

The Tenanted Property Checklist

A practical guide for buyers, sellers and tenants when a property is sold with a tenant in place, under the principle of *huur gaat voor koop* ("lease goes before sale").

Start here: the rule in one line

When a property is sold, the lease does not end. The buyer becomes the new landlord automatically on registration of transfer, and the tenant keeps the right to occupy for the rest of the lease. Tick the boxes that apply to you below.

A. If you are BUYING a tenanted property

- ☐ Request copies of every lease, including renewals and addenda.
- ☐ Ask specifically about any verbal or month-to-month arrangements.
- ☐ Confirm the lease term and any renewal options.
- ☐ Check the rent is market related and not locked in low for years.
- ☐ Note the landlord's maintenance, security and improvement duties.
- ☐ Confirm what the tenant is permitted to do on the premises.
- ☐ Check whether the lease lets the landlord cancel on notice.
- ☐ Look for any option to purchase or right of first refusal.
- ☐ Get legal advice on whether that option binds you as the buyer.
- ☐ Do not promise vacant possession you cannot lawfully give.

B. Lease terms to scrutinise

- ☐ Start and end dates, plus the renewal mechanism.
- ☐ Monthly rent, escalation rate and payment date.
- ☐ Deposit amount and who currently holds it.
- ☐ Maintenance and repair responsibilities.
- ☐ Use clause and any restrictions on the premises.
- ☐ Cancellation and breach clauses.
- ☐ Any option to purchase or pre-emptive right.

C. The deposit

- ☐ Confirm the deposit amount in writing.
- ☐ Record in the sale agreement that the seller transfers the deposit to you, or that the price is adjusted to cover it.
- ☐ Confirm whether interest has accrued and is included.

D. If you are SELLING a tenanted property

- ☐ Disclose every lease to serious buyers, in writing.
- ☐ Disclose verbal leases too, as they are binding.
- ☐ Be ready to give a warranty about the lease information.
- ☐ Keep honouring the lease, including notice and cancellation terms, until transfer.
- ☐ Remember you remain the landlord until transfer is registered.

E. If you are the TENANT

- ☐ Get the change of ownership and the new landlord's details in writing.
- ☐ Confirm the new banking details before paying rent to anyone new.
- ☐ Keep paying rent and meeting your obligations as normal.
- ☐ Check whether your lease contains a cancellation-on-notice clause.

F. Watch-outs from the case law

- ☐ The buyer becomes landlord only on registration of transfer (*Properties in Motion v Lunkanga*, 2022).
- ☐ An option to purchase usually does not bind the new owner (*Spearhead v E & D Motors*, 2009).
- ☐ The tenant cannot simply walk away after a sale either (*Genna-Wae v Medio-Tronics*, 1995).
- ☐ Even a lawful cancellation still needs a PIE-compliant eviction for a home (*Els v Venter*, 2025).

Not sure where you stand? Let us check the lease for you.

We have guided buyers, sellers, landlords and tenants through tenanted property deals since 1974. Send us the lease and the offer to purchase, and we will tell you exactly what you are bound by before you sign.

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Email us and we will call you back within 24 working hours.

This checklist is for general information and does not constitute legal advice. The law may change and every situation is different. Please consult a qualified attorney for advice on your specific circumstances. Last updated: June 2026.