National Summary - 2010 ***GhostDigest*** Conveyancing Survey

Thank you for participating in a hugely successful survey in which over 980 responses were received. We hope very much that you will find the results as interesting and illuminating as we have. Before we turn to the analysis of the results, a quick note on the methodology we used to filter down the results, and the graphs we chose to present the most accurate picture possible.

Responses were collected and divided into their relevant regions.

Then sorted according to their IP Addresses (Survey Monkey, the software which we used to conduct the survey collects the IP Addresses of respondents, we can't know however who you are though) - those that were the same were highly likely to have come from the same firms, and in fact the high correlation between answers confirmed this fact. As an interesting aside quite a few of the more suspicious respondents read through the survey and did not answer anything, then re did it, this time answering the questions.

A number of respondents did not respond at all apart from answering the first question, other responses were non-sensical , these too were excluded. We have not reproduced all the answers as some of the questions were not clear enough while others such as the one about Internet Connectivity are pointless (only 19 firms still use a dial up connection). Unfortunately the question about the Internet Service Providers excluded a few ISPs from the list so it is skewed in favour of Telkom and Other.

This left us with lots to work with as the following tables and graphs below show.

**Number of partners in firm**

**Postage and Petties Recovery**

I have included the data from the survey to better illustrate the graphs.

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| **Postage and Petties Recovery - Transfers** |
|  | **Lower 1/4** | **Median** | **Three quarter** | **High** |
| National Average | 350 | 450 | 500 | 1000 |
| Bloemfontein | 344 | 350 | 500 | 800 |
| Cape Town | 350 | 450 | 500 | 950 |
| Durban | 350 | 400 | 500 | 800 |
| Jhb - East | 400 | 450 | 495 | 550 |
| Jhb - Sandton | 450 | 500 | 550 | 900 |
| Jhb - South | 425 | 500 | 525 | 750 |
| Jhb - West | 350 | 475 | 550 | 750 |
| Neslspruit | 350 | 450 | 500 | 850 |
| PE/EL | 288 | 400 | 470 | 670 |
| Pietermaritzburg | 350 | 350 | 400 | 500 |
| Polokwane | 450 | 475 | 575 | 650 |
| Potchefstroom | 350 | 485 | 500 | 550 |
| Pretoria | 400 | 500 | 638 | 1000 |

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| **Postage and Petties Recovery - Bonds** |
|  | **Lower 1/4** | **Median** | **Three quarter** | **High** |
| National Average | 350 | 400 | 500 | 1000 |
| Bloemfontein | 300 | 350 | 500 | 800 |
| Cape Town | 350 | 400 | 450 | 950 |
| Durban | 292 | 350 | 460 | 650 |
| Jhb - East | 353 | 450 | 487 | 500 |
| Jhb - Sandton | 381 | 457 | 500 | 750 |
| Jhb - South | 400 | 450 | 500 | 750 |
| Jhb - West | 350 | 450 | 585 | 750 |
| Neslspruit | 350 | 450 | 500 | 850 |
| PE/EL | 288 | 382 | 450 | 570 |
| Pietermaritzburg | 281 | 325 | 371 | 500 |
| Polokwane | 387 | 500 | 575 | 650 |
| Potchefstroom | 362 | 485 | 500 | 550 |
| Pretoria | 350 | 500 | 638 | 1000 |

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| **Postage and Petties Recovery - Cancellations** |
|  | **Lower 1/4** | **Median** | **Three quarter** | **High** |
| National Average | 125 | 200 | 285 | 925 |
| Bloemfontein | 150 | 180 | 350 | 800 |
| Cape Town | 350 | 400 | 450 | 950 |
| Durban | 150 | 200 | 250 | 500 |
| Jhb - East | 110 | 200 | 300 | 450 |
| Jhb - Sandton | 120 | 200 | 300 | 925 |
| Jhb - South | 142 | 267 | 350 | 750 |
| Jhb - West | 125 | 200 | 250 | 750 |
| Neslspruit | 150 | 220 | 350 | 350 |
| PE/EL | 146 | 200 | 257 | 500 |
| Pietermaritzburg | 100 | 125 | 207 | 350 |
| Polokwane | 300 | 325 | 350 | 650 |
| Potchefstroom | 150 | 200 | 250 | 350 |
| Pretoria | 123 | 250 | 300 | 550 |

**Deeds Office Search Recovery**

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| **Deeds Office Search Recovery** |
|  | **Lower 1/4** | **Median** | **Three quarter** | **High** |
| National Average | 125 | 200 | 285 | 925 |
| Bloemfontein | 150 | 180 | 350 | 800 |
| Cape Town | 350 | 400 | 450 | 950 |
| Durban | 150 | 200 | 250 | 500 |
| Jhb - East | 110 | 200 | 300 | 450 |
| Jhb - Sandton | 120 | 200 | 300 | 925 |
| Jhb - South | 142 | 267 | 350 | 750 |
| Jhb - West | 125 | 200 | 250 | 750 |
| Neslspruit | 150 | 220 | 350 | 350 |
| PE/EL | 146 | 200 | 257 | 500 |
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| Polokwane | 300 | 325 | 350 | 650 |
| Potchefstroom | 150 | 200 | 250 | 350 |
| Pretoria | 123 | 250 | 300 | 550 |

**Rates Clearance Certificate costs**

Here there was a very big variation, we can only assume that the amounts charged were dependent on the nature of the developments, kind of property transfers and what is necessary to get rates clearance certificates from the various municipalities across the country.

