

CONVEYANCING: SECTIONAL TITLES (ACT 95/1986) GUIDELINE OF FEES

Conveyancing fees are negotiable. These are merely guidelines.

1. GENERAL NOTES

The fees recommended in this guideline are in respect of and include *inter alia* the general conveyancing duties performed by a conveyancer for procuring the due and proper execution and registration of the relevant deed or document, or the filing thereof or cancellation thereof, as the case may be, as well as the responsibility placed on him for the accuracy of the facts mentioned in deeds or documents or which are relevant in connection with the registration or filing thereof as contemplated in sections 15A and 15B of the Sectional Titles Act, Act 95 of 1986 (the Act), as amended; for ensuring that copies of any deeds and documents are identical as at the date of lodgement, that all applicable conditions, including endorsements are correctly brought forward in any deed of transfer, that any person signing a document as principal or representative has been appointed and is acting in accordance within the powers granted to him and that any security required has been furnished to the Master; that parties to deeds are correctly reflected, that the necessary authority has been obtained for the signing of any document in a representative capacity; that the transaction in question is authorised by and in accordance with the constitution, regulations, or founding statement or trust instrument of a trust, as the case may be, of any church, association, close corporation, society, trust or other body of persons, or any institution (whether created by statute or otherwise) being a party to such document, where applicable; that the relevant particulars in the deed have been correctly brought forward from the power of attorney, and for this purpose shall include the taking and giving of instructions, all correspondence, including the perusal of completed deeds of sale; the preparation and attendance on signature of all powers of attorney, declarations, affidavits, resolutions, status affidavits, company certificates, exchange control certificates and other necessary preliminary and ancillary documents as well as attendances in connection with the obtaining, preparation and signature of documents to ensure compliance with the provisions of the Financial Intelligence Center Act and the signature of ancillary documents required by a mortgagee in terms of the National Credit Act; the payment of transfer duty or VAT and of all rates levied by any lawful authority; the obtaining and making of all clearance and other certificates, including attendances or consultation with an outside agent to obtain clearance certificates; the obtaining of endorsements or copies of documents from the Office of the Master of the High Court or other public office (except where otherwise provided including attendances or consultation with an outside agent to obtain copies and endorsements); the perusal of memoranda and articles of association and trust deeds; the making of all necessary financial arrangements, including the issuing of guarantees on behalf of bondholders or the provision and

checking of guarantees and attending payment in terms thereof; the drawing and preparation of any document, including all copies thereof, required for execution or registration at a deeds registry and the obtaining of registration thereof, arranging simultaneous lodgement and registration with another conveyancer or other conveyancers, where necessary; the giving of all references required by the deeds registry for examination purposes; and all attendances at the deeds registry, but shall not include -

- 1.1 any attendance in connection with the drawing and execution of deeds of sale, deeds of donation, partition agreements, amendments to the rules for bodies corporate, special developers' conditions, deeds of suretyship, acknowledgements of debt and documents of a similar nature;
- 1.2 any separate act of registration of any documents which may be necessary before or in connection with the first mentioned act of registration;
- 1.3 any attendance in connection with the resolution of a dispute between the transferor and the transferee arising from a deed of sale or any of the other documents referred to in 1.1 above or from whatsoever cause;
- 1.4 any attendance arising from negotiations between the parties resulting in a further agreement or addendum or amendment to an existing agreement;
- 1.5 any attendance or consultation, in addition to taking instructions, relating to the opening of a sectional title register in terms of section 11 of the Act, or extensions of a scheme;
- 1.6 any attendance in connection with the preparation and obtaining of documents relating to collateral security required by a mortgagee;
- 1.7 any attendance on the issue of letters of undertaking or guarantees (other than in favour of or for bondholders, the seller or transferring attorney). Suggested fee R485 per undertaking / guarantee;
- 1.8 any attendance on investments in trust in terms of section 78 (2A) of the Attorneys Act of 1979. Recommended fee R485 per investment, unless the investment attorney is charging a percentage of the interest earned on the investment;
- 1.9 any attendance on investments in trust in terms of section 78 (2A) of the Attorneys Act of 1979. Recommended fee R485 per investment, unless the investment attorney is charging a percentage of the interest earned on the investment;

