

**27 May 2022**

**DEFECTS UNDER THE PROPERTY PRACTITIONERS ACT: THE PURCHASER'S OBLIGATIONS BEFORE ENTERING INTO AN AGREEMENT (PART 4)**

The Property Practitioners Act, 22 of 2019 (PPA) & the Regulations that were Gazetted on 14 January 2022 came into operation on 1 February 2022 and brought a number of changes to the property industry.

Over the course of the next 7 weeks, we will discuss how defects and the disclosure of defects must be addressed in terms of the PPA. This article is Part 4 in the series, which discusses the purchaser's obligations before entering into an agreement.

**Purchaser**

The purchaser has a legal obligation to satisfy him-/herself about the condition of the property before making an offer. The purchaser must study the property condition report and also 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 seller accepts the offer, the contract is concluded and the purchaser cannot:

- 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**

- disclosed in the IPCR
- detected after the offer is made
- the seller did not agree to repair
- the seller was not aware of

Please refer to our Purchaser's Guide for a detailed discussion on the disclosure of defects by the seller