**Recovery of Electronic Bond Instruction Costs**

Almost 50% of firms recover nothing, yet some see fit to recover R550 per transaction! The tables below show per institution the lowest, average (blue marker) and highest amounts recovered per instruction for the big four and Other banks. Responses were insufficient in the last graph in some of the regions to arrive at a meaningful conclusion.

**Fica cost recovery**

Thirty percent of firms do not recover their Fica investigation costs.

**Have you increased the last published conveyancing tariff?**

**Fee discounting and transactional billing mark-ups**

This is an interesting graph showing that almost 80% of firms discount fees at an average rate of 20% with the highest discount offered being 80%. 87% of firms do not mark-up the transactional billing cost and of the remaining 13% who do the mark-up is only 17%.

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| **Average fee discounting and transactional billing mark-ups** |
|  | Fee Discount  | Transactional billing mark-up |
| National | 18 | 17.3 |
| Bloemfontein | 18.75 | 12 |
| Cape Town | 19.1 | 20 |
| Durban | 17.19 | 12.9 |
| Jhb - East | 15.5 | 5 |
| Jhb - Sandton | 21.4 | 23.7 |
| Jhb - South | 23.8 | 14 |
| Jhb - West | 18.7 | 33.9 |
| Neslpruit | 14.58 | 0 |
| PE/EL | 16 | 25 |
| Pietermaritzburg | 17.7 | 9 |
| Polokwane | 18 | 10 |
| Potchefstroom | 12.3 | 0 |
| Pretoria | 19.1 | 14.1 |
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**Conveyancer/Secretary ratio**

The average has moved from over 2 secretaries per conveyancer since our first survey in 2005.

**Salaries of conveyancing secretaries**

Interesting and worthy maybe of a survey by itself, on average secretaries in Sandton do well, yet the average matters lodged per month or which are active are in line with the national average.

**Matters lodged per secretary per month and Active matters per secretary per month**

**Incentivising**

Less than 20% of firms incentivise, so no graph is necessary.

**Downturn**

Almost all firms have had a downturn.

**Other comments, notes and conclusions**

I have included the following comments and notes from respondents to stimulate some debate and more contributions about future surveys.

*Die probleem in die professie met transport werk is dat die eiendomsagent in 90% van die gevalle die transport prokureur aanwys. Die feit dat die Verkoper die reg het om een aan te wys is 'n klug. Die prokureur wat dus die agente die beste kan onthaal en "omkoop" kry noodwendig die meeste transaksies. Wat is doel om as 'n Transportbesorger gekwalifiseer te wees waar firmas op bank panele is wat nie eers en Transportbesorger by hulle firma het nie. Die banke gebruik ons soos pionne wat net moet spring as hulle sê spring.*

*Salary survey for secretaries, clerks, messengers, bookkeepers etc Survey on problems with banks, deeds office, courts, Master's office, SARS, local authorities and other demons we have to deal with Survey on typical costs and overheads e.g. rent, toner, salaries, phones, paper and stationary, entertainment, advertising/marketing etc*

*Surveys on all the software vendors*

*Profession's views on the Electronic Lodgement of Deeds*

*I would like more surveys done especially with regards the problems we have with the Municipalities in obtaining clearances and the Master's office with regard to obtain signatures to Powers ito Sect 42(2) and the obtaining of certified copies of documents for use in the deeds office!!!!*

*How quickly do other conveyancers get rates clearance figures and what is suggested as the quickest route.*

*Conveyancing firms should refrain from offering ridiculous reductions in fees to obtain instructions, as it adversely affects and cheapens the entire industry.*

*I feel that Conveyancing secretaries are exploited. We are made to take all the responsibility of the conveyancer and yet the conveyancers continue to complain about our salaries. Conveyancing secretaries now are being paid peanuts and you know what they say about that "you pay peanuts, you get monkeys"*

*Estate Administration. What are legal firms doing to rescue the market from the Banks who do not do the job properly. If Ghost Digest could do a survey with possibly senior attorneys who do estate administration as a large part of their practice to glean their input on their attitude towards banks administering estates. There is a whole market out there that can once again be returned where it should be, with attorneys.*