body Corporate has not been established, how would the exclusive use area be cancelled? Motivate your answer. (2)

QUESTION 10 **[4]**

What are the consequences of the failure to disclose real rights in terms of Section 25 of the Sectional Titles Act No. 95 of 1986? (4)

QUESTION 11**[24]**

Daniel Levy is the registered owner of Erf 252 Tottenham, which he sells for R4 500 000.00 (Four Million Five Hundred Thousand Rand). The fair market value of the property is R5 000 000.00 (Five Million Rand). The agreement is signed on the date of this exam.

- 11.1 Explain in full on what amount the transfer duty will be payable; (3)**
- 11.2 What sum of transfer duty will be payable by the Purchaser? Show your calculation. (6)**
- 11.3 If the transaction failed on account of the following reasons, advise whether transfer duty would be payable:**
- 11.3.1 The Purchaser failed to perform fully in terms of the agreement and the deposit was retained as roukoop; (3)**
- 11.3.2 The agreement was terminated by fulfilment of a resolutive condition, and some consideration was retained; (3)**
- 11.3.3 The agreement was terminated by fulfilment of a resolutive condition and no consideration was retained; (3)**
- 11.3.4 The agreement was terminated by non-fulfilment of a suspensive condition and no consideration was retained; (3)**
- 11.3.5 What duty is there, if any, upon the Seller when he subsequently disposes of the property after the above termination/s? (3)**

QUESTION 12**[6]**

You receive instructions from a Bank to register a mortgage bond over a long lease over a property in Waterfall Estate. The lessee is a private company with registration number 2010/000054/07. The lease is already registered.

Describe all the documents you will obtain before registration of the bond to ensure that the bond you are about to register is valid and duly secures the interest of the bondholder. (6)

- THE END -