- 1.10 Any attendance or disbursement paid to a computer software supplier for purposes of receiving or drafting instructions electronically;
- 1.11 Any attendance or consultation with an outside agent to attend to municipal refunds and reconciliations on behalf of client. Suggested fee R330. The foregoing fee excludes the fee payable to the outside agent;
- 1.12 Any formal confirmation (other than routine facts, such as fulfillment of suspensive conditions or absence of an addendum to the deed of sale) to any linked attorney or third party (including a bank) relating to material aspects of the transaction: A fee of R300 per confirmation payable by the requesting attorney or party;
- 1.13 Any formal certification or opinion to any linked attorney or third party of material facts relating to the transaction (such as the actual sale price, transaction not forming a major part of seller's assets or compliance with specific Sections of the Companies Act) and that places the conveyancer at professional risk: A fee of R600 plus a fee assessed according to the length or complexity thereof is recommended, payable by the requesting attorney or party.

NOTE

It is recommended that additional charges and disbursements discussed above in 1.1 to 1.13 be agreed upon with the client.

2. DEFINITIONS

For the purpose of these guidelines

- (a) a folio shall consist of 100 printed or written words or figures, or part thereof, and four figures shall be recorded as one word.
- (b) "value of the property" means –
 - (i) where transfer duty is payable, the purchase price of the property or the amount on which transfer duty is payable, whichever amount is the higher;
 - (ii) where no transfer duty is payable in terms of section 9(2) of the Transfer Duty Act, 1949 (Act No 40 of 1949), the purchase price of the property or the declared value

of the property as contemplated in the Transfer Duty Act, 1949, whichever amount is the higher;

- (iii) where no transfer duty is payable in terms of section 9(15) of the Transfer Duty Act 40 of 1949, the purchase price plus VAT;
- (iv) where no transfer duty is payable in terms of any provision of section 9 of the Transfer Duty Act, 1949, other than section 9(2), but an official valuation by a municipality, divisional council or the Master of the High Court is available, such valuation or the compensation paid in respect of the acquisition of the property, whichever amount is the higher, provided that where no official valuation is available, it shall be deemed to be the fair value of the property as defined in the Transfer Duty Act, 1949;
- (v) where no compensation is payable in respect of the acquisition of the property and no official valuation by a municipality, divisional council or the Master of the High Court is available, an amount which shall be deemed to be no less than R150 000,00;
- (vi) the municipal or divisional council valuation if available, alternatively the valuation of the unit for insurance purposes where the property has either been sold in execution, or by public auction at the instance of a liquidator or trustee and the purchase price was less than such valuation.

SECTION 1

1. APPLICATION FOR THE OPENING OF A SECTIONAL TITLE REGISTER

For the preparing and drawing of an application for the opening of a sectional title register, perusing of sectional plan, drawing of certificates of registered sectional title, correspondence and attendances on all matters referred to in section 11 of the Act, but excluding the drawing of any consent of a bondholder, or searches in any deeds registry or other public office, or attendance upon fulfilling the requirements of section 4 of the Act: or additional consultations required by the developer

- (a) A basic recommended fee of: R5 500 and
- (b) in respect of each section, a recommended fee of R550.

2. APPLICATION FOR THE EXTENSION OF SCHEMES BY ADDITION OF LAND TO COMMON PROPERTY

For the preparing of the required documents as well as the necessary attendances referred to in sections 7 and 26 of the Act, but excluding the drawing of any consent of a bondholder, or searches in any deeds registry or other public office, or attendance upon fulfilling the requirements of section 4 of the Act: or additional consultations required by the developer

- (a) A basic recommended fee of R5 500; and
- (b) in respect of each section, a recommended fee of R550.

3. APPLICATION FOR THE EXTENSION OF SCHEMES IN TERMS OF SECTION 25 OF THE ACT

For the preparing and drawing of an application for the opening of an extension of a sectional title register, perusing of sectional plan of extension, drawing of certificates of registered sectional title, correspondence and attendances on all matters referred to in section 25 of the Act, but excluding the drawing of any consent of a bondholder, or searches in any deeds registry or other public office, or attendance upon fulfilling the requirements of section 4 of the Act: or additional consultations required by the developer

- (a) A basic recommended fee of R6 000; and
- (b) in respect of each section, a recommended fee of R550.

