

Pay levies before legal action – Courtesy Property 24

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Property owners who fall into arrears with their sectional title levies should attempt to remedy the situation before legal action is initiated according to Simone Sulcas, legal adviser at Propell.

She says the company is involved in 16 000 sectional title units around the country and of these about 2 000 are being subjected to legal action as they have fallen behind on their levies and have ignored reminders to pay the outstanding amounts.

She says that while the number of units in arrears may appear high, the company is often appointed only after the schemes are in financial difficulties and we are requested to fix the problems they face.

She says that it is futile for property owners in a sectional title scheme to attempt to fight the legal processes.

“Unless there are exceptional circumstances, legal action will be effective. A debt is a debt and cannot just be ignored. If a debtor buries his or her head in the sand and hopes the problem will go away, all that will happen is the legal fees will increase and the interest on the debt will rise,” Sulcas says.

She points out that in some cases the original debt of R10k has risen to more than R50k because of the additional legal fees and interest charges.

Sulcas says that where a member has a legitimate complaint about the body corporate – arising from, for instance, a leak in the building that is affecting the unit – the court might uphold non-payment of levies until the matter is rectified. But once it is, the levies will still have to be paid.

“The best thing that an owner can do when the levies are in arrears is to make arrangements to pay the outstanding amount as soon as possible so as to reduce the fees and interest. And to keep paying the levies that are due every month,” she says.

“When the chips are down the body corporate – or the property management company – may attach the unit itself. This can take up to two years but it is rare for the management company not to be successful,” she says.