

CONVEYANCING EXAMINATION

PART 2

6 SEPTEMBER 2023

4 Hours

09:00 - 13:15

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 4 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. Details, especially the description of properties, may be changed to comply with the practice prevailing at your Deeds Office. However, if a question relates to farm property, the description may **NOT** be changed to that of an erf in a township.
5. Candidates must furnish such further details as may be necessary to draw properly the required deeds or documents, e.g., abbreviations (ID XXX), alphabetical symbols for names, and "etc." / "...." are unacceptable.
6. Deeds and documents to be drawn must comply fully with the requirements of the Deeds Registries Act and Regulations, i.e., as if intended for lodgement in a deeds registry.
7. 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: [200]

QUESTION 1**[40]**

A property known as Portion 1 of Erf 4321 Steyn City was registered under Certificate of Registered Title T62424/2018 and is held by Kamogelo Maleka, (who is married under customary laws but has a signed and registered antenuptial contract) and Gert Ehlers, (a divorcee at the time, now married to Miranda without an antenuptial contract) each holding a 50% undivided share in the property. Kamogelo and Gert subsequently form a partnership and include the aforesaid property in the partnership under the style and name "Maleka & Ehlers Accounting".

- 1.1 The parties require registration of the property in the name of the partnership.

Draw the necessary document to be signed by the owners to vest the property in the partnership. Invent such facts as you may deem necessary. (22)

- 1.2 You discover after signature of the above document/s that the Title Deed contains a condition imposed by the Developer and enforceable by the Steyn City HOA to the effect that a building must be constructed within a period of 2 (two) years from date of transfer, failing which the property must revert to the Developer. The building has been constructed and the 2 (year) period has lapsed.

Please draw the necessary document in accordance with the current deeds practice to deal with the condition. The parties are not available for signature, and you need to lodge immediately;

Draw the necessary documents in accordance with the current deeds practice that deals with the conditions. (10)

- 1.3 List the documents to be lodge in respect of the above transaction/s indicating the batches if necessary. (8)

QUESTION 2**[30]**

Erf 100 Polokwane Extension 30 Township is registered in the name of the widowed Peter Vale. The said property is bonded to Smart Bank a duly registered bank, together with other properties. The Government of the Republic of South Africa purchased the said property for R10 000 000.00. (Ten Million Rand).

- 2.1 Draw up a document that will ensure transfer to the State in a most efficient manner; (12)

- 2.2 Draw up a document to be signed by the mortgagee subject that the other properties remain mortgaged; (12)

2.3 List the documents to be lodged at the Deeds Office in order to effect the above transfer. (6)

QUESTION 3

[24]

Mr Frans Mohlatlego, a practising Attorney sold his residential property to Mr Joy Machete on 20 March 2023 for R1 100 000.00. You are the conveyancer who attends to the transfer.

The details of the transaction are as follows:

- 3.1 The purchase price is payable to the Seller on date of transfer but must be secured before transfer. An amount of R200 000.00 is to be paid to you on or before 1 May 2023 to be held in trust and to be invested for the benefit of the Purchaser. The balance of the purchase price will be secured by acceptable bank guarantees.
- 3.2 The Purchaser is liable for all costs relating to the transfer, excluding the cancellation of the Seller's existing bond. The Seller is a VAT vendor in respect of his practice.
- 3.3 The Purchaser will take occupation on 1 May 2023 and pay the Seller occupational rental at R18 000.00 per month, monthly in advance.
- 3.4 The Seller is liable to pay the agent's commission of R100 000.00 which includes VAT.
- 3.5 The Purchaser is liable to pay the municipal rates and taxes which amounts to R3 000.00 per month as from the date of transfer.
- 3.6 The transfer was registered on 16 June 2023. The Purchaser paid the amount of R672 500.00 to you being the deposit, occupational rental for two months and a provision for your fees and disbursements.
- 3.7 Assume that your fee for transfer, including the investment of trust monies and postages and petties will be R30 000.00 nett and R1 000.00 nett respectively.
- 3.8 You invested the deposit and when closing the investment on transfer you received interest in the amount of R8 000.00.
- 3.9 You paid the local authority R200.00 for a clearance certificate together with the amount of R9 000.00 in respect of rates and taxes for the months of April, May and June 2023.

- 3.10 On 1 May you paid the Seller R18 000.00 in respect of occupational rental for May 2023.
- 3.11 The Purchaser provided you with two bank guarantees totalling R900 000.00, one in favour of the existing bondholder and the other in your favour. The outstanding balance to the bank was R550 000.00.
- 3.12 You also undertook to pay the costs relating to the cancellation of the existing bond to the bondholder's conveyancer. The cancellation costs amount to R5 000.00.
- 3.13 The estate agent requested you to pay his commission to him direct.
- 3.14 The Registrar's fee is R1 900.00.

Draw the final statements of account you will send to the Seller and the Purchaser.
(24)

QUESTION 4 **[36]**

Inventing such further details as may be necessary, you are required to draw up the necessary document/s to be lodge with the Deeds Office for the purpose of reflecting the true state of affairs in the following circumstances:

- 4.1 The holding deed of transfer in the name of a private company with the name "Modderrivier" incorrectly reflects the unregistered translated name which reads "MudRiver"; (12)
- 4.2 A new director, a certain Henry Colville has now decided to change the name of the company referred to in 4.1 to MudRiver; (12)
- 4.3 Mr Henry Colville, as the new director and with consent of the shareholders, has decide to ringfence the company by including restrictive provisions in the Memorandum of Incorporation affecting the company's ability to sell or mortgage its property; (12)

QUESTION 5 **[32]**

Reuben Matava and Emily Matava were married in community of property to each other. They divorced and in terms of the Court Order and the settlement agreement, Reuben is entitled to the other half share. The property held under Deed of Transfer number T59688/2000 is bonded and Reuben takes over the financial obligations as well. Reuben is now married out of community of property to Esther Matava.

- 5.1 Draw up the document/s together with the necessary supporting document to be lodged that will efficiently vest the property in Reuben's name; (24)
- 5.2 List all the documents together with the necessary supporting documents that must be lodged to give effect to the above. (8)

QUESTION 6

[38]

Maria Rudolf (who has now resume her maiden surname Holtzhausen) was married in community of property to Jaco Rudolf, is the registered owner of Erf 123 Camp Bay Park, which she bought before her marriage to Jaco. The Title Deed T234/2005 reflects only her name. On 22 March 2023, Marie and Jaco divorced, and the divorce court order only reads: "the joint estate shall be divided equally." Maria now approaches you to register a mortgage bond in respect of her share in the said Erf.

The extending clause in the Title Deed reads:

"First transferred and held by Deed of Transfer No 1129/1999 with diagram T1161/1999 relating thereto".

The property is subject to the following conditions:

- A. *No building or other structure shall be erected within the aforesaid servitude area and no large-rooted trees shall be planted within the area of such servitude or within 1 metre thereof.*
- B. *Subject to the reservation of all rights to minerals in favour of the City Council of Camp Bay Park and its legal successors held under Certificate of Mineral Rights 92/1974 R.M. was issued on January 21, 1974.*

Draft the necessary document/s for the acts of registration that must take place before or simultaneously with the registration of the mortgage bond. Use your own further particulars. (38)

- THE END -
