

THE PROPERTY 'BIG 5' CERTIFICATES OF COMPLIANCE

First there were 2, but now sale agreements provide for up to 5 compliance certificates to be obtained before a property transfer is registered. These apply to conventional and sectional title property.

Here is a summary of each compliance certificate.

For more information contact STBB Attorneys.

1



ELECTRICAL

- Certifies that the electrical installation on the property complies with the required safety standards.
- Governed by the Occupational Health & Safety Act.
- The certificate must not have been issued more than 2 years prior to the transfer date, provided there have been no modifications to the installation since being issued.
- Parties cannot contract out of this or agree to waive the requirement; however, they may agree that the responsibilities in respect of the installation be transferred from the seller to the purchaser (where the purchaser is undertaking a big renovation after transfer).
- Regulations state property owner may not allow the transfer of ownership without the certificate. Parties may however agree in the Agreement of Sale that it is the purchaser's responsibility to obtain it, provided it is done before transfer.

2



ELECTRIC FENCE

- Certifies that the electric fence installation complies with the required safety standards.
- Governed by the Occupational Health & Safety Act.
- No set period of validity, but an existing certificate may be transferred by the seller to the purchaser. A seller need only provide a new certificate to the purchaser if a change was made to the installation after the current certificate was issued.
- Parties can agree between each other who shall obtain this certificate.
- The requirement also applies to sales of sectional title units if there is an electrical fence system situate on common property.

4

WATER/PLUMBING

- Certifies that the water installation at the property is in line with municipal and building guidelines.
- Governed by the City of Cape Town water by-law. Only applicable to transfers within the municipal jurisdiction of the City of Cape Town.
- No set period of validity. A new certificate must be obtained every time there is a change of ownership.
- Parties cannot contract out of this or agree to waive.
- Seller is required to submit the certificate to the City of Cape Town prior to transfer.

3



GAS

- Certifies that the gas installation on the property complies with the required safety standards.
- Governed by the Occupational Health & Safety Act.
- No set period of validity. A new certificate must be obtained every time there is a change of ownership.
- Parties cannot contract out of this or agree to waive.
- Seller is required to obtain the certificate prior to transfer. Best for the inspection and remedial work to be carried out asap after the deal is concluded due to bank and bond requirements and obviously prior to purchaser moving in; however, the parties can agree it is the purchaser's responsibility to obtain.

5

BEETLE

- Certifies that the accessible wood of permanent structures on the property are free from certain wood-destroying beetles.
- Not governed by any law, but a practice that has evolved over the years.
- Parties agree contractually on the validity period of the certificate once issued.
- Parties can contract out of this; however, if parties agree that no certificate is necessary and bank requires it for purchaser's bond, then that is for the purchaser's expense.
- Seller is required to obtain the certificate prior to transfer. Best for the inspection and remedial work to be carried out asap after the deal is concluded due to bank and bond requirements and obviously prior to purchaser moving in, however, the parties can agree it is the purchaser's responsibility to obtain.



For more information contact STBB Attorneys

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Claremont	021 673 4700
Fish Hoek	021 784 1580
Somerset Mall	021 850 6400
Table View	021 521 4000
Tygervalley	021 943 3800
Illovo	011 219 6200
Centurion	012 001 1546
Bedfordview	011 453 0577

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