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SUBJECT TO SALES

When must an offer to purchase be subject to another sale/purchase transaction?

Often a purchaser first has to sell his property to fund his purchase of another property. It has become standard practice to make the purchaser's purchase transaction subject to the sale of his property, but the purchaser's sale transaction is not made subject to his purchase transaction. The implication of the aforementioned is that if the purchaser's sale transaction proceeds, but his purchase transaction does not, he will find himself in a situation where he must vacate his property when his sale transaction is registered, but will have to find alternative accommodation as his purchase transaction is not proceeding. It is therefore very important that both the sale and the purchase transaction must be subject to the other to avoid a situation where the one transaction does not proceed, whilst the other transaction does.