

**I
L
S
INSTITUTE
LISTING
SERVICES****AGREEMENT GRANTING A SOLE MANDATE FOR USE WHERE IT IS INTENDED THAT THE PROPERTY BE PLACED ON THE INSTITUTE LISTING SERVICES SYSTEM**

ENTERED INTO BETWEEN

(The SELLER)
AND

(The ILS MEMBER FIRM)

1. EXCLUSIVE MANDATE

The Seller hereby appoints the ILS Member Firm as the sole agent and grants to the ILS Member Firm an exclusive mandate to market (meaning that the Seller shall not be permitted to sell the property through the Seller's own activities or through the activities of any other estate agent during the mandate period of this agreement) the immovable property known as

together with all buildings and erections thereon and all fixtures and fittings of a permanent nature pertaining thereto (the Property) on the terms and conditions set out in this agreement.

2. PRICE**2.1 MANDATE PRICE**

The Property will be offered for sale at _____

which price may be changed by agreement with the Seller from time to time (in this contract referred to as the "Mandate Price").

2.2 SALE PRICE

The price offered by a Purchaser and accepted by the Seller (in this contract referred to as the "Sale Price").

3. MANDATE**3.1 MANDATE PERIOD**

The mandate shall start on _____ and end at _____ which shall not be less than 30 days from the date of signature hereof.

3.2 CANCELLATION OF MANDATE (in terms of the Consumer Protection Act No. 68 of 2008 hereinafter referred to as the CPA) (not applicable and to be deleted if both the Seller and Agent are legal entities)

3.2.1 The Seller shall be entitled to terminate this mandate at any time prior to the date of expiry of the Mandate Period by giving 20 (twenty) business days written notice to the Agent.

3.2.2 Cancellation Fee

Should the Seller elect to cancel the mandate as per clause 3.2.1 the Seller will pay to the Agent all advertising cost incurred by the Agent up to the date of the cancellation notice as well as a cancellation fee of 10% of the commission referred to in clause 7.

3.2.3 The mandate will continue for a period of one month after the expiry date unless the Seller notifies the Agent in writing before the expiry date of the Seller's intention not to continue with the mandate after the expiry date.

3.2.4 The Agent will notify the Seller of the continuation of the mandate in 3.2.3 above in the manner set out in the Consumer Protection Act No. 68 of 2008 and according to the ILS Code Of Conduct.

4. RIGHT TO COOLING-OFF (in terms of Section 16 of the CPA)

The Seller records that:

(delete either clause 4.1 or 4.2)

4.1 The Agent first approached him/her with regard to concluding this mandate and that such approach was in person, per e-mail to him/her or in a letter addressed to him/her ("direct marketing methods"); The Seller confirms that he/she therefore has the right to cancel this mandate penalty-free within 5 (five) business days of signing this agreement by giving the Agent written notice of such cancellation.

or

4.2 The Agent did not approach the Seller directly to persuade the Seller to confer this mandate and that the Seller had of his own accord contacted the Agent to discuss the sale of the Property and the granting of the mandate to the Agent.

5. INSTITUTE LISTING SERVICES (ILS)

5.1 The Seller acknowledges that the ILS Member Firm is a participant in ILS which is a computer listing service generated by a group of local estate agents and that a list of the current ILS participants (fellow participants) operating in the Zone in which the property is situated, is available on request.

5.2 The Seller hereby instructs and the ILS Member Firm undertakes, to place the Property on the ILS within 5 (five) working days from the date of signature of this mandate.

5.3 The ILS Member Firm undertakes to hold an Agents Open Hour within 12 (twelve) days from the date of signature hereof. The Agent undertakes to timeously advise the ILS office of the date and time when the Agents Open Hour is to be held.

5.4 The Seller acknowledges that the effect of placing the Property on to ILS is that all fellow participants may, from the date mentioned in Clause 5.2 above, participate as the ILS Member Firm's sub-agents in procuring a sale of the Property.

5.5 The ILS commission split with the selling agent will be stipulated in the Deed of Sale and the Seller will authorise the Conveyancer attending to the transfer to effect payment of the commission directly to the respective agents.

5.6 The ILS Member Firm will not be liable for any acts or omissions of his fellow participants who participate as his sub-agents.

6. INSPECTION REPORT

The Seller undertakes to complete the Inspection Report attached hereto marked Annexure "A" and authorises the ILS Member Firm to make copies thereof available to prospective purchasers.

7. COMMISSION

Commission at a rate of _____ plus VAT thereon (delete if not applicable) shall be payable to the Agent by the Seller in the following circumstances and be calculated:

- 7.1 On the Sale Price should the Seller sell the Property to anyone during the period of this mandate agreement. In other words, the commission will be payable even if the person to whom the Property is sold was not introduced to the Property or the Seller by the Agent and even if the Seller himself found the Purchaser.
- 7.2 On the Sale Price should the Seller within a period of 30 (thirty) days from the end of the mandate period sell the Property to any Purchaser who was introduced to the Property or the Seller by the Agent during the period of this mandate regardless of whether such introduction was the effective cause of the sale. In other words, if the Agent can prove the actual introduction of the Purchaser during the period of the mandate, the Seller will have to pay the Agent commission even though the Agent has not proved that the sale came about as a result of that introduction. The Seller is cautioned to check with the Agent before accepting any offer from any Purchaser which he may receive during the 30 (thirty) day period mentioned in this paragraph to determine whether that Purchaser was in fact introduced by the Agent.
- 7.3 On the Mandate Price should the Agent during the period of the mandate present to the Seller an offer to purchase the Property from a willing and able Purchaser at the Mandate Price. In other words, as long as the offer is at the Mandate Price and as long as the Purchaser is properly financially qualified to purchase, the Seller will have to pay commission to the Agent even though the Seller might decide not to accept the offer and/or not to sell the Property.

