

What happens to property transactions during lockdown?

By [Kagiso Mahlangu](#)

9 Apr 2020

As companies and individuals come to terms with what lockdown means, many are getting over the initial shock and starting to wonder what happens to their property transactions that were under way as lockdown was declared.



With most stakeholders closed during the lockdown period, most property registration transactions are on pause.

Companies are still bound by the agreements they have already signed. The next step is for parties to start agreeing on extensions for the fulfilment of conditions where necessary. For instance, an occupation date may need to be adjusted in line with lockdown dates.

It's important to check the terms of the agreement to see if there are any provisions which deal with what happens if one party can't fulfil their contractual obligations due to unforeseen circumstances beyond their control. This is known as force majeure, and many companies are currently invoking it to address a number of contractual conundrums, not only those relating to property.

This does not, however, absolve parties from their responsibilities.

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Mitigating further delays

In order to mitigate further delays, each party to the transaction should do what they can under the circumstances. For a property transfer, this could mean electronically drafting documents that will need to be signed by the seller and purchaser, starting to pack up non-essential items, or getting rid of what you don't need in preparation for moving.

These actions show that you are acting in good faith and have every intention to comply with your obligations under the contract, even though circumstances beyond your control make it impossible for you to comply immediately.

As is so often the case, communication remains deeply important and should not be avoided. Communication is key to ensure that all parties remain on the same page in the interests of seeing the transaction through.

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