



HouseHoppers Consulting (Pty) Ltd | Registration No.: 2015/350398/07 | Vat No.: 4150274076 | PO Box 1334
Strubensvalley, 1735 | Email: info@househoppers.co.za | Tel: 086 124 6873 | Website: www.househoppers.co.za

ACCOUNT CLOSINGS DOCUMENTATION AND INFORMATION

Below and attached you will find all that is needed to close your utility accounts. Please remember to take the readings of all your meters on date of registration. Please note that if you need to close the Eskom account, we will only invoice your file once we received the readings. Please read through the utility information document very carefully as it details the full process. Please also be aware that the timeframes given are guidelines only, HouseHoppers facilitates the process but is still very reliant on the City of Johannesburg to process the work, which may be hampered by unforeseen delays from time to time.

ACCOUNT CLOSINGS AND REFUNDS REQUIRES THE BELOW:

- **Information Sheet** (Attached)
- **Letter of Authorization** (Attached)
- **Copy of ID** (all owners who appear on the accounts)
- **Company or Trust Documents** (If applicable)
- **Copy of all accounts to be closed, or accounts numbers and pin numbers**
- **Transferring Attorney Letter** (Can be obtained from your transferring attorney- This will be a letter addressed to The City of Johannesburg)
- **Proof of payment for the clearance figures as well as clearance certificate** (Can be obtained from your transferring attorney)
- **Buyers contact details to ensure their accounts are opened timeously to avoid any delays with the refund process** (getting them to open their accounts in time could save you up to 36 weeks on the refund process)

Please be aware that the City of Johannesburg will only refund the funds to the transferring attorneys

ACCOUNT CLOSINGS AND REFUND PRICING:

- **Rates and Refuse – R850.00** (To close and process adjustments)
- **Water and Electricity – R850.00** (To close and process adjustments. This includes Eskom)
- **Apply for Refund - R690.00** (To apply for the refund due on the account and to follow up an till paid out)
- **Just Eskom - R850.00**

Should we need to source other documents on your behalf there will be an additional fee of R350.00



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ADDITIONAL INFORMATION:

Councils LIS (Land Information System) Department can take up to 2-8 weeks to update as you being the previously registered owner. Once updated, we aim to have your account closed shortly after. Once the accounts have been closed the relevant adjustments will be made and an application for the refund will be submitted.

Please take note that the attached terms and conditions is an extract of the terms and conditions relating to the closings.

USEFUL TIPS:

Full Title Property – This is a free standing home

Sectional Title Property – This is either a flat or a property within a complex.

Please remember to take the readings on all your meters on date of occupation AND registration.

For more information or any questions, feel free to contact HouseHoppers on the following:

- Opening of Council Accounts - openings@househoppers.co.za
- Closing of Council Accounts - closings@househoppers.co.za
- Queries and Billing Issues of Council Accounts - queries@househoppers.co.za



Office Line: 0861 2 HOUSE (46873)

Website: www.househoppers.co.za

Postal Address: PO Box 1334, Strubensvalley, 1735

The City of Johannesburg
Johannesburg Water
City Power
Eskom

RESOLUTION LETTER TO ASSIST WITH ESKOM AND CITY OF JOHANNESBURG ACCOUNTS

To whom it my concern,

I, _____ ID Number: _____
Cell: _____ give my permission, that _____
employee of Househoppers, has my full permission to do the following applicable items on my behalf
for my account/s:

- Complete and sign application forms
- Apply for refunds
- Opening of accounts
- Accessing of online statements
- Any general queries to do with the below address:

Physical Address: _____

By signing this form, I confirm that I have received, read, understood and agreed to the Househoppers terms and conditions as well as give full permission HouseHoppers and its Employees to deal directly with Eskom and The City of Johannesburg with regards to my accounts on my behalf.

Yours faithfully:

Name: _____

Email: _____

Sign: _____



HouseHoppers is an independent rates consultancy company which aims to assist buyers and sellers in opening and closing their utility accounts. Our thorough knowledge of the City of Johannesburg and Eskom workings, aids us in providing you with a stress free process without ever having to personally visit the necessary offices.