8. ACKNOWLEDGEMENTS BY SELLER

The Seller specifically confirms and acknowledges that the Agent:

- 8.1 Has explained to the Seller the meaning and consequences of all the terms contained in this document, before the Seller signed the document, and that the Seller is under no misapprehension about what the mandate entails and what the consequences thereof are.
- 8.2 Has not made any misleading, false or deceptive statements or used any exaggeration or ambiguity in obtaining the mandate and has not applied or used any unfair, unreasonable or unjust technique, coercion, physical force, undue influence, pressure, duress, harassment, unfair tactics or similar conduct to persuade the Seller to sign this document.
- 8.3 The Seller warrants to the Agent that he/she is not engaged in the sale of immovable property on an on-going basis and that the Property is not being sold in the ordinary course of the Seller's business.

9. MARKETING

The Agent shall:

- 9.1 Utilise the ILS network in order to promote the Property to as many potential buyers as possible.
- 9.2 Advertise the Property on its website and in selected local newspapers.
- 9.3 Display "For Sale" signs on the Property in accordance with Municipal regulations and bylaws for which the Seller gives consent.
- 9.4 Conduct showhouses by arrangement with the Seller. Showhouse risk – The Seller confirms that the Seller is aware of the fact that if and when the Agent conducts a showhouse at the Property the Agent is unable to guarantee that members of the public who visit the showhouse will not remove goods from the showhouse or in some way cause harm or damage to the Property. The Seller therefore accepts the risks hereby disclosed when a showhouse is authorised and will not hold the Agent responsible in any way and confirms that he/she was made aware of this limitation of liability in terms of Section 49 of the CPA.
- 9.5 By appointment with the Seller arrange for the Property to be viewed by prospective Purchasers.
- 9.6 Present all offers to the Seller and report to the Seller from time to time regarding the progress made in marketing the Property.
- 9.7 Have access to the Property at all reasonable times to introduce prospective Purchasers.

10. ADDRESSES FOR LEGAL DOCUMENTS

All notices and legal processes connected with this agreement may be sent to the Seller and the Agent at the following address:

Seller: _____

 Agent: _____

Either party may change the address on written notice to the other.

Signed at _____ on _____

 The SELLER who warrants that he/she is authorised hereto

Signed at _____ on _____

 The ILS MEMBER who warrants that he/she is authorised hereto





ANNEXURE "A" INSPECTION REPORT

This declaration relates to _____ (The property) and is made by _____ (The Seller).

This declaration is by no means a warranty or guarantee of any kind by the seller or his agent and should not be seen as a replacement for any inspection or warranty required by prospective purchasers prior to conclusion of an agreement of sale relating to the property. The purpose of this inspection report is to assist a prospective purchaser to conduct a proper inspection of the property and will not form part of an agreement of sale entered into with such prospective purchaser.

The owner authorises his agent to make a copy of this declaration available to a prospective purchaser.

- 1. I am aware of defects in the roof.

Yes	No
-----	----
- 2. I am aware of defects to any part of the plumbing system, including severely weak pressure.

Yes	No
-----	----
- 3. I am aware of defects relating to the swimming pool or pump.

Yes	No
-----	----
- 4. I am aware of defects pertaining to the septic tank, sewerage or sanitary disposal system.

Yes	No
-----	----
- 5. I am aware of a dispute relating to the boundary lines, encroachments, and common driveways.

Yes	No
-----	----
- 6. I am aware of any defects relating to the borehole on the property.

Yes	No
-----	----
- 7. I am aware of communication from the local authority relating to a dispute pertaining to the structures, boundaries or servitude areas on the property.

Yes	No
-----	----
- 8. I am aware of damp or rot that has been covered up.

Yes	No
-----	----
- 9. I am aware of the fact that the alarm system in the property belongs to _____ and has not been fully paid for to date.

Yes	No
-----	----
- 10. I am aware of the fixtures or fittings that belong to the tenant and which will be removed prior to registration.

Yes	No
-----	----
- 11. I am aware of any structures erected on/ additions to/ renovations done to the property without an approved building plan.

Yes	No
-----	----

If the answer is "yes" in any of the above, please discuss and/or comment below:

Signed at _____ on _____

The SELLER who warrants that he/she is authorised hereto

Signed at _____ on _____

Received by the prospective PURCHASER

Signed at _____ on _____

The ILS MEMBER who warrants that he/she is authorised hereto

Signed at _____ on _____

Received by the AGENT of the prospective PURCHASER