

IMMOVABLE PROPERTY CONDITION REPORT (IPCR)

As required by section 67 of the PPA

Before an agent can market or sell immovable property

This IPCR contains important information the seller and purchaser must be aware of before they contract.

1. The two-fold objective of this report

1.1. Disclosure of defects

The Property Practitioner's Act, 22 of 2019 (PPA) requires the seller to disclose certain defects in a prescribed format, the Immovable Property Condition Report (IPCR) (herein called 'the report'), if an estate agent is appointed to market a property. The estate agent must obtain this completed and signed report from the seller before he/she is legally permitted to accept a mandate to market the property.

1.2. General legal information

The PPA read with the Consumer Protection Act 68 of 2008 (CPA), requires the estate agent to act with a general duty of care towards both the seller and purchaser, and to create consumer awareness by providing information to enable the purchaser and seller to limit their risks.

2. This report relates to the following property:

Sectional title: Unit no.: _____ Sectional title scheme known as: _____ OR	PROPERTY
Full title: Portion: _____ (if applicable), Erf no.: _____ Suburb/Township: _____ OR	
Farm: Portion: _____ (if applicable), of the Farm known as _____ OR	
Agricultural Holding: Portion: _____ (if applicable) Holding _____, _____	
58 Kelkiewyn Street, Monumentpark, Pretoria, Gauteng, 0181	
Registered in the Deeds Office situated in _____	

3. Report made by

Seller One Name: _____ ID/Reg. no.: _____ and (if the seller is a company, close corporation, or a trust) herein represented by the undersigned duly authorised thereto being _____	SELLER/NOMINEE
Seller Two Name: _____ ID/Reg. no.: _____ and (if the seller is a company, close corporation, or a trust) herein represented by the undersigned duly authorised thereto being _____ and/or	
3rd party declaration [Nominee (Tenant/Occupant) or Fiduciary (Executor etc)] If the seller cannot disclose defects in the property, a third party can complete this report. This report was completed by:	
Name: _____ in his/her capacity as _____	

Purchaser	Seller	Agent	Witness
1			
2			

4. Status of this report

- 4.1. The signatory discloses the information herein in the full knowledge that prospective purchasers may rely on such information when deciding whether, and on what terms, to purchase the property.
- 4.2. This report:
- 4.2.1. Is a written record of the defects the seller must disclose to the purchaser before an offer is made.
 - 4.2.2. Does not constitute a warranty made by the seller, a nominee/fiduciary or the estate agent to the purchaser relating to the existence, nature, or extent of any defect.
 - 4.2.3. Is not an undertaking by the seller to repair or replace any of the defects disclosed, unless the seller commits him/herself thereto contractually in the agreement of sale.
 - 4.2.4. Is not a substitute for any inspections that are required to be conducted by the purchaser.

5. The procedure relating to the disclosure and establishment of defects

- Step 1. The seller (and/or nominee/fiduciary) discloses the defects (see 7 below) by furnishing a completed and signed copy of this report to the agent when he/she is mandated to market the property.
- Step 2. The prospective purchaser views and conducts a proper inspection (self or through a home inspector) of the property.
- Step 3. The agent delivers a copy of the completed and signed report to the prospective purchase, before an offer is made.
- Step 4. The prospective purchaser studies the report to familiarise him-/herself with the legal principles and to establish the existence, extent and nature of the defects disclosed by the seller.
- Step 5. If the purchaser makes an offer, the defects established in the report, or through inspections conducted self or by an inspector or otherwise must be considered or dealt with in the offer.
- Step 6. This report is incorporated into the agreement. The seller confirms he/she is not aware of any additional or new defects after signature of this report.

6. Definitions

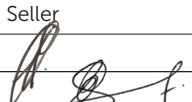
- 6.1. Patent defects are those defects which are visible or can be detected by conducting a reasonable inspection of the property.
- 6.2. Latent defects are those defects which are not visible or cannot be detected by conducting a reasonable inspection of the property.
- 6.3. Regulatory measures are any legal or compliance matter relating to the property such as building plans, sectional plans, zoning and building controls.
- 6.4. A defect of a significant nature is a physical condition or a regulatory measure, whether latent or patent, that would or could significantly:
- i. have an adverse impact on, or affect, the value of the property; or
 - ii. impair or impact upon the health or safety of any future occupants of the property; or
 - iii. shorten or adversely affect the expected normal lifespan of the property if the particular defect cannot be repaired, removed, or replaced.
- 6.5. OTP: The written offer to purchase made by the purchaser, which on acceptance by the seller will become the binding contract.
- 6.6. "To be aware" means to have actual notice or knowledge of a certain fact or state of affairs.

