

OPTION TO PURCHASE

MEMORANDUM OF AGREEMENT ENTERED INTO BETWEEN

AUSTIN DALY acting herein in terms of a resolution by the Directors of LAKE DENEYS DEVELOPMENTS Proprietary Limited Registration Number 2005/037213/07duly authorised thereto

Address : c/o AV THERON & SWANEPOEL, 13 NJ VD MERWE CRESCENT, SASOLBURG
(hereinafter called the GRANTOR)

and

FULL NAMES OF PURCHASER _____

Identity Number _____

Married in/out* of community of property _____

**Identity Number _____

Company/Trust/Close Corporation _____

Registration No: _____

Full names of authorised person/s to sign
documents on behalf of Company/

Trust/CC _____

ADDRESS _____

TEL No : (H).....

(W) _____

Cell No: _____

Fax No: _____

Email address: _____

Income Tax No : _____

hereinafter called the GRANTEE)

WHEREAS the Grantor is the registered owner of:

**PORTION 495 (OF 353) OF THE FARM VAALDAM SETTLEMENT NO 1777, DISTRICT
HEILBRON, PROVINCE FREE STATE;**

(hereinafter called the PROPERTY)

WHEREAS a Township Register was opened in the Deeds office with regard to the property;

AND WHEREAS the Grantor has applied to the Free State Province for the proclamation of the above property;

AND WHEREAS the Grantor intends to apply to register a sectional title register known as LAKEVIEW ESTATE on the aforesaid property;

AND WHEREAS the Grantor furthermore intends to issue in its favour, a Certificate of Real Right in terms of Section 12(1)(e) of the Sectional Titles Act.

AND WHEREAS the Grantor furthermore intends to sell portions of the Certificate of Real Rights (hereinafter called "sites") to third parties ("Purchasers").

It is furthermore recorded that a Purchaser will take cession of a Real Right in his name by virtue of a Notarial Deed of Cession, which Real rights gives the Purchaser the right, title and interest to a specific site.

It is furthermore recorded that a Purchaser will then be able to erect a dwelling on the site, using his/her/its own finance, but obviously with approved plans and in keeping with the appearance of the rest of the development.

AND WHEREAS the Grantor is prepared to grant to the Grantee an option to purchase a site in the development and the Grantee wishes to acquire such option;

AND WHEREAS the Grantor and Grantee have reached an agreement as to the terms upon which such option shall be granted;

NOW THEREFORE IT IS HEREBY AGREED AS FOLLOWS:-

1. GRANT OF OPTION

The Grantor hereby grants to the Grantee, and the Grantee hereby accepts an option to purchase Site No _____ (hereinafter called "Site"). The location of the abovementioned site is indicated on the attached sketch marked Annexure "A".

2. PERIOD OF OPTION

The option must be exercised by the Grantee by not later than 60 (SIXTY) days after proclamation of the proposed development. The Grantee will receive written notification of such approval by email/fax or by hand. Should the option not be exercised on or before such date, it shall lapse.

3. COMPENSATION FOR OPTION

In consideration for the grant of this option, the Grantee shall pay to the Grantor for the period of this option, or until this option is exercised, the amount of R_____ (_____RAND)

(hereinafter called the OPTION CONSIDERATION) payable on signature hereof to A V Theron & Swanepoel Attorneys, Absa Bank, Account Number 01 001 000 345 Ref MAT0004446. Should the Grantee not exercise this option, the option consideration will be forfeited in favour of the Grantor.

4. TERMS OF SALE

The sale of the property which will result from the exercise of the option, will be on the terms set out in the Deed of Sale attached hereto, marked Annexure "B," which terms shall be deemed to be incorporated herein.

5. EXERCISE OF OPTION

The option will be exercised by the Grantee by signature of the "exercising clause" at the end of this document; and by signature of the Deed of Sale attached hereto, marked Annexure "B". Immediately upon the signature of the aforesaid documents, this option will be turned into a Deed of Sale upon the terms stipulated. Notice of the exercise of the option shall be given by the Grantee by e-mail to thys@avtswan.co.za or by fax to 0866559731 or by delivering the signed documents to Attorneys A V THERON & SWANEPOEL, 13 NJ VD MERWE CRESCENT, SASOLBURG, prior to the expiration of the option period.

6. COSTS

The costs of drawing this option and Annexure "B" shall be paid by the Grantee.

7. CANCELLATION CLAUSE

Should the Grantee fail to :

- 7.1 comply punctually with any obligation on the due date; or
- 7.2 comply punctually with any other provision of this agreement;

and should he remain in default 7 (seven) days after dispatch of written notice by the Grantor requesting performance of such obligation or provision, the Grantor shall be entitled:

- 7.2.1 to cancel this agreement; Should this option be cancelled for whatever reason, the Grantor shall be entitled to retain all payments made in terms hereof, which payments shall be forfeited by the Grantee as liquidated damages suffered by the Grantor. Alternatively, the Grantor shall be entitled to claim damages from the Grantee instead of the liquidated damages or penalty referred to above.
- 7.2.2 In the event of the Grantor instituting action against the Grantee the Grantor shall be entitled to claim costs on an attorney and client basis and a collection fee of 10% (TEN PER CENTUM) from the Grantee.

8. CESSION OF THIS AGREEMENT

The Grantee shall not have the right to cede or assign or make over any of the rights granted in this option, without the written consent of the Grantor.

9. JURISDICTION

The parties hereby consent in terms of Section 45 of the Magistrate's Court Act No 32\1994 to the jurisdiction of the Magistrate's Court, having jurisdiction over their respective persons under Section 28 of the Act in any action which may flow from this agreement, notwithstanding that any action or proceeding arising out of this agreement, would otherwise be beyond the jurisdiction of such Court. This consent shall be deemed to constitute a written consent as required by the said Act.

10. VARIATION

No agreement between the parties to cancel, vary, add or amend to this contract shall be binding nor of any force or effect, unless recorded in writing and signed by the parties or their agents acting on their written instructions.

11. DOMICILIUM

The parties hereto select domicilium citandi et executandi at the following addresses:

11.1 The Grantor – c/o AV THERON & SWANEPOEL INC, 13 NJ VD MERWE CRESCENT, SASOLBURG 1947

11.2 The Grantee: as stated above.

12. IRREVOCABLE OFFER

This option is irrevocable until date as stipulated in paragraph 2 above, where after it shall be deemed to have lapsed if not accepted in writing by the Grantor. The Grantor must notify the Grantee in writing by faxing a signed copy thereof to thys@avtswan.co.za.

SIGNED at _____ on _____ 2012.

AS WITNESSES:

1. _____ GRANTEE

2. _____ GRANTEE

SIGNED at _____ on _____ 2012.

AS WITNESSES:

1. _____ GRANTOR

2. _____