SECTION II

TRANSFER OF OWNERSHIP

1. For the registration of ownership of a unit or land held under sectional title deed, the recommended fee is the amount set out in Column B of Schedule I to this guideline, in respect of the value of the property concerned as indicated in Column A of that Schedule : this includes the case of conveyance in terms of the second proviso to section 16 and in terms of section 31 and sections 45 and 45 bis (bonds excluded) of the Deeds Registries Act 1937 (Act No 47 of 1937); Provided that in the case of section 45 and 45 bis the fee will be calculated on 50% of the full value of the whole property as set out in Column B of Schedule 1 of the guideline.
2. Where more than one section is included in the same transaction, an additional recommended fee of R180 is chargeable for each additional section.

NOTE - Where transfer takes place as a result of expropriation in terms of an act, or if a person becomes entitled to deal with a unit or land as if he or she had taken formal transfer into his or her name by virtue of an endorsement contemplated in the Act, the recommended fee is 75% (seventy five percent) of the amount set out in Column B of Schedule I.

SECTION III

PARTITION, RECTIFICATION AND EXCHANGE TRANSFERS

For the drawing and registration of each deed of partition, rectification or exchange transfer, inclusive of all preliminary and other work in connection therewith, but excluding attendances in connection with the framing of any provisional agreement:

1. Where the value can be determined, the recommended fee is as set out in Column B of Schedule 1 of this guideline.
2. Where the value cannot be determined, a fee assessed according to the length and complexity thereof is recommended.

SECTION IV

For endorsement of title deeds or bonds in terms of sections 24bis(2) and 25(3) of the Deeds Registries Act, 1937 (Act No. 47 of 1937) and in terms of sections 39 and 40 of the Administration of Estates Act, 1965 (Act No. 66 of 1965) including the drawing of all necessary documents, the obtaining of all necessary ancillary documents, consents and certificates from the Master and Registrar, and all necessary attendances and correspondence in connection therewith, including the obtaining of registration, a recommended fee of: R1 800.

SECTION V

SUBDIVISION, CONSOLIDATION AND EXTENSION OF A SECTION/S

For drawing and submitting an application for subdivision, consolidation or extension and preparing certificates of registered sectional title, together with supporting documents, for perusing a plan of subdivision, consolidation or of extension, for obtaining of registration, for correspondence and

attendance on all matters referred to in sections 22, 23 and 24 of the Act, but excluding the obtaining of the consent of any bondholder:

- a) A basic recommended fee of R3 300; and
- b) In respect of each subdivision, consolidation or extension, a recommended fee of R330.

SECTION VI

APPLICATION FOR SECTIONAL TITLE DEED IN RESPECT OF UNDIVIDED SHARE IN UNIT

For preparing a certificate of registered title in respect of an undivided share (including the application), for correspondence and for attendances on all matters referred to in section 1 5B(5) of the Act, a recommended fee of R1 450.

SECTION VII

1. REVERSION FROM SECTIONAL TITLE REGISTER TO LAND REGISTER

For attending to all matters referred to in subsections (4), (5) and (6) of section 17 of the Act:

- (a) A basic recommended fee of R1 800; and
- (b) in respect of each section, a recommended fee of R180.

2. DISPOSAL ON DESTRUCTION OF BUILDINGS

For attending to all matters referred to in section 49 of the Act:

- (a) A basic recommended fee of R1 800; and
- (b) in respect of each section, a recommended fee of R180.

SECTION VIII

SECTIONAL MORTGAGE BONDS

- 1. For obtaining registration of any sectional mortgage bond or surety bond other than a bond referred to in paragraph 2 of this Section, including the drawing of all necessary documents and the obtaining of necessary ancillary documents, the recommended fee be the amount as set out

in Column B of Schedule 2 to these guidelines in respect of an amount of the bond concerned as indicated in Column A of the Schedule.

2. The recommended fee for any collateral bond passed as additional security for another bond between the same parties irrespective of where the collateral bond is being registered, is 75% of the recommended fee set out in Column B of Schedule 2 of these guidelines.
3. If more than one unit is included in a bond referred to in paragraph 1 or 2 of this Section it is recommended that an additional fee of R180 may be chargeable for each additional unit.

