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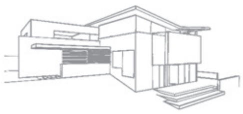
The mortgage bond registration process

Financing your new home with a bank loan?

6 Steps to registering a bond

STEP 1

BOND APPLICATION



Apply for your loan.
If the Bank qualifies you to financially afford the loan and find value in the property, you will receive a quotation in terms of the National Credit Act which will set out the basic terms of their loan - the loan amount, interest rate and period of the loan. Please remember to ensure all your personal details are spelt correctly on the documentation and check the property description to avoid any possible delays later in the process. Should you be uncertain of the property description, please contact us for assistance. Upon acceptance of the quote, the Bank will instruct their Bond Attorney to attend to the registration of the bond.
It is important to note that the Bond Attorney acts for the Bank and not the Buyer as many believe.

STEP 2

APPOINTMENT OF BOND ATTORNEY

The Bond Attorney will contact the purchaser to:
- Request FICA documents (ID document, proof of residential address) Please inform your Bond Attorney if your ID document is lost
- Request additional information required by the Bank
- Confirm details of the transaction and enquire the name of the Transferring Attorney.

It is important that you send the information to the Bond Attorney as soon as possible.

STEP 3

DRAFTING BOND DOCUMENTS

The Bond Attorney will contact the Transferring Attorney to request a copy of the Draft Deed (new Title Deed which is prepared by the Transferring Attorney) and guarantee requirements as per the Deed of Sale.
The Draft Deed will enable the Bond Attorney to check the correctness of the property description, buyers' details and certain Title Deed conditions which may impact on the bond. Please keep in mind that if any of the information is incorrect the Bond Attorney will have to request the Bank to amend the loan agreement in order to reflect the correct information. It is imperative to ensure the correct information is captured at the start of the bond application process in order to avoid any possible delays.

STEP 4

SIGNING BOND DOCUMENTS

Once the bond documents have been prepared, you will be contacted to sign the bond documents and in order to comply with the FICA regulations, you will be asked to bring your original ID document, proof of your residential address and if applicable, other additional documentation to the appointment.

STEP 5

DOCUMENT VERIFICATION BY BANK

Once the bond documents are signed additional documents provided and the internal checking processes completed, the Bond Attorney will forward the documents to the buyer's Bank via an electronic system for approval and authorization to lodge the documents in the Deeds Office for registration.

STEP 6

BOND REGISTRATION

Upon receipt of the Bank's authorisation the bond documents are lodged at the Deeds Office simultaneously with those of the Transfer Attorneys and the Bond Cancellation Attorneys (i.e. the attorneys who see to it that the existing bond, if any, is also cancelled).

After the deeds have been examined by the Deeds Office examiners, it is made available to the attorneys to attend to the actual registration (also referred to as execution) of the transfer and bond. The bond is then registered and scanned by the Deeds Office who also informs the local municipality of the change of ownership. The Deeds Office then returns the registered deeds to the attorneys who must ensure that the original Title Deed and bond are returned to the buyer's bank for safekeeping.