

MILTONS MATSEMELA GUIDE TO ESTABLISH IF THE CONSUMER PROTECTION ACT APPLIES TO A SALE OF PROPERTY?

1. Find out if the seller selling in the “*ordinary course of business*” by asking the following questions:

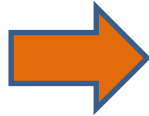
1.1 Is the seller a developer who is selling his development stock? or

1.2 Is the seller a speculator who bought the property with the intention of selling it for a profit?

IF YES



IF NO



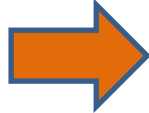
Your sale **IS NOT** struck by the CPA and you may use your ordinary sale agreement.

2. Find out if the purchaser a human person or a juristic person, i.e. a company, a close corporation, a trust or a partnership.

IF JURISTIC



IF HUMAN



Your sale **IS** struck by the CPA and you must use your CPA compliant sale agreement.

3. Check the juristic persons CPA status by asking the following questions:

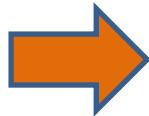
3.1 Does the juristic person have an annual turnover greater than R 2 000 000-00 on its annual financial statements; or

3.2 Does the juristic person have a gross asset value greater than R 2 000 000-00 on its annual financial statements?

IF YES



IF NO



Your sale **IS** struck by the CPA and you must use your CPA compliant sale agreement.

Your sale **IS NOT** struck by the CPA and you may use your ordinary sale agreement.