PLEASE ENSURE THAT YOU READ THE FOLLOWING INFORMATION TO ENSURE THAT YOU UNDERSTAND THE PROCESS, AND TO AVOID ANY MISUNDERSTANDING AND UNNECESSARY FRUSTRATION. THE CITY OF JOHANNESBURG PROCESSES ARE VERY DIFFERENT IN COMPARISON TO NORMAL CORPORATIONS. THE OPENING AND CLOSING PROCEDURES ARE DETAILED SEPARATELY FOR YOUR EASE OF REFERENCE. THIS IS A LIVING DOCUMENT THAT IS REVISED OFTEN TO KEEP UP WITH THE EVER CHANGING COUNCIL PROCESS. PLEASE ENSURE THAT YOU HAVE THE LATEST VERSION.

We aim to provide you with feedback every 2 weeks. Although this is not always possible, we will at the very least send progress reports when progress has been made on the account. Should you require feedback other than the before mentioned times, please feel free to contact the coordinator handling your file

Account Closing and Refunds

City Of Johannesburg, Joburg Water, City Power and Eskom

When selling a property in the City of Johannesburg it is necessary for the sellers to ensure that their utility accounts are closed. In saying that sellers are actually not able to physically close the accounts until the buyers have opened theirs, in fact it is a simultaneous action, when the buyer opens their accounts the sellers' accounts are automatically closed. It is imperative to get the accounts closed as quickly as possible as incorrect charges will continue to be levied against the sellers account until the new owners accounts have been opened. It takes and extraordinary amount of time to have these charges reversed, so we do all that we can to avoid this step. Househoppers makes contact with the new buyers to assist them in opening their account or as a last resort force closing the account which results in a disconnection. The expected period in which to have refunds paid out differs on every file, if all goes according to plan with no issue the time frame is approximately 6 months. There are 3 major steps in obtaining a refund; account closure, adjustments (split charges) and then the refund application- all of these are explain in more detail below, each one of these steps must be completed before the next can be started. Your file will be allocated to a different Househoppers facilitator for each one of these steps. Sectional title accounts are the same beside the fact that there is no water and electricity, the same process is followed but only for the rates and refuse account.

GENERAL:

- H COJ accounts can only be closed after the property has registered into the new owner's name.
- H The accounts are closed from the date of transfer only- NOT date of occupation- if you gave occupation of the property prior to the transfer the purchaser will need to reimburse you directly for any consumption from occupation up until the date of transfer. To calculate the split charges between the two accounts please see the note on **occupational rent split** charges below.
- H Please do not make any payments into the account after the clearance figures have been made otherwise we will need the proof of those payments (stamped by the bank, if done via EFT and a plain copy of the receipt if not) to have them refunded to you.
- H As of Jan 2013, refunds will ONLY be paid to the transferring attorneys and not the clients.
- H It is advisable to record all meter readings on date of occupation and date of transfer, and generally best to do it photographically, with a camera that is able to include a date stamp; these readings are only ever used if there is a discrepancy with the billing or refund on the account.
- H Eskom accounts are closed with the readings on the day the property is handed to the new owners, either on date of occupation or date of transfer, the buyers accounts are opened with these same readings so please ensure they are accurate and both parties agree on them.
- H Please beware the following rates scenarios will incurred additional Househoppers fees--1) If a property is a double stand, a double rates update fee will be charged --2) If rates accounts are found to be in the previous, previous owners names, a double rates update will need to be done --3) If the LIS has not been updated, a separate query will need to be logged with the GIS department to have it updated before the rates account can be created.

ACCOUNT CLOSURE:

This is the very first step in the process. It is important to get the accounts closed as quickly as possible to ensure that no charges (not always possible) or very little charges are levied on the account after the property has transferred. We do this by making contact with the new buyers and urging them to get their accounts open as quickly as possible. Failing this we wait for the ownership details to be updated and then force close the water and electricity which could result in a disconnection of services- it takes 4-8 weeks to have the ownership details updated. In force closing the accounts we delink the meters from your account and link them to the new buyers rates account and with no meters linked to your account, no further water or electricity charges will occur. This can only be done after the buyer's rates account has been opened. Rates accounts can only be closed in the rates department, not over the counter at the walk in centers or at the call center. When the property registers in the deeds office, the deeds office sends the updated information to the COJ, via direct link, this then updates the LIS system, which is the main system where the COJ draws all their information from. Occasionally there is an issue with the updating of the LIS system and if that happens then the rates department will be unable to close the account and open a new account for the purchaser. Should we need to resolve an issue like this additional charges may be incurred as it would constitute a separate query. You will know when all the accounts have been closed when the account stops billing. Please remember that water and electricity are billed in arrears.