SECTION IX

CESSION, CANCELLATION OR MODIFICATION OF BONDS

1.
 - (a) For drawing consent to cancellation of bond, consent to cancellation of cession of bond, release of property or a person from a bond, consent to reduction of cover, consent to part payment of capital, framing waiver of preference in regard to the ranking of a bond, waiver of preference in respect of real rights in and, consent of a mortgagee, usufructuary, lessee or holder of any other limited interest required in terms of any provision of the Act or these Regulations and not otherwise provided for in this guideline (but not being notarial), and attending registration thereof, including instructions and deeds office searches, correspondence, the signing of consents on behalf of the bondholder and all relevant attendances except attendances on the Office of the Master of the High Court, a recommended fee of R1 650.
 - (b) For attending to all matters referred to in subparagraph (a) of this paragraph in respect of any second or subsequent bond when any relevant document has been drawn by the same conveyancer who drew the corresponding document or documents in connection with the first bond between the same parties over the same property, and such documents are or can be lodged simultaneously as a set, a recommended fee of R220 per bond.
 - (c) If more than two units are included in any release contemplated in subparagraph (a) or (b) of this paragraph, it is recommended that a further fee of R220 be chargeable for each additional unit over and above the first two units.
2. For drawing cession of bond or an application for endorsement, including instructions and drawing consent of mortgagor where necessary, attendances on mortgagor and mortgagee, correspondence and all relevant attendances including registration, but excluding attendances on the Office of the Master of the High Court, a recommended fee of R1 800.

3. For drawing agreement varying the terms of a bond, including instructions, attendance on mortgagor and mortgagee, correspondence and all relevant attendances including registration, a fee assessed according to the length and complexity of the agreement is recommended.
4. For drawing consents to substitution under section 57 of the Deeds Registries Act, 1937, in respect of all bonds relating to the same mortgagee, including instructions, all attendances on mortgagee and new debtor, correspondence and miscellaneous attendances, including registration but excluding attendances on the Office of the Master of the High Court: 50% (fifty per cent) of the recommended fees for bonds, specified in Schedule 2 to these guidelines.
5. Where any document referred to in any paragraph of this Section is required to be signed by more than one mortgagee, mortgagor, usufructuary, lessee or holder of other limited interest, it is recommended that an additional fee of R180 may be chargeable in respect of each such additional person after the first.
6. Where it is necessary to attend on the Office of the Master of the High Court in connection with any matter referred to in paragraph 1(a) or 2, the following additional recommended fees are allowed:
 - (a) For obtaining any Master's Certificate per estate for any number of certificates which are or can be applied for simultaneously, a recommended fee of R825; and
 - (b) For obtaining copies of all necessary documents which are or can be included in one application, per estate: R400.
7. For drawing consents to substitution under section 24b1s(3), 45(2)(b) or 45bis(2) of the Deeds Registries Act, 1937, including instructions, all attendances on mortgagee and new debtor, correspondence, and miscellaneous attendances, including registration but excluding attendances on the Office of the Master of the High Court: R1 800.

SECTION X

NOTARIAL DEEDS

1. For drawing and registering any notarial lease, sub-lease, servitude or other notarial deed, the fee may be assessed according to the length and complexity of the deed concerned.

2. For drawing and registering a notarial waiver of preference by mortgagee, usufructuary or other holder of a limited interest, or other notarial consent required in terms of any provision of the Act or the Regulations: R1450.

SECTION XI

CERTIFICATES OF REAL RIGHTS

1. Section 12(1)(e): In favour of developer to develop further in terms of section 25(1).
[See regulation 14(1), and Form F]: R1 800;
2. Section 25(6): In favour of body corporate to extend scheme.
[See regulation 14(2) and Form F]: R1 800;
3. Section 12(1)(f): In favour of developer, right of exclusive use in terms of section 27(1). [See regulation 14(3) and Form G]: R1 200;
Plus R180 for each additional area.

SECTION XII

CESSIONS (NOTARIAL)

1. Section 27(1)(b): Unilateral cession of an exclusive use area by a developer to owner(s) to whom such rights are allocated: R1 200 where the cession is registered simultaneously with the transfer of the corresponding unit. Where no simultaneous transfer of a unit takes place: the notary is entitled to charge the usual transfer fee as set out in Column B of Schedule 1 based on the purchase price or value of the unit. Plus R180 for each additional area.
2. Section 27(3) and section 60(3): Bilateral cession by body corporate as representative of owners of all sections: R1 500 where the cession is registered simultaneously with the transfer of the corresponding unit. Where no simultaneous transfer of a unit takes place: R1 800. Plus R180 for each additional area.
3. Section 27(4): Bilateral cession of an exclusive use area:
Ad valorem as per Schedule 1 to these guidelines unless no consideration has been allocated to the exclusive use area, in which case: R1 800. Plus R180 for each additional area.

