

DRAKENSTEIN MUNICIPALITY

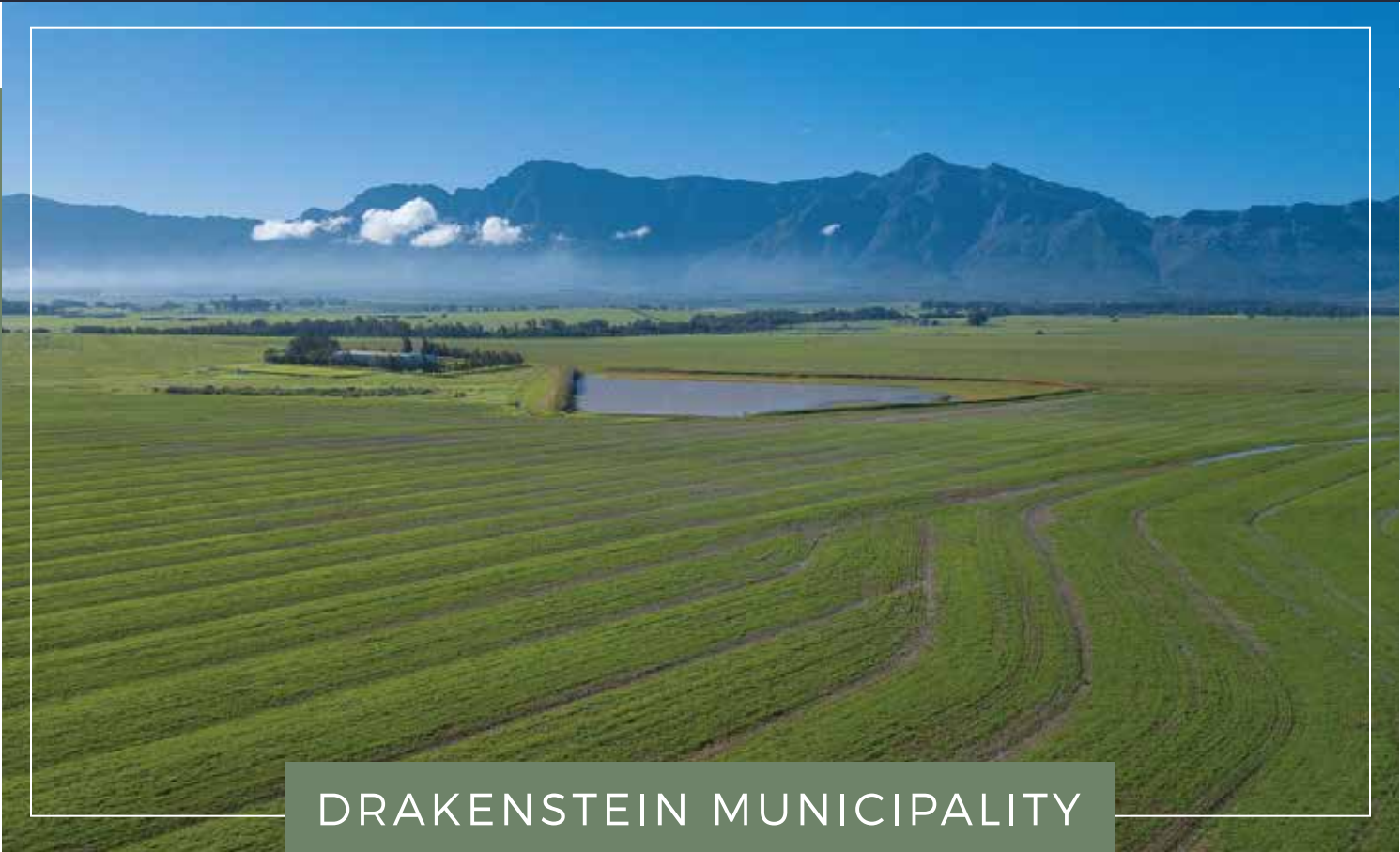


Buying and Selling Property: Here is what happens at Drakenstein Municipality

CLEARANCE AND ACCOUNTS PROCESS

1. One of the forms included in the Transfer Documents that a Seller signs with the Attorneys, is a Drakenstein Municipality "Disconnection Form". Likewise, the Purchaser will sign a Drakenstein Municipality "Connection Form".
2. These two forms are sent to the Municipality by the Attorneys, together with:
 - 2.1. Copies of the ID's of both the Seller and the Purchaser
 - 2.2. Forwarding address for the Seller
 - 2.3. Copy of a Power of Attorney (drafted by the Attorneys)
 - 2.4. Deeds Office search report of the property
3. The Municipality will then inform the Attorneys (normally within 7 working days) of the amount they require to issue the Municipal Clearance Certificate. This amount normally consists of the current balance owing on the Seller's Municipal Account, together with estimated future consumption charges for the following 3 months.
4. The Attorneys will ask the Seller to pay the full amount required by the Municipality.

5. The Seller must pay the Municipality directly, using the same account that the Seller normally uses for payments to the Municipality, and **send the proof of payment to the Attorneys**. Thereafter, the Seller will no longer be liable for payment of the normal monthly municipal account.
6. The Municipality will, on receipt of payment, issue a Rates Clearance Certificate to the Attorneys, which certificate is valid for 60 days. If the certificate expires prior to the date that the property is transferred to the Purchaser, then the Attorneys will apply for an extension.
7. Once the property is transferred to the Purchaser, the Attorneys will inform the Municipality and will apply for a refund on behalf of the Seller (for payments made by the Seller beyond the date of transfer).
8. Once a month, the Deeds Office sends the Municipality a list of all property transfers. Once this list is received, the Municipality records the change of ownership on their billing systems.
9. Once the ownership change is recorded, the Municipality starts the process of refunding the Seller. Refunds are normally paid on Fridays and within 6 to 8 weeks after transfer of the property has taken place. These payments are made to the Attorneys.



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9. The Municipality then starts to send monthly accounts for rates, water, refuse and sewerage to the new owner.
10. When it comes to ELECTRICITY, the new owner must contact the Municipality to have the new Electrical Account registered. **The Attorneys cannot do this on behalf of the new owner.** The Municipality will require the erf number of the property and a copy of the new owner's ID or passport. These must be sent to the below persons, depending on the type of electricity meter installed at the property:



Conventional Meter: Venesia Ontong
venesia.ontong@drakenstein.gov.za



Pre paid Meter: Charles Fortuin
charlesf@drakenstein.gov.za

11. If the property has a conventional meter (not pre-paid) then the new owner must pay a deposit for electricity connection:
For single phase: R2 159.00 For 3-phase: R12 886.00

Only once the deposit is paid will the new owner receive her 1st electricity bill.

12. If the property has a pre-paid meter, then no deposit is payable.

OUR REAL ESTATE DEPARTMENT OFFERS THE FOLLOWING SERVICES:

- Deal Structuring
- Drafting of Contracts
- Property Transfers
- Mortgage Bond Registrations



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