7. The parties' obligations regarding defects before they enter into an agreement.

The seller must disclose the following defects he/she is aware of.

Latent defects: The seller must disclose **all** latent defects to the purchaser. If this pro-forma report does not make provision for a specific defect that should be disclosed, it must be disclosed in paragraph 16.

Patent defects: Although the purchaser must conduct a proper inspection of the property before an offer is made, the seller must in terms of the PPA assist the purchaser and disclose *patent defects of a significant nature* he/she is aware of. Minor issues such as cosmetic and aesthetic matters or defects that can easily be repaired/replaced are not defects that need to be disclosed.

	Purchaser	Seller	Agent	Witness
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The seller is indemnified against claims for those defects:

- Disclosed in this report, unless he/she contractually agrees to attend thereto.
- He/she was not aware of.
- Which are not required to be disclosed.

The seller is not indemnified against claims for defects

- Required to be disclosed but were not.
- Covered by written contractual warranties.
- Contractually undertaken to be repaired.
- Concealed to deceive the purchaser.

If the seller does not complete and sign the report, it is deemed that no defects were disclosed, and the seller can be held liable in certain cases. It is in the best interest of the seller to make a full disclosure of the defects.

The purchaser has a legal obligation to satisfy him-/herself about the condition of the property before making an offer. The purchaser must examine the report and conduct a proper inspection of the property. This inspection should cover physical as well as regulatory measures.

If the purchaser is not satisfied with the condition of the property or the regulatory measures, but still wants to proceed with the transaction, he/she must address these issues in the offer. The seller can elect to accept or reject any of these terms.

The purchaser can:

- make a lower offer,
- require the seller, in the offer, to repair certain defects
- request a contractual warranty in the offer.

Once the offer is accepted by the seller, the contract is concluded and the purchaser cannot:

- | | | |
|---|---------------|--|
| <ul style="list-style-type: none"> • cancel the agreement, • claim a reduction in the purchase price, • institute claim against the seller or agent, • insist that registration is withheld, • require that a retention be kept. | } For defects | <ul style="list-style-type: none"> • disclosed in the IPCR • detected after the offer is made • the seller did not agree to repair • the seller was not aware of |
|---|---------------|--|

8. Purchaser's right to advice or inspection

The purchaser is entitled, at his/her own cost, to appoint an expert and/or person with technical skills and knowledge to detect defects which include regulatory measures and non-compliant aspects concerning the property, before making an offer.

A report from an expert does not absolve the purchaser from his/her obligation to conduct a proper inspection of the property to detect defects. The seller is not required to repair any defects contained in a report by an expert, unless it was agreed to.

9. Voetstoots

If the property is sold "voetstoots" (as is), it entails that the seller is indemnified against claims for defects he/she was not aware of or was not required to disclose. The seller will not be protected if he/she fails to disclose the defects as required by law.

10. Restrictions on the property

The purchaser must, before making an offer, establish whether there are any possible restrictions which will impede the intended use of the property. If the purchaser makes an offer, it is deemed that he/she is satisfied with the applicable restrictions. Such restrictions may derive from the title deed, The Body Corporate/HOA rules, or the relevant Town planning scheme.

	Purchaser	Seller	Agent	Witness
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11. Compliance certificates

The seller must deliver the *statutory compliance certificates* for the electrical, electric fence and permanent gas installation required by the relevant regulations promulgated in terms of the Occupational Health and Safety Act, Act 85 of 1993 at his/her cost.

The seller must repair all defects and replace all items that are required to obtain the statutorily required compliance certificates.

The seller is not obliged to deliver any *other certificate*, e.g., borehole, lightning conductor, fire retardant, at his/her cost unless the purchaser requested it in the offer and the seller agreed thereto. There is no obligation on the seller to repair any defect contained in these other certificates unless the seller agreed to deliver it.

12. The estate agent's responsibilities

The agent/agency does not have any duty and does not purport to inspect the property or regulatory measures for and on behalf of the purchaser or seller. If the agent assists the purchaser or seller to obtain documentation regarding regulatory measures, building plans, sectional plans, specialist reports, compliance certificates, HOA/Body Corporate rules, title deeds etc., he/she merely acts as an intermediary and does not purport to have verified the correctness of the documentation or that the property is fit for the intended purpose.

13. Disclosure made by seller or 3rd party

The seller/signatory declares that he/she resided in the property for the past ____ years and ____ months.

The property was registered in the seller's name on _____.