4. Section 27(5) Cancellation of right to exclusive use: bilateral notarial deed between owner and body corporate: R1 800. Plus R180 for each additional area.

SECTION XIII

MISCELLANEOUS

1. For attendance on behalf of transferor or transferee, mortgagor or mortgagee or any other person, for supervising the registration of the transfer or bond or supervising the bond with documents prepared and lodged by another conveyancer, including instructions, correspondence and attendances relevant to the supervision: R850.
2. (a) For the necessary attendances and searching and inspecting of a Conveyancer's protocol or file or at deeds registry for information, including instructions, correspondence and all relevant attendances, per quarter hour or part thereof, a recommended fee of: R180. Reporting per folio, except in the case of research as provided for in subparagraph (b) of this paragraph, a recommended fee of R120.

(b) For attendance and searching at Deed Registry or the office of the Surveyor General for research and searching for the necessary information in connection with the opening of the register and registration of the sectional plans, including correspondence and all relevant attendances, a recommended fee of R725 per hour or part thereof pro rata. Reporting per folio, a recommended fee of R120.
3. For drawing of any certificate by a conveyancer with regard to any servitude, other real right or condition, where not otherwise provided for in this guideline: R600.
4. For preparing and drawing certificate of establishment of any body corporate under regulation 16(1), lodging the same, including all correspondence and attendances in connection therewith, a recommended fee of R180.
5. For drawing a consent by any owner of a section or holder of any sectional mortgage bond in terms of sections 24(6) and 25(10) of the Act, including all correspondence and attendances in connection therewith, including lodging, a recommended fee of R1 450.
6. For substituting, amending, amplifying or repealing either the management or conduct rules in terms of section 35 of the Sectional Titles Act, 1986: a fee assessed according to the extent and complexity thereof is recommended.

In any case where a fee is not recommended in this guideline in respect of any matter, but a fee has been recommended in respect of the corresponding matter in the recommended guideline of fees prescribed for Conventional Deeds (Act 47/1937), such fee may *mutatis mutandis* apply in respect of the matter in question.

SCHEDULE I

Column A	Column B
Value of property	Recommended Guideline of Fees for Conveyance of Sectional Title Property
R100 000 or less	R3 150
Over R100 000 up to and including R125 000	R4 375
Over R125 000 up to and including R150 000	R4 550
Over R150 000 up to and including R175 000	R4 900
Over R175 000 up to and including R200 000	R5 130
Over R200 000 up to and including R250 000	R5 600
Over R250 000 up to and including R300 000	R6 410
Over R300 000 up to and including R350 000	R6 880
Over R350 000 up to and including R400 000	R7 460
Over R400 000 up to and including R450 000	R8 050
Over R450 000 up to and including R500 000	R8 750
Over R500 000	R8 750 for the first R500 000 plus R1 160 per

R100 000 or part thereof above that, thereafter, up to and including R1 000 000 whereafter the recommended fee be R580 per R100 000 or part thereof up to and including R5 000 000 whereafter the recommended fee be R290 per R100 000

SCHEDULE 2

Column A	Column B
Amount of Bond	Recommended Guideline of Fees for Sectional Mortgage Bonds
R100 000 or less	R3 360
Over R100 000 up to and including R125 000	R3 500
Over R125 000 up to and including R150 000	R3 625
Over R150 000 up to and including R175 000	R3 900
Over R175 000 up to and including R200 000	R4 030
Over R200 000 up to and including R250 000	R4 435
Over R250 000 up to and including R300 000	R4 970
Over R300 000 up to and including R350 000	R5 510
Over R350 000 up to and including R400 000	R6 180
Over R400 000 up to and including R450 000	R6 720
Over R450 000 up to and including R500 000	R7 260
Over R500 000	R7 260 for the first R500 000 plus R1 180 per

	<p>R100 000 or part thereof above that, thereafter, up to and including R1 000 000 whereafter the recommended fee be R590 per R100 000 or part thereof up to and including R5 000 000 whereafter the recommended fee be R295 per R100 000.</p>
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