



ONLINE SHORTS

**IN PARTNERSHIP WITH
THE INSTITUTE OF
LEGAL PRACTICE,
DEVELOPMENT &
RESEARCH**

Cancellation of an Offer to Purchase

Binding Validity

The first question – Is the Offer to Purchase valid and binding

Requirements :

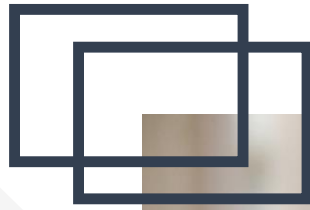
1. Written
2. Signed
3. Capacity to act
4. Essentialia



Possibility of Cancellation

Once a valid contract of sale is concluded between a Seller and a Buyer an offer to purchase will be binding unless a valid and legal ground for cancellation exist in the offer to purchase.

only in specific instances will the offer to purchase be capable of being legally cancelled.





GROUNDS FOR CANCELLATION

Cooling Off Right

Should the purchase price be R250 000 or less the buyer has the right, in terms of section 29A of the Alienation of Land Act to revoke cancel offer to purchase within five days after signature.

Cancellation Clause

Should an offer to purchase have a valid cancellation clause a party may cancel the contract in terms thereof. However offer to purchase's seldomly have cancellation clauses

Breach of Contract

Should either party not abide a contractual term in the offer to purchase the innocent party may cancel the offer to purchase by placing the defaulting in breach and claim contractual damages, estate agent commission and even attorney's wasted fees.

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