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INCREASED LEVIES PAYABLE WHEN THE FLOOR AREA OF A SECTIONAL TITLE IS EXTENDED

The question often arises from which date the owner of a sectional title unit must start to pay the body corporate an increased levy when the floor area of the sectional property is extended as well as the amount they must pay.

Section 32(1) of the Sectional Titles Act 95 of 1986 sets out the formula that is used to determine how much each owner of a sectional title unit must pay for their levies, in accordance with their participation quota. This is calculated by dividing the floor area of the unit by the floor area of all the sections in the scheme/building. The area will then be represented by a percentage correct to four decimal places.

To find the correct floor area associated with each sectional unit, you must look at the sectional plan which is prepared by a qualified land surveyor.

When an owner of a sectional unit enlarges the current floor area, new measurements will be taken, an amended sectional plan drafted and the new sectional plan and application for extension of a unit are registered in the Deeds Office. It is only once these documents are registered that the original percentage of each sectional unit, can be adjusted to reflect the change in floor area.

In the case of Trustees for the Time Being of the Avenues Body Corporate v Shmaryahu and Another (2018), the question was addressed as to when the owner will have to start paying higher levies. The court confirmed that increased levies will only be payable once the plan of extension is registered.

A body corporate may however enter into an agreement with the owner of a sectional title unit to pay increased levies before the registration of the plan of extension.