Eskom accounts should be closed on the day the property changes hands either from date of occupation or transfer, whichever is sooner, this should be done very shortly after the handover. Accounts are closed with the readings submitted and the new buyers accounts are opened with the same readings, so if there is a discrepancy with the readings it will cause an issue with the billing. Once the account has been closed you will receive a FINAL bill which will detail the refund due to you, after which Eskom will require a signed bank form (stamped by the bank) to process the refund. Please do not make any payments into the account after you have requested to close it and have submitted readings. Eskom will



offset your last bill against the deposit held in your account. This will speed up the process and may hopefully avoid having to request any refund, you will be expected to settle any debited balance which may occur from doing it this way. Eskom will only pay refunds into bank accounts that match the name of the account holder and they are currently experiencing major problems with the refunding of accounts.

ADJUSTMENTS (SPLIT CHARGES):

Are done once the all the accounts have been closed. The COJ reverse any incorrect charges that were levied against the account, from date of transfer onwards; please remember that water and electricity are billed in arrears on the invoices, so there may be one or two valid invoices and charges on the bills following date of transfer. Adjustments can take several weeks to complete (12-36); as they are processed by the different departments responsible for those services. Once an adjustment application has been made the relevant department has 12 weeks to process it, if they don't complete it in the stipulated amount of time it is escalated to the a supervisor and then a department head, this is done on the same initial reference number. Properties that were transferred over 2009/2010/ 2011 are severely delayed with the adjustments as they need to be processed over the old and new systems (VENUS and SAP). With the change in systems there have also been many changes with policies and procedures and there will be many more to come, which means that some departments may work according to new and some according to old which causes additional delays in processing your refund. Please remember that the COJ only concern themselves with date of registration and not occupation so your refund will only be calculated from date of transfer, if your purchaser took early occupation they will need to reimburse you directly for any consumption- please see the "occupational rent split charges" note below.

OCCUPATIONAL RENT SPLIT CHARGES:

If the purchaser took occupation prior to registration, then the seller should bill the purchaser directly for all consumption up until date of registration only, thereafter the Council will adjust the bills accordingly. Please remember to take readings on date of registration; these will only be used should a query arise as the Council has their own way of calculating the split charges. The Council regards occupation rent as a private agreement between buyer and seller and do not concern themselves with the split charges during this period, they only concern themselves with the charges prior to transfer for the seller and charges after transfer for the buyer. To calculate the what amounts should be billed to purchaser prior to registration, take the entire bill for the water and/ or electricity including the service charges and Vat and divide the amount by the number of days stated on the bill and pro rata the amount. Please remember that consumption is billed in arrears and on odd days (18th- 15th of a month) so there may be an additional bill after registration for consumption. Rates sewer and refuse are **not** normally billed to the purchaser during the occupational lease period (but this may vary depending on the contract you signed), the seller is also liable for the rates sewer and refuse for the month that the property was registered.

REFUNDS can only be applied for once the 2 steps above have been completed, so when the full refund amount is available in the account we make an application for it to be paid out. This involves submitting the refund letter and clearance proof of payment and requesting for the account be refunded- this process can anywhere from 4-8 weeks. As of Jan 2013 the refunds department will only issue refunds to the transferring attorney who will then in turn refund the seller. Househoppers does an estimate refund calculation for you at the beginning of the process, below is a brief note on how it is calculated, it does not account for unforeseen billing issues.