This report is therefore: (Tick option)

- ☐ **A full disclosure** made by the seller relating points 1 -17; or
- ☐ **A partial disclosure by** the seller and/or a nominee (e.g., tenant) as far as defects fall within their personal knowledge.
- ☐ **No disclosure** as the signatory is only acting in a fiduciary capacity, e.g., proxy, executor, curator etc. and has no knowledge of the property.

If the signatory hereof is a nominee or did not reside in the property him/herself, the purchaser should take extra care with the inspection of the property.

14. Statement concerning the defects the seller/nominee is aware of

The seller(s) or their nominees declare that the information provided in this report is, to the best of his/her knowledge and belief, true and correct as on the date of signature hereof.

I, the seller/nominee, declare that "I am aware" of the following defects (if applicable) to:	Yes	No	N/A
1. The roof			
2. The electrical system			
3. The plumbing system			
4. The gas installation			
5. The electric fence			
6. The swimming pool			
7. The heating and/or air-conditioning system, including air filters and humidifiers.			
8. The septic system or other sanitary disposal system.			
9. Any power generating system installation (Solar/Invertor/Generator)			
10. The irrigation system.			

	Purchaser	Seller	Agent	Witness
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2				

I, the seller/nominee, declare that "I am aware" of the following defects, (if applicable) to:	Yes	No	N/A
11. The property and/or in the basement or foundation of the property, including cracks, seepage, and bulges. Other defects include, but are not limited to, flooding, dampness or wet walls and unsafe concentrations of mould or defects in drain tiling or sump pumps.			
12. Structural defects to the property.			
13. Remodelling or refurbishment which has affected the structure of the property.			
14. Regulatory measures where additions, improvements or erections were made without first obtaining the required consent and/or permissions and/or building/sectional plan approvals or zoning and permits to do so.			
15. Boundary line disputes, encroachments, or encumbrances, including a joint driveway.			
16. Structures on the property which had been designated as a historic building or qualify to be classified as a historical building.			
17. I am aware of any listed invasive vegetation species on the property.			

15. Further details relating to any defects the seller/nominee is aware of:

Full explanation of the defects marked as "yes".

16. Other defects the seller/nominee is aware of:

If the seller/nominee is aware of any other defects required to be disclosed which does not fall under the categories set out above, same must be set out below (including an explanation of said defect):

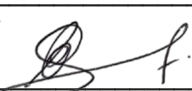
17. The Consumer Protection Act 68 of 2008 (CPA)

The CPA grants certain rights, guarantees and protective measures to a limited category of consumers. The purchaser can only rely on the CPA's protection if a property is sold by someone who trades in property in the normal course of his/her business (e.g., developer, speculator etc.).

The seller confirms, with his/her signature hereof, that the property is not sold in the normal course of business. As a result, the guarantee against patent and latent defects as contained in the CPA is not available to the purchaser.

	Purchaser	Seller	Agent	Witness
1				
2				

The parties agree that this report may be signed electronically by affixing an electronic signature, or confirmation via email prior to incorporation into any agreement. If this report was sent to the purchaser's email address, it will be deemed to have been received. If this report is incorporated into the agreement of sale, it must be signed in wet ink.

SIGNED/SENT BY ME/US at _____ on _____ 20 ____ (at time of listing)		SELLER
 _____ Seller 1 (or Nominee)	 _____ Seller 2	
• The seller undertakes to inform the agent in writing if and when he/she becomes aware of any other defects required to be disclosed other than those already disclosed herein before accepting any offer the agent may present. • The seller hereby authorises the estate agent to supply this report to any prospective purchaser before an offer is made. • If signed by a nominee, the nominee certifies that he/she is either authorised by the seller, or is legally authorised to complete and sign this report.		

RECEIVED ME/US at _____ on _____ 20 ____ (Prior to making the offer)		PURCHASER
_____ Purchaser 1	_____ Purchaser 2	
Signature of receipt only required if report was handed and not mailed		

The agent acknowledges receipt of this disclosure form when mandated to market the property.		AGENT
 _____ Agent	6 October 2025 _____ Date	

This Report is hereby incorporated into the agreement on _____ 20 ____ (at time of signature of agreement) as Annexure _____.		PARTIES
 _____ Seller 1	_____ Purchaser 1	
 _____ Seller 2	_____ Purchaser 2	
• The seller confirms the information supplied in this report has not significantly changed between the time of initial completion and the date of the agreement of sale. • If the seller becomes aware of any defects which were not initially disclosed, he/she must inform the estate agent in writing and this report must be supplemented and supplied to the purchaser to give the purchaser the opportunity to amend the offer, if required.		

