

LETTER OF INTENT
RESIDENTIAL UNIT IN THE "CONDERE ESTATES, MTHATHA"

The Seller : **NEBULA MEGA PROP (Pty) Ltd**

The Purchaser : _____

Identity Number : _____

Physical Address : _____

Postal Address : _____

Telephone : (W) _____ (FAX) _____

(H) _____ (CELL) _____

E-mail address : _____

1.1 The Seller has recently signed an agreement with the Owner, for a certain immovable property situate in the Mthatha urban area and referred to as Erf 14530, Mthatha, King Sabata Dalindyebo municipal area, Eastern Cape Province ("the property").

1.2 It is the Seller's intention, subject to certain conditions, to develop the property by constructing thereon a residential component with the units to be sectionalized and sold under the Sectional Titles Act ("the scheme").

1.3 The Purchaser, by his signature hereto, hereby signifies his intention to acquire a proposed unit in the residential development ("the unit") subject to the Seller being successful in subdividing the property and subject to the necessary rezoning being obtained and plans approved containing further details of the scheme, unit and the purchase price thereof.

1.4 In order to secure the reservation of a unit mentioned in clause 1.3, the Purchaser undertakes to pay a non-refundable reservation fee of R10 000,00 ("the reservation fee") to Nebula Mega Prop (Pty) Ltd, within 36 hours from signature of this intent letter, failing which this Letter of Intent will lapse. All monies deposited will be invested in an interest bearing Trust account, for the Purchaser's benefit and the Purchaser, by his signature, hereto authorises Nebula Mega Prop (Pty) Ltd to invest the reservation fee in an interest bearing account of its choice. All monies so invested will be trust money as contemplated by The Estate Agency Affairs Act 112 of 1976.

1.5 In the event that the scheme proceeds and the Purchaser enters into an agreement of sale within 24 hours after being presented with a formal sale document by the Seller, the reservation fee will be credited towards the purchase price of the unit.

1.6 In the event that the scheme proceeds but the Purchaser does not enter into an agreement of sale within 24 hours after being presented with a formal sale document by the Seller, alternatively upon the Purchaser notifying the Seller of his intention not to conclude a sale agreement, prior to being presented with such agreement, the non-refundable reservation fee will be released to the sellers appointed estate agents, Megawealth Investments (Pty) Ltd, together with interest accrued thereon, save for a deduction of R175.00 in respect of Megawealth Investments (Pty) Ltd administration fee.

1.7 In the event that Seller does not proceed with the scheme, the reservation fee, together with interest accrued thereon for the benefit of the Purchaser, shall be refunded to the Purchaser.

1.8 The Purchaser understands and accepts the terms and conditions of this Letter of Intent, and acknowledges that this Letter of Intent is not tradable.

SIGNED by the Purchaser at _____ this _____ day of _____ 2010 _____
(Purchaser)

SIGNED on behalf of the Seller at _____ this _____ day of _____ 2010 _____
(Seller)

YOUR PERSONAL REFERENCE:
(Place your full I.D. No, Company Registration No, Trust No, or Foreign Passport No here)

**Direct deposits to: Megawealth Investments Trust Account; Standard Bank of SA Limited, Mthatha West Branch;
Branch Code: 052621, Account Number: 081 33 86 19 –**

**A copy of deposit slips together with this Letter Of Intent to be faxed to Saleem van Staden on
0866 507 200**