REFUND CALCULATIONS

The full amount paid for clearance figures is seldom refunded to the seller, as the prior month's charges and the following month's charges, until date of transfer, are normally settled with this money, then the water and electricity charges that are billed in arrears must also be deducted. As a general rule; the amount left in the account on date of transfer is slightly more the amount that should be refunded. As the seller you are liable for the rates, refuse and sewer for the month of transfer, water and electricity are then calculated until date of transfer so please check the dates of the readings on the back of the statement for more accurate amounts. Any arrear amounts (tenant accounts included) must be settled first from the total amount paid. Be sure to check that the readings end on an actual reading and not estimates as this may affect the final amount to be paid out.

SUMMARY FOR ACCOUNT CLOSINGS

- H HH to receive ALL documents before the file is invoiced
- H Payment required before work will commence
- H All accounts closed
- H All accounts adjusted
- H Refund application made and processes finalized

Please note that once the accounts are open and active any further queries on the account will be charged for as a separate query. HouseHoppers cannot be held liable for any errors with the billing process.

Although HouseHoppers has a thorough knowledge and understanding of Council processes and procedures and we are most certainly able to speed up the process, we are still at the mercy of the Council to process the work. Errors and issues are very common when dealing with the COJ. There may be unexpected delays from time to time which we cannot be held liable for and ask for your patience and understanding whilst we work on your behalf with one of the most difficult companies in South Africa.

While the impossible does take time, miracles take a bit longer.

For more information call **HouseHoppers** on **086 124 6873** or visit our website **www.househoppers.co.za**

TERMS AND CONDITIONS

1. HouseHoppers is an independent rates consultancy firm which aids consumers in opening accounts, closing accounts/ obtaining refunds, and problem solving billing errors. We act as facilitators and with our thorough knowledge of City of Johannesburg processes and workings we are able to speed up the process. While still at the mercy of the City of Johannesburg to process the work, we cannot be held liable for any processing errors done by the COJ.
2. Timeframes provided are guidelines only. Househoppers aims to resolve all work and queries as quickly as possible but there may be unforeseen delays from time to time.
3. Househoppers work is based on information supplied to the company by the client, should any information be incorrect Househoppers will not be liable for any errors as a result thereof.
4. Househoppers is required, by law, to follow all and any processes and procedures set out by the City of Johannesburg. This supersedes any "desired" outcomes. All fees due for work processed, and accepted by a client, will be payable should the "desired" outcome not be achieved, and if the work has been corrected in accordance with COJ policy and procedures
5. All Househoppers fees are required in advance before any work will commence. Please ensure the correct reference is used when making payments. Fees for queries are due immediately on presentation of an invoice. HouseHoppers fees will not be refunded under any circumstances, including but not limited to the following; low or nil refund due to unforeseen circumstances; any delay in any process or accounts that have already been opened unbeknown to the consumer/ HouseHoppers (Househoppers does not check the existence of an account prior to starting the process). If a fee is refunded, at the discretion of Househoppers, for any reason, it will be refunded less an admin fee and less work that has already been processed on your file. Any fees that are not settled within the stipulated time will be referred to a debt collection agency which will result in additional fees being charged, The fees will remain for the account of the client
6. The City of Johannesburg changes their policies and procedures often and without notification, this does cause problems and delays in our process. Househoppers cannot be held liable for this as it is beyond our control.
7. Househoppers aims to provide feedback when progress has been made on accounts or at least every 4 weeks. Should you require feedback between these periods please feel free to contact your HouseHoppers coordinator directly.
8. Any account which involves the creation of a new rates account (opening, closings or queries) is dependent on the LIS (Land Information) system being up to date with the new ownership details. Should it not be updated within the required time and should HouseHoppers need to intervene to get it updated, additional charges will be incurred as it will constitute a separate query
9. **Account opening:** When new accounts are opened they are opened with all the exact information as the previous account. If there are errors on the previous account the same errors will appear on the new account. The correction of these errors will constitute a separate query. Sub Division and consolidation accounts differ slightly from the normal account opening and closing procedure; and also warrants different fees to process the work.
10. **Account closings and refunds:** All accounts to be closed by HouseHoppers must be stipulated. HouseHoppers cannot be held liable for any omitted accounts. If an attorney requires payment to obtain archived or other documents, the client is responsible for these payments. Obtaining documents on behalf of clients is a courtesy service we offer and we cannot be held liable if attorneys do not honor requests for documents timeously. We will do our best to assist clients with obtaining documents but the responsibility ultimately lies with the client to ensure that all documents are forthcoming. No monies should be paid into COJ accounts after the clearance figures have been paid. If monies have been paid after date of transfer additional HouseHoppers fees may be applicable to have these additional amounts refunded. Buyer information is required to ensure that accounts are closed correctly. HouseHoppers will not be held liable if this information has not been supplied and it delays the process. HouseHoppers cannot be held liable if refunds are rejected due to incorrect COJ processing. Refund amounts are estimated at the beginning of the process. These are very basic calculations and do not include a full investigation into the account which could reveal billing errors and which could alter the initial estimated refund. Readings are needed when closing an Eskom account. If they are not submitted to HouseHoppers and Eskom uses the readings closest to the closing date, HouseHoppers cannot be held liable for the under or overcharges. There are several steps involved in obtaining the refund and each step is handled by a different coordinator.
11. Accounts are closed from date of transfer and no other date. If occupation is given prior/ after this date, the consumption charges must be recovered directly between the buyer and the seller. Additional fees will be applicable for recons done for occupational periods.
12. City Of Johannesburg may require further information (other than what is required initially) during the opening, closing or query process and this may cause unforeseen delays. City Of Johannesburg may require further information (other than what is required initially) during the process and this may cause unforeseen delays.
13. HouseHoppers does not take responsibility for lost or damaged original documents that are provided to HouseHoppers, Househoppers prefer copies of all documents.
14. Once a file has been archived in our office an additional fee will be charged to retrieve it. Clients will be notified prior to archiving.
15. Investigation fees are payable upfront. No investigations proceed prior to payment being received. The investigation fee will not be refunded under any circumstances.
16. Valuation files are backdated to the current valuation roll only, in accordance with the rates Act Council do not open previous valuation rolls for amendments or adjustments. Should this be required it will need to be addressed on a legal basis of which Househoppers is not qualified to do.
17. HouseHoppers work is based on physical facts and information from council and the client, if there is insufficient evidence to resolve an issue, the matter would need to be addressed on a legal basis for which Househoppers is not qualified to do. Work already processed on the file will need to be settled in full.
18. Househoppers cannot guarantee the successful locating of job cards. We will endeavor to locate the required job card or explore alternative solution to resolve the billing issue, however no guarantee can be given in accordance with clause 16.
19. If any fees remain outstanding, Househoppers will not proceed/start a file until such time that the fees have been settled in full.
20. HouseHoppers cannot be held liable for any disconnections at a property especially due to non-payment of accounts. Although accounts are flagged to avoid this, it can be overridden by the credit department. HouseHoppers will not be liable for any loss/ damage or inconvenience caused. Whatsoever.
21. It is the client's responsibility to ensure that all documents are filled out correctly and the correct information supplied. HouseHoppers will not take responsibility for incorrect information supplied which results in any delays or errors.
22. HouseHoppers cannot be held liable for any delays caused relating to meter installations when the cause of the delay is COJ related., including but not limited to errors on COJ's/ City Power. JHB Water or Eskom systems and any shortage of stock items etc.
23. It is the client's responsibility to inform HouseHoppers of any installations that have taken place.
24. The completion and resolution of a query is valid for 30 days, being a billing cycle on COJ system, Househoppers does not take any responsibility for any additional errors on the account whether related directly to the initial query or not.
25. Any entity that provides HouseHoppers authority to work on an account, also remains responsible for the payment of Househoppers fees.
26. Interest reversals can only be done with the correct facts off council system.
27. The HouseHoppers service is mandated to complete the work stipulated and discussed. If additional queries should arise prior to, after or during the process, these will be billed as separate queries as they are not included into the mandated service price.
28. An account opening (from a new account or existing account) pertains to an account opening only and not any other services, including but not limited to a valuations query, resolution of billing query, address change etc.
29. The work mentioned in our email is the only work quoted for any separate work will occur additional fees
30. This is a living document and is altered from time to time due to the ever changing nature of the business. Please ensure that you have the latest version.